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# Report and accounts

For the year ended 31 March 2015

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Directors' report and financial statements

## **Directors' report**

The Board of Directors presents its report and audited accounts for the year ended 31 March 2015.

### **Vision, mission, and values**

#### **Our vision**

We believe in a world where everyone can lead peaceful, fulfilling lives, free from fear and insecurity.

#### **Our mission**

We work to prevent violent conflict and build safer lives.

We believe there are essential conditions necessary for peace to become established. We work to create environments where:

- people play an active role in preventing and transforming conflict and building peace
- people have access to fair and effective paths to address the grievances and inequalities that drive conflict
- people with influence exercise power to promote just and equitable societies

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

These are not the only conditions needed to bring about peace, but we believe they are particularly important and that Saferworld, with its partners, can help achieve them. This strategy sets out how we will do this.

#### **Our values**

We believe:

- in the worth, equality and dignity of every person, and respect the richness of social and cultural diversity
- inclusivity and accountability are essential in society if people are to enjoy security, justice and peaceful coexistence
- our actions must show honesty, transparency and consistency with our principles and the mission we profess

#### **Our objectives**

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

- Security and justice
- Gender
- External conflict drivers
- Conflict sensitivity
- Inclusive processes

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

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:

- 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.

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## Strategic report

### Review of performance

**2014-15 marked the first year of Saferworld's 2014-17 strategy, *People First*. Despite significant changes in the funding environment and challenges in a number of programme contexts, we successfully built on the previous years' achievements and secured our highest level of income ever.**

Our work focused on five strategic objectives:

- 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.

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.

### 2014-15 in perspective

Last year marked not only Saferworld's 25<sup>th</sup> anniversary but also the first year of our new three-year strategic plan, taking us through years four to seven of our overarching long-term plan. From modest beginnings working for nuclear disarmament and security with just three staff in Bristol, we have grown over the past 25 years into an organisation operating in 20 contexts globally, influencing governments, international organisations, and national stakeholders on issues ranging from security, policing, small arms control and conflict sensitivity to gender and peace – highlighting the role they play in realising more just, equitable and peaceful societies. This growth reflects the changing nature of conflict over time, and the need to consider the wider drivers of violence and instability in order to make a difference.

The link between conflict and development has also become ever more stark – by the end of 2014 more than 50 per cent of the world's poor were living in fragile and conflict-affected states, up from 20 per cent in 2005. The inclusion of a goal on peace, justice and governance in drafts of the emerging (post-MDG) global development framework for 2016-

30 highlights a growing acceptance that peace and justice are fundamental to development – something that has been a core message of Saferworld’s ongoing work.

Reflecting on the impact of the rise of so-called ‘Islamic State’ and ongoing conflicts in Syria and Ukraine – as well as the deteriorating safety and security situation in East Africa and ongoing conflict and violence in South Sudan and Yemen (places Saferworld works) – two things remain constant. Firstly, it is the communities living in conflict that suffer the most; and secondly, it is those same communities that have great potential to make a lasting impact on peace and security.

Indeed, experience with our programmes in Central Asia, South Sudan and the south Caucasus last year reminds us yet again how much positive change can be achieved – even in very testing circumstances – when communities are given a genuine opportunity to engage with their leaders and service providers to address issues critical to their security and peace. Our strategic plan 2014-17, *People First*, reflects this belief and puts people at the heart of peace and security responses.

We also believe we can make a greater difference to people’s lives by adopting a global perspective to our work. Last year, for example, you will see in our report that we began work to catalyse debate on considering constructive alternatives to militarised approaches to counter-terrorism; launched a programme to integrate justice more deeply into our work; and prioritised the relationship between gender, peace and security. We also committed to invest in new programming contexts and after initial scoping, will start new work with communities in Myanmar in 2015-16. These new developments provided Saferworld with greater breadth and impetus to our conflict prevention work.

To achieve our recently revised and updated strategic objectives, we also need to ensure our internal policies and processes keep pace so we can maintain the standards and values which the organisation is committed to. In 2014-15 we invested in new finance and human resource systems, and continued the roll out of our global intranet system designed to bring greater impact and coherence across the organisation. In an increasingly challenging funding and operational environment, these improvements – and others to come – will strengthen

**Achievements**

- 55 new action-oriented community groups were formed across Bangladesh, the Caucasus, Kenya, Kyrgyzstan/Tajikistan, Nepal, South Sudan, and Yemen.
- We published new research on how violent notions of masculinity can fuel conflict.
- We expanded our community security work in South Sudan from two to seven out of ten states.
- We began work to catalyse debate on constructive alternatives to militarized approaches to counter terrorism.
- We were an influential civil society voice in the process to agree new Sustainable Development Goals, for example providing evidence, experience, and policy options on the best indicators to measure progress on peace, governance, and justice issues.

Saferworld's future ability to operate effectively and safely.

## Regional and policy programme highlights

### GREAT LAKES

In **Sudan** we continued to support Sudanese civil society to play an active role in conflict transformation and governance reform, bringing together representatives from across civil society to develop both a joint vision and strategies on issues including the ongoing crisis in Darfur and long-term institutional reforms. We supported civil society organisations to produce and distribute documentaries about the conflict; train young internally displaced persons in leadership skills; and develop powerful advocacy products through an art project with refugees. We helped coordinate and strengthen Sudanese and international civil society's advocacy on the multiple crises in Sudan, particularly around the elections, and gave policymakers in Europe the chance to hear directly from activists living and working in the conflict zones.

2014 saw Saferworld significantly expand our community security work in **South Sudan** to seven out of ten states. As well as building the capacity of new staff and partners in advocacy strategy development, gender awareness, and conflict analysis – and integrating gender across our programming – we conducted community security assessments across all our existing and new locations. The findings are informing programme design in each location as well as our policy and advocacy work.

We undertook peacebuilding and reconciliation scoping studies in the most conflict-affected states, and developed a security providers' engagement strategy for the changed country context given the current conflict. We carried out research and analysis on the role of non-state actors, violence against women, and civil society participation in the Intergovernmental Authority on Development (IGAD)-led peace process. We continued to raise awareness on the dangers of small arms and light weapons, conducting a community-level campaign in our two programme locations in Warrap State. While in our work on rising powers, our publication, *From conflict resolution to conflict prevention: China in South Sudan*, examined the evolution of China's relationship with Sudan and South Sudan.

In **Uganda** we continued to promote and build capacity of stakeholders including communities, district authorities, and civil society on conflict sensitivity. We ensured local voices were heard in the review of the Mining Act, holding consultative meetings with communities in the Karamoja region and facilitating dialogues between mining communities and Moroto district officials. We supported dialogue and trust-building processes in the three land conflict hotspots of Apaa, Purongo, and Otuke. We advocated for the creation of the Technical Land Verification Committee and an Inter-ministerial Committee focused on resolving the Purongo and Apaa conflicts to which we provided technical and expert advice. As a result of our advocacy and awareness raising on land rights, involving government officials in programme activities, and linking local land governance stakeholders and policymakers, we improved the government's response to land conflicts in Northern Uganda

## MIDDLE EAST AND NORTH AFRICA

In 2014-15 we supported Egyptian civil society's efforts to advocate for police reform in **Egypt**, providing technical expertise on topics including democratic policing and mechanisms for police accountability and oversight and expert advice and briefings on legal and operational issues in policing. While police reform has stalled under the current government, Egyptian media and campaigners continue to draw attention to the need for both a more accountable and more effective police force.

Since July 2014 **Libya** has faced an intractable civil war and the fragmentation of authority across two rival governments. While internationally mediated peace talks are ongoing, communities are facing widespread violence and insecurity and civil society activists, including women's activists, have been frequently targeted in the conflict. We championed women's security concerns in both Libya and Egypt, publishing a briefing on violence against women in Libya and undertaking research into police responses to violence against women in Egypt.

In **Yemen** we continued to focus on the analysis and promotion of gender-sensitive security provision, convening government and CSO representatives to discuss legal aid, detention of women, and policing. We also worked hard to raise public awareness on the issues of women's role in security, with over 200 people attending a series of three public debates in Sana'a, Taiz, and Aden. The debates also provided a space for Saferworld to screen a video on women and security in Yemen. Our work to support youth activists continued, and in October 2014 we produced a short film which featured youth from our 'Amplifying Youth Voices' project. They share their experiences of being part of the programme and explain how it is helping them to enhance their advocacy work in their own communities.

At the local level, in Taiz our community security project helped build new relationships and increase trust and understanding between community actors and security providers. A roundtable held in February 2015 brought together civil society and security providers to develop ideas for how to work more collaboratively in the future to address the needs of their communities. Whilst small grants projects by the community action groups led to an increased awareness of the dangers of carrying weapons and drug usage. At the time of going to press, high levels of conflict in Yemen are showing little signs of abating, with economic and political collapse and a humanitarian crisis which is threatening the lives of hundreds of thousands of Yemeni civilians. Our programme in Yemen remains active despite the on-going crisis, but we are also reviewing the focus and strategy of the programme in light of the current situation and changing context, looking to take a more direct peacebuilding approach in affected communities.

## SOUTH ASIA

The 2014 drawdown of international troops in **Afghanistan** has had implications for the security of the entire region, including South and Central Asia. As part of our EU-funded Capacities for Peace programme with Conciliation Resources, we conducted scoping work to assess how Saferworld can most usefully engage in the country and contribute to wider international advocacy on peacebuilding and statebuilding, and trained 15 civil society organisations from Kabul and other provinces of Afghanistan in 'Do No Harm' and conflict sensitivity. We initiated research to extract lessons from Afghanistan on approaches to stabilisation, statebuilding, and counter-terrorism and the impacts these have had on peace and conflict dynamics in the country.

The on-going political crisis in **Bangladesh** means that the need to create safer communities and improve their relationships with security providers has been more pressing than ever. An external evaluation of Saferworld and BRAC's community security project in 2014 found that 176 community action committee members (CACs) in the target districts have the skills and confidence to analyse their local security problems, while 100 per cent of those involved in CACs, youth groups, and the participatory photography project identified two or more areas of personal development as a result of participating in the programme. As part of our Capacities for Peace programme, we continued to increase the capacity of civil society organisations (CSOs) to analyse conflict and develop joint action to manage risks and promote peace, providing training to 54 civil society representatives (including youth and women).

In **Pakistan** we organised workshops with representatives from 15 CSOs to build their capacity in conflict analysis, actor mapping, and early warning and response mechanisms. Continuing our work with local partner CAMP, we organised peacebuilding training workshops for 35 CSOs from Khyber Pakhtunkhwa. Through small grants projects, these CSOs then successfully helped communities to tackle their safety concerns by identifying and addressing issues causing conflict like access to water points or fuel sites. Saferworld also provided ongoing technical assistance to a peacebuilding project, led by Coffey International, by drafting and consulting on the 'gender response' policing policy, and reviewing the guidelines for women's police desks and complaint mechanisms for women.

In **Nepal** we continued to work with local communities to improve their safety and security, which included awareness raising campaigns on safety concerns such as domestic violence, led by the community and youth groups that we support. We strengthened our gender, peace, and security focus by building on research addressing notions of masculinities. This research informed Saferworld's global work on masculinities, conflict, and peace, including Nepalese representation at both the Dutch 'International Conference on Women: Powerful Agents for Peace and Security' and the UN's Post-2015 Beijing Platform at New York in March 2015. Saferworld's Nepal gender experts served as panellists at the MenEngage Alliance's local and global symposiums. Additionally, we conducted regular conflict assessments and continued to build the capacity of local civil society actors to identify and respond to early warning signs of conflict. Following the earthquakes in Nepal in 2015, Saferworld has begun work to ensure that responses are inclusive, participatory, and conflict sensitive.

## HORN OF AFRICA

In **Kenya** we provided technical support to the police reform process, contributing to the finalisation of draft Service Standing Orders that guide the National Police Service in their daily operations and feeding into the operationalisation of the Internal Affairs Unit's complaints management system. Our small arms and light weapons project enabled communities and police in Isiolo and West Pokot counties to improve the arms management standards of the National Police Reserves and reduce potential misuse of their firearms by supporting the development of electronic arms registers and tools for monitoring arms movement among police officers. This has led to a decrease in the communities' need to arm themselves. We used lessons from this work to feed into international forums on small arms and light weapons including the UNODA Programme of Action on small arms.

We carried out conflict analyses of devolution processes in Kisumu, Marsabit, and Isiolo and supported conflict-sensitive devolution by training county officials. The analyses are being used to ensure planning and development processes take conflict dynamics into consideration. Our research into lessons on early warning and early response mechanisms from the Kenya-Uganda border has been used to inform regional discussions and improve civil society organisations' engagement with these mechanisms. We also jointly facilitated a stakeholders' forum on large-scale investments and their county impact, with a particular focus on oil in Turkana County.

In **Somalia/Somaliland** we supported Somali and international civil society's engagement on the Somali New Deal Compact and the Somaliland Special Arrangement, advocating for improved information sharing with civil society by actors engaged in the New Deal. We worked to ensure the Compact's objectives are aligned to the needs expressed by ordinary Somali people and pushed for a greater emphasis on conflict-sensitive approaches in implementation processes, without which the Compact risks limiting the engagement and understanding of those it affects.

We continued to support three non-state actor platforms to play an active role in policy and decision-making. This included facilitating our partner SONSAF to engage on issues of oil exploration, governance, and accountability by bringing the Minister for Mining and Energy and the Minister of the Interior into an open dialogue forum with civil society for the first time. We worked with our Puntland partner PUNSAA to develop responses to internally displaced persons and human rights issues within the region. With our South Central partner SOSSENSA, we engaged with the federal government's parliamentary committees on establishing a committee that will develop a national aid policy framework and provide oversight of aid received. SOSSENSA continues to work on ensuring wider public participation in the constitutional review process as well as ensuring public accountability in both public and private institutions. Saferworld began conducting research with SOSSENSA into peacebuilding and statebuilding needs in the Gedo, Lower Juba, and Middle Juba regions of Somalia.

## EUROPE AND CENTRAL ASIA

2014-15 saw the formal transition of our work in Kosovo to a more regional focus on conflict prevention and peaceful political integration within the **Western Balkans**. To support this, we assessed the core factors which helped establish our successful model of partnership in Kosovo, and developed joint conflict analysis with 14 CSOs and partners from Bosnia and Herzegovina, Kosovo, Macedonia, and Serbia. We continued to feed into regional political and security processes, calling upon parties to improve the way the EU-facilitated dialogue between Kosovo and Serbia has been carried out, and calling upon the Serbian government to immediately stop attacks on freedom of expression in Serbia.

In the **Caucasus** we helped to establish partnerships in Shida Kartli between local partners and community representatives with the Office of the Public Defender of Georgia. As a result of this, problems faced by ethnic Ossetian communities living near the Administrative Boundary Line were addressed at the national level. Our new Youth Engagement Programme in rural South Ossetia gave marginalised young people a chance to speak about issues affecting them and their communities at regional youth conferences attended by local and central authorities.

In **Abkhazia**, we continued to sensitise the Abkhaz police to international best practices on community engagement and accountability. We were joined by a senior Abkhaz police officer on a police reform study visit to Northern Ireland, and a seminar on community-police engagement held in Abkhazia was attended by a wide range of civil society representatives and authority representatives. A series of public campaigns on road safety brought together ethnic Georgian communities and Abkhaz police, contributing to building of positive trust and confidence between them. In **Armenia** and **Azerbaijan** we built the capacity of our community networks through separate study visits to Shida Kartli, and our unique online monitoring database mapped out incidents involving the targeting of civilians and their property, based on information received from local communities. We continued to use our programmes to feed into our policy analysis through the publication of a research paper and briefing focusing on the factors undermining the security and livelihoods of Armenian and Azerbaijani communities living on either side of the state border.

In **Central Asia** we supported local conflict prevention mechanisms – Crime Prevention Centres in Kyrgyzstan and Mahala Committees in Tajikistan – to build constructive relationships and cooperative behaviour between communities (including women and young people) and law enforcement agencies and local authorities, and between ethnic groups in conflict-affected communities in Osh and Jalalabad and across the contested areas of the Kyrgyz-Tajik border. This helped security providers to better connect with the communities they serve. In Kyrgyzstan we built on this local level work at the national level by facilitating a study visit for key Ministry of Internal Affairs officials to the Metropolitan Police in London and the Police Service of Northern Ireland in Belfast. They shared experiences on police

accountability, oversight, community-police relations, public order policing, and how police reform can strengthen communities and support peace and reconciliation.

## SECURITY AND JUSTICE

Recognising the links between injustice and violent conflict, in 2014-15 we started to develop our **Justice as Prevention** approach. We began researching ways to transform the relationships and structures behind people's experiences of injustice to help improve their ability to address grievances non-violently; these approaches will be piloted in up to three countries in 2015-16.

Our efforts to improve people's safety also continued to grow. We used **community security** approaches in 15 countries to help people collectively identify, articulate, and address their security needs – with over 55 new community action groups formed. Lessons from these programmes were synthesised and published in our *Community Security Handbook* which, since its launches in Washington, London, Addis Ababa, New York, Brussels, and The Hague, has provided a much needed reference point for policymakers and practitioners.

At the policy level, we continued to share expert evidence and analysis from our programmes with governments, including the British, Dutch and Swedish, and with the UN Development Programme, UN Office on Drugs and Crime, and other international actors, on technical security and justice issues, such as security sector reform, gender, rule of law, stabilisation, policing, and the difficult question of how to measure changes in security and justice as a result of programming.

## GENDER, PEACE AND SECURITY

In line with our new strategic objective on gender, in 2014-15 Saferworld gathered and disseminated evidence on how gender norms can cause and perpetuate conflict and insecurity. We published a research report, *Masculinities, conflict and peacebuilding: Perspectives on men through a gender lens*, bringing together evidence of how violent notions of masculinity can fuel conflict with analysis of practical approaches to challenging those masculine norms. We launched the report at events in Brussels, Delhi, London, New York, and Washington DC.

In June 2014 Saferworld brought women activists from Libya, Nepal, and Yemen to London to participate in the Global Summit to End Sexual Violence in Conflict, and held a fringe event on the important role of women in policing. We also trained Saferworld staff in London, Bangladesh, and South Sudan, as well as more than 150 officials from the UK and US governments and NATO, on topics such as 'gender and conflict analysis' and 'masculinities and peacebuilding'.

## EXTERNAL CONFLICT DRIVERS

'Terrorism' is a headline issue, yet current approaches to it by both Western countries and across the world have yielded mixed results. In response to this in 2014-15 Saferworld began a new area of work aimed at promoting constructive alternatives to militarised counter-terror and stabilisation approaches. Our discussion paper, *Dilemmas of counter-terror, stabilisation and statebuilding*, identified a number of lessons from counter-terror, stabilisation, and statebuilding efforts in recent decades and highlighted a number of policy and programmatic alternatives. In 2015 we will publish three new country case studies analysing current approaches.

We were delighted when after years of hard work the **Arms Trade Treaty (ATT)** entered into force in December 2014. Saferworld continued to play a key role within the Control Arms Coalition and also promoted compliance with the ATT – for example by developing draft templates for ATT reporting, which are now being considered by participating states. We convened four meetings of the Expert Group on ATT Implementation with participants from governments and civil society across the world. And we pushed the UK Government and EU Member States to demonstrate greater restraint in arms transfers, in particular in relation to the Middle East and North Africa.

We explored options to mitigate the negative effects of other **external conflict drivers**, including evaluating different approaches to tackling transnational organised crime and its links to violence, conflict, and insecurity. We published research on external stress factors that lead to conflict, including flows of finance, arms, drugs, and other 'conflict commodities'.

## CONFLICT SENSITIVITY

In 2014-15 Saferworld continued to engage actively in discussions on the **Sustainable Development Goals** that will replace the Millennium Development Goals after 2015. We provided timely and in-depth policy and technical responses on how to integrate peace issues into the new goals, targets, and indicators framework. We also organised influential dialogues with other key advocates of the peace agenda, such as G7+ countries and the African Union, which made peace and security a key pillar in its Common Position. Our efforts contributed to an agreement by UN Member States to include a new goal to promote peace, justice, and governance in the draft framework. The ongoing negotiations on the Sustainable Development Goals are now focusing on how to finance, implement, and monitor the agreed goals and targets. To support this, Saferworld has provided evidence, experience, and policy options on the best indicators to measure progress on peace, governance, and justice issues.

We raised awareness with **rising powers** about the implications of changing global dynamics for peace and dialogue; and advocated with them about their engagement in conflict-affected states. We engaged with partners, the policy community, and authorities in five influential states – Brazil, China, India, South Africa, and Turkey – on the inclusion of peace within the Sustainable Development Goals. Saferworld's policy research, advocacy,

and facilitation of dialogue contributed to their acceptance in December 2014 of the draft goals. In addition, we researched the roles of rising powers in specific conflict-affected contexts. This included a ground-breaking study of Turkish aid to Somalia, and research on the implications for peace and stability in Central Asia of Russia and China's roles within the region.

As part of our promotion of **conflict-sensitive approaches** to development, humanitarian, and commercial activities in conflict-affected contexts, we worked with a range of international donors to review country strategies, shape priorities, develop guidance materials, and deliver training on integrating conflict sensitivity into their programmes and policies across more than 15 countries. We increased our capacity to promote conflict sensitivity with corporate actors, including Chinese companies working in conflict-affected contexts. For example, we completed a conflict analysis of a planned Chinese hydro-electric power project in South Sudan and designed and facilitated a series of workshops for Chinese investors in conflict-affected countries to build their capacity on conflict sensitivity and promote more responsible business behaviours.

## **INCLUSIVE POLITICAL PROCESSES**

In 2014-15 we continued working in a range of countries and at the international level to promote inclusion, responsiveness, and accountability as key foundations for successful peace initiatives. At the international level we worked in coalitions towards the hoped-for commitments within the sustainable development goals to promote fundamental freedoms: participatory decision-making, governance and access to justice, legal identity, and access to information.

At the country level we promoted participation by civil society in key national and international political processes, such as the review of the Mining Act in Uganda, the EU-facilitated dialogues between Kosovo and Serbia, and around devolution processes in Kenya. Our work in Yemen continued to strengthen the voices of those marginalised from political processes, including youth and women. We also supported civil society networks to make their voices heard in processes to develop the Somali New Deal Compact and the Somaliland Special Arrangement – major international initiatives to support peacebuilding in each case. In Sudan we continued to support Sudanese civil society to play an active role in conflict transformation and governance reform, bringing together representatives from across civil society to develop a joint vision and strategies on issues including the ongoing crisis in Darfur and long-term institutional reforms.

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

### **Review of the year**

Income was £10.4m in 2014-15, representing 94% of income received in 2013-14 (£11.1m). Our funding continues to come from a range of government and institutional donors with the largest four (UK Government, The Netherlands Government, European Commission and US Government) contributing 78% of funding (£8.1m). DFID continues to be our largest single source of funds (£2.3m = 22% of total income).

Expenditure in 2014-15 was 36% higher than the previous year at £12.3m (2013-14: £9.0m) as funds were spent that were received in the prior year. Unrestricted reserves had been growing in previous years to a level above our policy level. The trustees therefore felt able to spend £0.3m of unrestricted reserves in the year on investment projects to build our skills in new countries and regions, as well as investing in finance and HR systems.

Programme expenditure (excluding allocated support costs) represented 90% of total expenditure in 2015 (2014: 88%). Support costs increased by 19% in the year but continued to fall as a percentage of total expenditure, from 9.7% to 8.4%, 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
- 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**

2015 is the second year of the three-year strategy period which builds on our strategic development during 2011-14 and strong growth.

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

We currently expect activity levels in 2015-16 to be lower than 2014-15 due to the ending of some major grants and instability in the Middle East and North Africa region. However, due to the fluid nature of the environments in which we work, activity will increase in some countries and our expectations may be exceeded overall.

During the year we intend to:

- build on our current programmes in South Sudan and South Asia
- 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
- maximise benefit from the new Finance and HR systems.

## Reserves policy and reserve levels

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

Our reserves policy:

- a) ensures that reserves 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 designated reserves and the fixed assets of the charity, are £0.7m (2014 £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

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, 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

### Trustees

Godfrey Allen  
 Alan Barlow (*retired January 2015*)  
 Stephanie Blair\*  
 Malcolm Chalmers  
 Owen Greene (*Chair*)  
 Georg Frerks\*  
 Eleanor Gordon\*  
 Alice Hills  
 Sally Joss  
 Lord Judd of Portsea  
 Jeremy Lester  
 Lars-Erik Lundin\*  
 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)

*\*From July 2015*

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 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 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 30 October 2015 and signed on its behalf by:

A handwritten signature in black ink, consisting of a large, stylized 'O' followed by 'G' and 'Greene' written in a cursive script.

Owen Greene – Director and Trustee (Chair)

## Independent auditor's report to the members of Saferworld

We have audited the financial statements of Saferworld for the year ended 31 March 2015, 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](http://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 2015 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

## 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: 30 October 2015

## Statement of financial activities

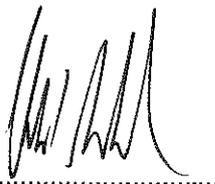
	Notes	Unrestricted funds £ '000	Restricted funds £ '000	Total 2015 £ '000	Total 2014 £ '000
<b>INCOMING RESOURCES</b>					
<b>Incoming resources from generated funds</b>					
Voluntary income	2	127	-	127	155
Investment income	2	1	-	1	3
<b>Incoming resources from charitable activities</b>					
	2	2,332	7,892	10,224	10,911
<b>Total incoming resources</b>		<u>2,460</u>	<u>7,892</u>	<u>10,352</u>	<u>11,069</u>
<b>RESOURCES EXPENDED</b>					
Costs of generating funds	3	213	-	213	204
Charitable activities	4	2,479	9,486	11,965	8,718
Governance costs	6	85	-	85	87
<b>Total resources expended</b>		<u>2,777</u>	<u>9,486</u>	<u>12,263</u>	<u>9,009</u>
<b>Net incoming resources</b>	7	(317)	(1,594)	(1,911)	2,060
Fund balances brought forward at 1 April 2014		1,198	3,620	4,818	2,758
<b>Fund balances at 31 March 2015</b>	13	<u>881</u>	<u>2,026</u>	<u>2,907</u>	<u>4,818</u>

There were no recognised gains or losses in 2015 or 2014 other than those included above. The notes on pages 25 to 37 form part of these accounts.

**Balance sheet as at 31 March 2015**

		<b>2015</b>	<b>2014</b>
	<b>Notes</b>	<b>£ '000</b>	<b>£ '000</b>
<b>FIXED ASSETS</b>			
Tangible assets	10	285	71
<b>CURRENT ASSETS</b>			
Debtors and prepayments	11	2,228	1,816
Cash at bank and in hand		1,539	3,494
		<u>3,767</u>	<u>5,310</u>
<b>CREDITORS: Amounts falling due within one year</b>	12	<b>(1,145)</b>	<b>(563)</b>
		<u>2,623</u>	<u>4,747</u>
<b>NET CURRENT ASSETS</b>		<b>2,623</b>	<b>4,747</b>
		<u>2,907</u>	<u>4,818</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>2,907</b>	<b>4,818</b>
		<u>2,907</u>	<u>4,818</u>
<b>FUNDS</b>			
Restricted funds	13	2,026	3,620
Unrestricted funds – designated funds	14	77	182
Unrestricted funds – other funds	14	804	1,016
		<u>2,907</u>	<u>4,818</u>
		<u>2,907</u>	<u>4,818</u>

The financial statements were approved by the Trustees and authorised for issue on 30 October 2015 and signed on their behalf by:



Charles Marshall  
Director and Trustee (Treasurer)



O Greene  
Director and Trustee (Chair)

The notes on pages 25 to 37 form part of these accounts.

**Cash flow statement**

	<b>2015</b>	<b>2014</b>
	<b>£ '000</b>	<b>£ '000</b>
<b>Reconciliation of net surplus to net operating cash flow</b>		
Net incoming resources	(1,911)	2,060
Depreciation	75	44
(Increase)/decrease in debtors	(413)	(319)
Increase/(decrease) in creditors	582	120
Investment income	(1)	(3)
Loss on disposal of fixed assets	-	-
	<hr/>	<hr/>
<b>Total incoming resources</b>	<b>(1,667)</b>	<b>1,902</b>
	<hr/>	<hr/>
<b>Returns on investments and servicing of finance</b>		
Interest received	1	3
<b>Capital expenditure and financial investments</b>		
Purchase of tangible fixed assets	(289)	(114)
	<hr/>	<hr/>
<b>Net increase/(decrease) in cash in the year</b>	<b>(1,955)</b>	<b>1,791</b>
	<hr/>	<hr/>
<b>Reconciliation of net cash inflow to movement in net cash funds</b>		
<b>Cash as at 1 April</b>	<b>3,494</b>	<b>1,703</b>
Increase/(decrease) in cash in the year	(1,955)	1,791
	<hr/>	<hr/>
<b>Cash as at 31 March</b>	<b>1,539</b>	<b>3,494</b>
	<hr/> <hr/>	<hr/> <hr/>

The notes on pages 25 to 37 form part of these financial statements.

## **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 £1,000. Depreciation rates write off fixed assets over their expected useful lives as follows:

Office furniture and equipment	25% straight line
Computer equipment	33-50% straight line
Motor vehicles	over the life of the project funding the purchase

**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.

<b>2. INCOMING RESOURCES – restricted funds</b>	<b>2015</b>	<b>2014</b>
	<b>£ '000</b>	<b>£ '000</b>
Ministry of Foreign Affairs, The Netherlands	1,558	1,548
European Commission	1,401	2,306
US Department of State	1,299	596
UK Foreign and Commonwealth Office	721	719
The State of the Netherlands (Netherlands Embassy, Juba)	591	795
Drivers of Accountability	340	52
UK Department for International Development (DFID)	269	363
Ministry for Foreign Affairs of Finland	253	293
Refugee Law Project, Uganda (DFID funds)	311	272
USAID Nepal	179	85
Control Arms (Norwegian Ministry of Foreign Affairs funds)	132	-
Humanity United	111	92
International Development Research Centre	98	101
Oxfam Novib	59	124
Swedish Ministry of Foreign Affairs	50	278
Anonymous donor	21	185
Swedish International Development Agency	-	187
Ministry of Foreign Affairs, Denmark	-	161
Institute for Foreign Cultural Relations, Germany - ZIVIK	-	101
Other smaller grants < £100,000	499	341
	<u>7,892</u>	<u>8,599</u>

**The restricted income from DFID comprises the following grants:**

Conflict Prevention Partnership for the 21st Century: China and the UK	150	-
Rising Powers Post 2015 Phase 2 project	89	-
Conflict, Crime and Violence Results Initiative	30	71
Advocacy With Emerging Powers	-	195
Towards Peaceful and Secure 2012 Presidential Election in Kenya	-	97
	<u>269</u>	<u>363</u>

<b>INCOMING RESOURCES - unrestricted funds</b>	<b>2015</b>	<b>2014</b>
	<b>£ '000</b>	<b>£ '000</b>
UK DFID - Programme Partnership Arrangement	1,739	1,739
Swedish International Development Agency	593	391
Other income (consultancy, other donations)	127	337
Investment income	1	3
	<u>2,460</u>	<u>2,470</u>
	<u><u>2,460</u></u>	<u><u>2,470</u></u>

<b>3. COST OF GENERATING FUNDS</b>	<b>2015</b>	<b>2014</b>
	<b>£ '000</b>	<b>£ '000</b>
Staff costs	153	155
Direct costs	23	10
Support costs	37	39
	<u>213</u>	<u>204</u>
	<u><u>213</u></u>	<u><u>204</u></u>

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.

<b>4. COSTS OF CHARITABLE ACTIVITIES</b>	<b>2015</b>	<b>2014</b>
	<b>£ '000</b>	<b>£ '000</b>
Staff costs	4,105	3,244
Direct costs	6,874	4,655
Support costs	986	819
	<u>11,965</u>	<u>8,718</u>
	<u><u>11,965</u></u>	<u><u>8,718</u></u>

<b>5. SUPPORT COSTS</b>	<b>2015</b>	<b>2014</b>
	<b>£ '000</b>	<b>£ '000</b>
<b>ALLOCATED TO:</b>		
Charitable activities	986	819
Cost of generating funds	37	39
Governance costs	12	12
	<u>1,035</u>	<u>870</u>
	<u><u>1,035</u></u>	<u><u>870</u></u>
<b>Support costs consist of:</b>		
Staff costs	363	289
Office costs	443	324
Other charitable expenses	229	257
	<u>1,035</u>	<u>870</u>
	<u><u>1,035</u></u>	<u><u>870</u></u>

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

<b>6. GOVERNANCE COSTS</b>	<b>2015</b>	<b>2014</b>
	<b>£ '000</b>	<b>£ '000</b>
Staff costs	50	48
Audit and accountancy fees	14	14
Other expenditure	9	13
Support costs	12	12
	<u>85</u>	<u>87</u>
	<u><u>85</u></u>	<u><u>87</u></u>

<b>7. NET INCOMING RESOURCES IN THE YEAR</b>	<b>2015</b>	<b>2014</b>
	<b>£ '000</b>	<b>£ '000</b>
The net incoming resources in the year is stated after charging:		
Operating lease rental	3	3
Auditors' remuneration - as statutory auditors	12	12
Auditors' remuneration – other fees	35	33
	<u>          </u>	<u>          </u>

<b>8. STAFF COSTS</b>	<b>2015</b>	<b>2014</b>
	<b>£ '000</b>	<b>£ '000</b>
Wages and salaries	4,149	3,329
Social security	258	219
Pension costs	265	189
Life assurance	74	46
	<u>          </u>	<u>          </u>
	<u>4,746</u>	<u>3,783</u>

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

	<b>Number</b>	<b>Number</b>
Programmes	133	104
Fundraising	7	7
Governance and support	9	8
	<u>          </u>	<u>          </u>
	<u>149</u>	<u>119</u>

Four employees earned between £60,000 and £69,999 in the year: (2014: four employees) and one employee earned between £70,000 and £79,999 (2014: one). Pension costs for these staff amounted to £29,051 (2014: £19,000).

**9. TRUSTEES' REMUNERATION AND REIMBURSED EXPENSES**

The trustees received no remuneration for their services during the year (2014: Nil). During the year three trustees received reimbursement of the following expenses:

	<b>2015</b> <b>£ '000</b>	<b>2014</b> <b>£'000</b>
Expenses, comprising of travel, related accommodation and communications costs	4	3
	<u>4</u>	<u>3</u>

<b>10 TANGIBLE FIXED ASSETS</b>	<b>Motor vehicles</b>	<b>Fixtures, equipment &amp; computers</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
At 1 April 2014	112	18	130
Additions	193	96	289
Disposals	-	(8)	(8)
At 31 March 2015	305	106	411
	<u>305</u>	<u>106</u>	<u>411</u>
<b>Depreciation</b>			
At 1 April 2014	44	15	59
Charge for the year	73	2	75
Disposals	-	(8)	(8)
At 31 March 2015	117	9	126
	<u>117</u>	<u>9</u>	<u>126</u>
<b>Net book value</b>			
At 31 March 2015	188	97	285
	<u>188</u>	<u>97</u>	<u>285</u>
At 31 March 2014	68	3	71
	<u>68</u>	<u>3</u>	<u>71</u>

<b>11 DEBTORS</b>	<b>2015</b>	<b>2014</b>
	<b>£ '000</b>	<b>£ '000</b>
<b>Due within one year</b>		
Prepayments	368	449
Amounts due from donors	1,824	1,258
Other debtors	36	109
	<u>2,228</u>	<u>1,816</u>
	<u><u>2,228</u></u>	<u><u>1,816</u></u>
<b>12 CREDITORS: amounts falling due within one year</b>	<b>2015</b>	<b>2014</b>
	<b>£ '000</b>	<b>£ '000</b>
Creditors	888	300
Other taxes and social security	78	55
Accruals	179	208
	<u>1,145</u>	<u>563</u>
	<u><u>1,145</u></u>	<u><u>563</u></u>

**13 SUMMARY OF FUND BALANCES**

	<b>1 April 2014 £ '000</b>	<b>Incoming resources £ '000</b>	<b>Outgoing resources £ '000</b>	<b>31 March 2015 £ '000</b>
<b><u>Restricted funds</u></b>				
Cross regional, South Sudan, Yemen, Bangladesh: The Netherlands government, Improving conditions for reconstruction and development	401	1,210	(1,313)	298
South Sudan: Community Policing and Community Security Programme	760	591	(996)	355
Sudan: US State Department, Supporting Peace and Stability	41	855	(900)	(4)
Cross regional, European Commission Capacities for Peace	440	512	(749)	203
Somalia non-state actors involvement in Peace, Security and Development	-	726	(677)	49
Kyrgyzstan: US State Department, Community Security Effectiveness	-	444	(444)	-
Kenya: The Netherlands, Comprehensive police reforms	145	243	(388)	-
Uganda: DFID Refugee Law Project	20	311	(331)	-
Kenya: Finnish Ministry for Foreign Affairs	231	253	(290)	194
Swedish Ministry for Foreign Affairs	258	-	(258)	-
Kenya Drivers of Accountability Programme	45	340	(232)	153
EC Somalia reconciliation	220	185	(209)	196
FCO Central Asia	-	178	(178)	-
South Sudan: Sida, Public Safety and Security	192	-	(149)	43
China European Commission Dialogue Project, China, Europe, Africa	185	(37)	(148)	-
Somalia: European Commission non-state actor development	125	(12)	(113)	-
Nepal: USAID	35	179	(141)	73
Other smaller projects	522	1,914	(1,970)	466
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total restricted funds</b>	3,620	7,892	(9,486)	2,026
All unrestricted funds (Note 14)	1,198	2,460	(2,777)	881
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total reserves</b>	4,818	10,352	(12,263)	2,907
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

**Cross regional work**

Saferworld's largest project is funded by the government of The Netherlands. 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.

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 the Middle East and North Africa, Central Asia, South Asia, Africa and South America. The work includes 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 Non-State Actors 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. The Somalia reconciliation project aims to improve inclusive, transparent and accountable governance at all levels of government in South Central Somalia and Jubaland.

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.

The Drivers for Accountability Programme (DAP) aims to influence and support national-level devolution institutions and county governments to adopt responsive, participatory and conflict sensitive governance practices.

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 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 UK Foreign and Commonwealth Office (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 European Commission 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 and other donors have 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, multilateral actors and other global stakeholders both at the country level and among decision makers in New York.

The Finnish government is funding 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, 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 2015 £ '000
UK DFID - Programme Partnership Arrangement	-	1,739	(1,739)	-
Swedish International Development Agency	-	593	(593)	-
Other unrestricted income	1,198	128	(445)	881
	<u>1,198</u>	<u>2,460</u>	<u>(2,777)</u>	<u>881</u>
<b>Reserve analysis</b>	<b>£ '000</b>	<b>£ '000</b>	<b>£ '000</b>	<b>£ '000</b>
Designated reserves	182	-	(105)	77
Other unrestricted reserves	1,016	2,460	(2,672)	804
	<u>1,198</u>	<u>2,460</u>	<u>(2,777)</u>	<u>881</u>

The UK Department for International Development (DFID) provided £1,739,000 under a Programme Partnership Arrangement and the Swedish International Development Agency (Sida) provided £593,000 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.

<b>15. ANALYSIS OF NET ASSETS BETWEEN FUNDS</b>	<b>Restricted</b>	<b>Unrestricted and designated</b>	<b>Total</b>
	<b>£ '000</b>	<b>£ '000</b>	<b>£ '000</b>
Tangible fixed assets	183	102	285
Net current assets	1,843	779	2,622
	<hr/>	<hr/>	<hr/>
Total net assets	2,026	881	2,907
	<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:

	<b>2015</b>	<b>2014</b>
	<b>£ '000</b>	<b>£ '000</b>
Expiry date:		
Under one year	69	
Within 2 to 5 years		69
	<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.