

# **CONCILIATION RESOURCES**

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

**FOR THE YEAR ENDED**

**31 DECEMBER 2023**

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## CONCILIATION RESOURCES

## REFERENCE AND ADMINISTRATIVE DETAILS YEAR ENDED 31 DECEMBER 2023

### Directors and Trustees

Ms D Good - Chair (resigned 28th Nov 2023)  
Mr A Peck - Treasurer (resigned 28th Nov 2023)  
Ms C Cheng  
Mr G Graham  
Ms N Hatendi  
Ms D Hutter  
Mr J Jinnah  
Ms J Kemp  
Ms L Muir (resigned 28<sup>th</sup> February 2024)  
Ms L Moore - Interim Chair  
Mr H Raine (appointed 29th July 2023)  
Ms M Fearon (appointed 29th July 2023)  
Mr N Griffin (appointed 17th Oct 2023)

### Company Secretary

Mr T Hansen (resigned 17th Oct 2023)  
Mr G Salmon (appointed 28th Nov 2023)

### Executive Management Team

Mr J Cohen - Executive Director  
Mr T Hansen - Chief Operating Officer (resigned 8th Nov 2023)  
Mr G Salmon - Interim Chief Operating Officer (appointed 1st Nov 2023)  
Dr T Dumasy - Research, Advisory and Policy Department Director  
Ms L Aumeer - Europe-Asia Department Director  
Mr C O'Toole - South East Asia and Pacific Department Director  
Mr A Abdi - Africa Department Director  
Mr M Baah - Finance Director

**UK Company Number**

03196482

**UK Charity Number**

1055436

**Registered Office**

Unit 1.1, 1st Floor  
The Grayston Centre  
28 Charles Square  
London, N1 6HT

**Auditor**

Haysmacintyre LLP  
10 Queen Street Place,  
London EC4R 1AG

**Bankers**

Royal Bank of Scotland  
40 Islington High Street  
London N1 8XJ

COIF Charity Deposit Funds  
80 Cheapside  
London EC2V 6DZ

The Directors, who are the Trustees of the charitable company, present their report and audited accounts of the charity for the year ended 31 December 2023. The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Second Edition effective 1 January 2019).

## **Structure, Governance and Management**

### ***Governing Document***

Conciliation Resources is a Company limited by guarantee without share capital. The Company was incorporated on 9th May 1996 and is a registered charity constituted as a limited company under the Articles of Association. The charity registration number is 1055436 and the company registration number is 03196482.

### ***Organisation***

#### **Board**

Conciliation Resources is governed by a Board of Trustees that meets four to six times a year. During 2023, all meetings were held in hybrid format, in person and online. Financial and management reports are provided quarterly to the Board of Trustees, including information on programme and policy progress, restricted and unrestricted funds, risk management and staff wellbeing. Risk management and Keeping People Safe were central topics during all meetings in 2023. Alongside 'day to day' governance, during the year the Board oversaw:

- A complete Risk Register and incident review as well as quarterly 'top risks' papers
- Quarterly reporting from a Board and staff Diversity and Inclusion Committee, a Risk and Audit Committee, and a Safeguarding Committee and annual reporting from the Board Remuneration Committee (which reviews EMT salaries)
- A review of the organisation's three year financial forecast, financial model and sustainability plan
- A review of the organisation's work in Ethiopia, Kashmir, Papua New Guinea and the Philippines
- A review of the organisation's strategic priorities

#### **Executive Management Team**

The Executive Management Team (EMT) includes the Executive Director, the Chief Operating Officer, the Research, Advisory and Policy Department Director, the three Programme Department Directors (Europe-Asia, Africa, South East Asia and Pacific) and the Finance Director.

The EMT meets fortnightly to discuss cross-organisational issues. The EMT is responsible for supporting the Executive Director in managing and overseeing the organisation. The EMT is the principal management decision-making body on strategic issues or matters of significant operational importance or risk. EMT members have delegated responsibility and accountability for decision-making as defined by parameters given to them by the Executive Director in their job descriptions or on an ad hoc basis. Further details of EMT workings are defined in EMT Terms of Reference.

Decisions and decision making are guided by our organisational values of Collaboration, Creativity, Challenge, Commitment. We strive to keep in mind these principles in both our external work and in how we operate internally, with an awareness that all decision making must consider what is achievable, realistic, timely and for the benefit of the organisation as a whole over the short, medium and long term.

***Organisation (continued)*****Team Leader's Forum**

The EMT is supported by a Team Leader's Forum (TLF) made up of senior staff from across Conciliation Resources. This group meets every quarter and functions as a forum for consultation, input and feedback to the EMT and to all staff. This is a two way function as TLF members bring ideas and challenges from their respective teams and also communicate decisions and information from the EMT to their teams. Further details of TLF workings are defined in the TLF Terms of Reference.

**Global Locations and Staff**

With around 80 staff globally, around half of our staff are based in London, with staff also in Australia, Central African Republic, the Philippines and Ethiopia. These offices are set up in order to ensure awareness of, and compliance with, local laws and regulations as well as appropriate integration and coordination with our partners and the broader sector within the relevant area.

We also have a close connection with Conciliation Resources EU, an independent organisation registered in Germany with staff in Belgium. Conciliation Resources EU is the face of Conciliation Resources in Brussels to the European institutions and EU Member States. Our Brussels team focuses on providing mediation support expertise and policy advice on specific thematic and geographic peacebuilding priorities.

Within the three Programme Departments, each Programme Director is responsible for the management of their area of work and the organisation actively provides opportunities for mutual support and learning. Each Programme Director is assisted by project staff and very occasionally volunteers. In addition to its in-house staff, Conciliation Resources works closely with external consultants.

Pay and remuneration for key management personnel is set by reference to the grading and salary structure which is reviewed and benchmarked regularly and is transparent within the organisation. The Board of Trustees sets the pay of the Executive Management Team each year through a Remuneration Committee, within the parameters of the grading, salary structure and sector benchmarking applied to all Conciliation Resources staff.

***Recruitment and Appointment of Trustees***

As set out in the Articles of Association, the Board of Trustees of Conciliation Resources nominates the Chair of the Trustees. A vice-chair is also informally appointed on a rotating basis. The Trustees are also the Directors and members of the Company. The Board of Trustees has power to appoint additional Trustees as it considers necessary and regularly reviews the required skills and the organisational policy underlying the role of the board of Conciliation Resources.

Ahead of the departure of two long serving trustees including the Chair, three new trustees were appointed in 2023. Following an unsuccessful recruitment process for a new Chair, an Interim Chair was appointed, and will remain in position until a new Chair is appointed. The Trustees in office and up to the date of this report are set out on page 2.

- The Risk and Audit Committee, which consists of four Trustees, the Finance Director and the Chief Operating Officer / Company Secretary, oversaw the annual statutory audit process and supported the monitoring and updating of the organisational Risk Register, including an increased focus on financial risks.
- Two trustees acted as designated Safeguarding Trustees as part of the Keeping People Safe Committee, meeting with the Chief Operating Officer / Company Secretary and safety and compliance staff four times a year with additional communications as required. The Chair also attends these meetings.
- The Board and Staff Diversity and Inclusion Committee consists of four Trustees and four staff, including the Chair and Executive Director.
- The Remuneration Committee consists of the Chair, and chairs of the sub committees.

We are very fortunate to have on our Board trustees with a depth of experience and understanding of charity and financial management, and of peacebuilding, with the dedication and commitment to support this work. Thorough evaluations of the Chair and Executive Director were undertaken in 2023.

***Trustee Induction and Training***

The Trustees maintain a good working knowledge of charity and company law and best practice through training sessions provided internally and by external consultants. New Trustees are given copies of the Articles of Association, supporting information on Conciliation Resources' work and relevant organisational policies, and hold a series of meetings with key staff from across the organisation in a structured induction led by the Executive Director. These meetings provide access to staff for all Trustees in order to find out more about Conciliation Resources' ongoing work. At the same time, it provides a chance for staff to understand some of the experiences and strengths that are available to them, and more broadly across Conciliation Resources, at Board level.

As part of the on-going development of each Trustee's understanding of Conciliation Resources and its work, when training is not scheduled, on the morning or afternoon of each Board meeting sessions are arranged between Trustees and staff at which key topics or areas of work are explored and insights shared.

***Related Parties and Collaborations***

Conciliation Resources has close working relationships with other charities and organisations (local and international) with which it cooperates in pursuit of its charitable objectives. This includes collaborative project partnerships, consortium initiatives and cooperative networks. Conciliation Resources currently works with more than 80 partners globally.

***Management of risks***

Major risks to which the charity is exposed (governance, reputational, legal, political, financial, programmatic), as identified by the Trustees after consolidation of information from all teams, are compiled in a Risk Register and reviewed at least bi-annually or more frequently as needed. An initial review is conducted by the Risk and Audit Committee before the Risk Register is presented to the entire Board. The Risk Management Policy details the project and departmental approach to risk identification and management and the method for feeding that analysis into the organisational register.

**Work environment**

As the nature of Conciliation Resources' work involves countries affected by conflict, the security situation in these countries is more frequently reviewed via a structured 'Programme Security Plan' involving in depth safety and security due diligence which incorporates safeguarding, complemented with external monitoring services. We seek to take all appropriate steps to avoid undue risk to staff and project partners, in line with laws and regulations as well as our organisational and an individual's risk appetite. Systems developed to mitigate these risks include staff safety and security policies and guidelines, Safety and Security Due Diligence and spot check processes, as well as hostile environment awareness training (HEAT). Conciliation Resources contracts external suppliers to provide security information, trip pre-briefing, contingency planning and emergency response. In addition, Conciliation Resources has different insurance policies in place to support staff travelling to, or in, conflict zones.

**Financial Risk**

The external funding environment continues to be challenging, with a general reduction in available peacebuilding funding, particularly unrestricted funding. Funding is increasingly short term with greater levels of regulatory and compliance requirements.

There continues to be a diversion of government and private funding to immediate humanitarian and other needs related to the war in Ukraine. The risk that insufficient funds will be generated for some of our programmes has been classified as high and is monitored closely by the Executive Management Team, which has undertaken financial contingency planning. Department Directors are responsible for sufficient fundraising and are supported to pursue their fundraising plans by the rest of the organisation.



**Financial Risk (continued)**

In 2023, following the election of a new government in Sweden, we were notified by our core unrestricted donor Swedish International Development Cooperation Agency (Sida) that the new national government had reduced its available funding and as a result our funding would be reduced at short notice by around £350,000 (23% of our Sida's funding for the year). These cuts were responded to without closure of peacebuilding work but with some impact on our organisational development and support teams as well as the programme teams.

In 2023, analysis was undertaken on CR's financial model, which led to a greater focus on achieving appropriate levels of Support Cost Recovery (SCR) from restricted funding. Despite the aforementioned cut, we continued to increase our restricted funding grants. During 2023, outreach was undertaken to all European state donors, maintaining the organisation's reputation with key stakeholders, which is an important element to renewing existing contracts and winning new tenders. We also undertook targeted outreach to Trusts and Foundations. Investment made in 2022 has resulted in a steady stream of low-level individual giving in 2023.

***Fundraising Activities***

In 2023, our income was mainly derived from institutional donors, with small additional amounts from trusts and foundations and individuals. We did not work with professional fundraisers and donations from members of the public totalled less than 1% of income. We do not anticipate this increasing in the next few years. Management and the Development Team, which manages organisational fundraising, stayed abreast of recognised public fundraising standards. We are registered with the Fundraising Regulator, showing our commitment to abide by the Code of Fundraising Practice and the Fundraising Promise. In 2023, no complaints were received in relation to our fundraising activities.

We maintained and developed relationships with existing institutional donors and sought to diversify our income by focussing fundraising research and engagement efforts on a prioritised list of governments to develop relationships, raise our profile and position ourselves to successfully bid for funding. We took on a new core donor, the Finnish Ministry of Foreign Affairs, and brought in new project funding from the French Ministry for Europe and Foreign Affairs. After completing requisite due diligence, we secured a place on the UK Government's Conflict Stability and Security Fund framework, and joined two separate successful bids as subcontractors to two Lots on the UK Government's Global Development Delivery Framework. We continued to engage with a range of small trusts and foundations in the UK and US, and secured limited levels of new and recurring funding. We focussed on strengthening fundraising capacity across the organisation including through bid-writing training and a workshop on fundraising with an external consultant.

***Keeping People Safe***

Safeguarding is a responsibility of the entire Board, with the Board's Safeguarding (Keeping People Safe) Committee leading on this area of work. The Committee is made up of the Chair of the Board and 2-3 Safeguarding Trustees, one of whom chairs the Committee. The Committee, which meets on a quarterly basis is supported by the Chief Operating Officer and the International Safety and Compliance Manager.

All concerns raised have been investigated and responded to. During the year, we continued with the multi-day 'Keeping People Safe' sessions with our partner organisations. The team responded to a total of 9 Keeping People Safe concerns during the year. There were a further 14 general incidents / concerns which were also responded to.

We continue to develop our systems, processes and policies in this area including our Risk Management Policy, Keeping People Safe Policy, Safety and Security Policy and Programme Security Plans.

Among other policies, our Complaints Policy and Data Protection Policy are available on our website.

***Staff Wellbeing***

During 2023, in order to mitigate the funding cut from Sida, CR undertook a redundancy programme that negatively impacted staff wellbeing and mental health. To mitigate its impact, CR introduced Mental Health Days, with each employee entitled to take one Mental Health Day as additional leave each quarter. A London office move also significantly improved the working environment and resulted in greater socialisation between employees using that office. The organisation has a Wellbeing Coordination Group of senior staff, Employee Assistance Programme, Mental Health First Aiders and free anonymous counselling at their own discretion. Line managers are provided with line management training and tools. CR continues to improve our systems, processes and policies to provide required support services.

***Public Benefit Statement***

The Trustees consider that they have complied with Section 17 of the Charities Act 2011 with regard to the guidance on public benefit published by the Charity Commission. The paragraphs below demonstrate the public benefit arising through the Charity's activities.

***Objectives and activities***

Conciliation Resources is an independent international organisation working with people in conflict to prevent violence, resolve conflicts and promote peaceful societies. We commit to providing our assistance, expertise and practical resources for the long-term. In addition, we share what we learn from our work with partners to government decision-makers and others working to end conflict, to improve policies and practice worldwide. Since 1996, Conciliation Resources has worked in partnership with local and international civil society actors, helping people work together to find their own solutions to the conflicts affecting them.

**Our vision** is a world where people work together to resolve conflicts and promote peaceful and inclusive societies.

**Our mission** is to provide practical support to help people affected by violent conflict achieve lasting peace. We draw on our shared experiences to improve peacebuilding policies and practice worldwide.

The Trustees have paid due regard to the Charity Commission's Guidance on Public Benefit when determining the activities of Conciliation Resources which has the purposes of: "the advancement of human rights, conflict resolution or reconciliation or the promotion of religious or racial harmony or equality and diversity".

Our ambition (impact) is that we will make significant and documented contributions to preventing and transforming violent conflicts and promoting peaceful and inclusive societies.

Conciliation Resources' 2025 Strategic Plan, "*Building Better Peace*", sets out four goals with corresponding strategic outcomes:

**Goal 1: Adaptive and alternative paths to peace**

Peacebuilding overcomes barriers to creating peaceful societies

**Goal 2: Connecting people and peace efforts**

More coherent initiatives help prevent and reduce violent conflict

**Goal 3: Inclusion, gender and influence**

Excluded groups influence approaches to building peace

**Goal 4: People centred policy**

International peacebuilding support puts people first



Our organisational values both support and underpin everything we do and seek to achieve:

*Collaboration:* We believe that everybody affected by conflict has a stake in peace. We work to create peaceful and inclusive change within societies in partnership with local people, to respond to violence, inequality, injustice and exclusion.

*Challenge:* We believe that peace can only come about if people have a chance to better understand their conflict and if difficult conversations are held between allies and adversaries. We stand alongside those who, with courage and integrity, reach out across conflict divides.

*Creativity:* We believe that peacebuilding needs to be flexible and adaptive to the specific and evolving realities of each conflict context. We support innovative ways to influence change, and we share insights from people's lived experience globally to build collective knowledge and expertise.

*Commitment:* We believe that building sustainable peace takes time. That's why we make long-term commitments to support just and resilient transitions from protracted conflict to lasting peace.

To help deliver the 2025 Strategic Plan, we have developed and costed a five-year Operational Plan under the following headings, with goal leads allocated to senior staff:

- Operational Goal 1. Invest in staff
- Operational Goal 2. Invest in partnerships
- Operational Goal 3. Locate and equip staff to provide effective peacebuilding support
- Operational Goal 4. Keep people safe
- Operational Goal 5. Develop evidence, learning and creativity
- Operational Goal 6. Ensure impactful external communications
- Operational Goal 7. Secure sufficient, flexible income
- Operational Goal 8. Ensure efficient financial systems and processes

### **Selected achievements in 2023**

In 2023 we continued working towards our four strategic goals, to improve how peace is built.

#### **GOAL 1. ADAPTIVE AND ALTERNATIVE PATHS TO PEACE PEACEBUILDING OVERCOMES BARRIERS TO CREATING PEACEFUL SOCIETIES**

In 2023, the challenges of building and sustaining peace continued to grow. The outbreak of violent conflict in Sudan and Israel-Gaza, and the already heightened geo-political tensions following Russia's invasion of Ukraine, fuelled increased defence spending at the expense of investment in political dialogue and mediation, contributing to pressures on the peacebuilding sector.

Against this backdrop, we continued to work with, and support, our partners on ways to progress peace and the prevention of conflict. We explored new approaches and strategies to adapt to the changing nature of conflict and the increasing impact of climate change on conflict dynamics, while also addressing the legacy of conflicts and its effect on vulnerable and marginalised members of society.

Building on research into Futures Thinking – an approach that helps people envisage different future scenarios and how to get there – in May we brought people together from different conflict contexts to learn about the approach and how they might apply it in their peacebuilding work. This included representatives from the Government of Philippines and Moro Islamic Liberation Front involved in the implementation of the Bangsamoro Peace Agreement (BPA), a process which has been hampered by political tensions and violence. Participants saw potential for the approach to be used to renew inter-governmental dialogue on the implementation of the BPA.

Conciliation Resources worked with representatives of the Ogaden National Liberation Front to help them overcome concerns about the inclusiveness and impartiality of the planned National Dialogue Commission and the Somali Region's Truth and Reconciliation Commission. As a result, the ONLF adopted a constructive approach and encouraged civil society and elders to do likewise; a helpful step towards de-escalating political tensions.

Along with our partners in Nigeria, we helped to ensure that districts in the north-east of the country were spared election related violence, by providing civic education on voting and voters' rights and responsibilities and by sharing our experience of the 'Ballot, not Bullet' campaign in the Mano River Region.

We continued to develop our understanding of the relationship between climate and conflict, including by consolidating analysis and lessons from climate change projects in different contexts and publishing practice papers on the topic. We actively engaged in external discussions and events, including a closed expert workshop organised by the Stockholm International Peace Research Institute.

Conflicts arising from or resulting in self-determination claims have for decades accounted for half the conflicts in the world. They are the most protracted and the difficult conflicts to mediate. In 2023 we published a key report in partnership with the Sasakawa Peace Foundation on approaches to peace mediation in these contexts and how these can open new avenues and prospects for progress. We presented findings at the annual EU Community of Practice on Peace Mediation in Brussels.

## **GOAL 2. CONNECTING PEOPLE AND PEACE EFFORTS**

### **MORE COHERENT INITIATIVES HELP PREVENT AND REDUCE VIOLENT CONFLICT**

Building sustainable connections between people is central to our work and forms the basis for any peace process. We do this by working with local partners in conflict-affected areas to understand people's needs, share learning and work collaboratively to build processes that complement local peace efforts.

We organised a comparative learning trip to Northern Ireland with key representatives of the Bangsamoro to explore how inter-governmental dialogue and coordination mechanisms between the British Government and Northern Ireland could serve as a guide for the Bangsamoro and Philippine governments to coordinate and resolve issues in inter-governmental relations. In the Hela province of Papua New Guinea we brought together Hela Government representatives and peacebuilding and development partners to analyse challenges and solutions to conflicts.

Conflict doesn't respect borders and its impact can be felt far beyond the state boundaries. As part of our cross-border work in West Africa, we established relationships with the Boundary Commissions of the governments of Ghana, Burkina Faso and Côte d'Ivoire to share analysis and implement cross-border peace and security initiatives. In East Central Africa we helped to strengthen networks between local peace structures on the Uganda, South Sudan and Kenya borders, to support work with counterparts across national borders to resolve emerging tensions and conflicts.

In Ethiopia, we helped to start rebuilding trust between opposition parties and the National Electoral Board of Ethiopia (NEBE). We supported joint work between political parties and NEBE's Somali branch to advocate for increased autonomy and devolved powers, including for recruitment of poll station staff, oversight mechanisms and regionally-based conflict resolution processes.

## **GOAL 3. INCLUSION, GENDER AND INFLUENCE**

### **EXCLUDED GROUPS INFLUENCE APPROACHES TO BUILDING PEACE**

Sustainable peace is founded on inclusive peace processes and peacebuilding, where the diverse people affected by conflict have a say in their future. In 2023 we continued to advocate for gender-sensitive peacebuilding programming including through the launch of our new Gender strategy, 'Towards an Inclusive and Transformative Peace (2023-2028)', which sets out the steps we will take over the next five years to become a gender responsive, and ultimately a gender transformative, organisation. The Strategy responds to recommendations made in an independent Gender Review of CR's work and consultations with staff, external experts and the piloting of the new Gender Integration Cycle exercises in Pakistan and Central African Republic.

Women peacebuilders still face many barriers to inclusion in peace processes. This includes a lack of access to funding. With support from the UN Women's Peace and Humanitarian Fund, we continued our partnership on the Rapid Response Window (RRW) small grants scheme. Through this facility we provided short-term grants to civil society organisations in Ethiopia and Kenya, and also brought together partners from the two countries and Liberia to share learning about how to better support women peacebuilders.

In Ethiopia, we continued our support to the Women's Dialogue Spaces, which help women access training and gain prominence in political spaces. At policy level, in the UK we provided suggestions and language to the Government in the development of their new UK National Action Plan on Women, Peace and Security for 2023-28. We explored the intersection of gender, climate change and conflict, including by weaving climate change questions into and involving environmental experts in gender-sensitive conflict analysis exercises.

We responded to increasing interest amongst policymakers and practitioners in mental health and psychosocial support in peacebuilding. Gender can shape people's motivation to engage in violence, the types of trauma they confront and their ability to process trauma. To further understanding in this area, we published two reports based on research in Central African Republic; the first sheds light on how the conflict has influenced the way individuals and

communities experience distress, and suggests how to adapt mental health and psychosocial support to local needs; the second report explores the link between gender, mental health and reconciliation.

#### GOAL 4. PEOPLE CENTRED POLICY

##### INTERNATIONAL PEACEBUILDING SUPPORT PUTS PEOPLE FIRST

The conflict in Ukraine and political shifts in Europe are driving increased funding and political support for hard security and military responses to conflict. It is a difficult context in which to make the case for peacebuilding. Yet, given the level of conflict globally it is even more important that we do so, and that people are at the centre of peacebuilding and conflict prevention efforts. We make this case to governments and in the media; in 2023 Al Jazeera published an opinion article by the Executive Director on rising defence budgets and falling investment in peace ahead of the G7 summit. The article was picked up by 35 outlets across 10 countries.

The potential of the climate crisis to significantly exacerbate existing conflicts and generate new conflict is increasingly clear. We published a paper emphasising the need for conflict-sensitive climate change solutions, and how peacebuilders can support better coordination and collaboration among governments and communities. The report was based on the local knowledge and expertise of people on the frontline of climate change and conflict. We presented findings to EU policymakers in Brussels and the Swedish government.

In the Pacific, we worked with other organisations to convene a workshop for government and civil society representatives from Fiji, Kiribati, Marshall Islands and Tuvalu to better understand the complex climate change related conflicts in the Pacific. As part of our work in the South Caucasus, we published analysis on the challenges faced by the EU as a peace actor in the Armenian-Azerbaijani context, and shared policy ideas and written reports on the Georgian-Abkhaz context with policymakers in Brussels, Vienna and Bern.

We played a central role in the EU Community of Practice on Peace Mediation, the annual event for international policymakers, practitioners, experts and civil society representatives in the field of peace mediation. As well as providing support to event design, we organised three panels with speakers from conflict affected contexts attended by a total of 100 participants in person and over 500 online.

Our Accord series focused on mediation. We continued to develop and present emerging ideas to policymakers on how the peace mediation field needs to adapt. A workshop hosted by King's College London to discuss emerging findings was attended by representatives of the UK, Finnish, Norwegian, Swiss and Swedish governments, mediation practitioners and experts from the global South and North. We also held an online discussion with the UN Mediation Support Unit in New York and the UN Standby Team of Mediation experts.

We continued to work with NGOs, governments and banks on protecting the space for humanitarian and peacebuilding work from the negative impact of counter-terrorism laws and sanctions legislation. With Chatham House we convened law firms and legal advisers to find solutions to difficulties in providing legal advice in this domain; and along with other NGOs we argued against proscription of the Houthis in Yemen by the UK Government due to the risk of severe de-risking of humanitarian activity by the financial sector.

#### **Publications and Other Resources Produced in 2023**

We produced 18 multimedia products and publications, which were viewed or downloaded 16,889 times.

##### **Multimedia**

[VIDEO - Explainer: Why is inclusion vital for peace?](#)

[VIDEO - Equity in peacebuilding: What does it mean?](#)

[Infographic: Peace and the Sustainable Development Goals](#)

[Infographic: Climate change, conflict and peace](#)

[Video: Climate change and conflict in Kashmir and the Philippines](#)

[VIDEO - Self-determination: How can diverse groups in self-determination conflicts be supported to find a common position?](#)

[VIDEO - Self-determination: Why is the psychosocial dimension so important in mediating self-determination conflicts?](#)

[VIDEO - Self-determination: How might a sub-regional approach help address self-determination conflicts?](#)

##### **Publications**

[European Union support to the Armenian-Azerbaijani peace process](#)

[Building trust in peace mediation](#)

[Towards an inclusive and transformative peace: our approach to gender](#)

[Annual Review 2022](#)

[Mental health and peacebuilding in the Central African Republic](#)

[Gender, mental health and reconciliation in the Central African Republic: implications for policy and practice](#)

[Case for support](#)

[A changing climate for peace: navigating conflict in the climate crisis](#)

[Gender, cultural identity, conflict and climate change](#)

[Mediating self-determination conflicts](#)



**Financial Review**

In 2023, Departments responded collectively to mitigate the financial challenges that emerged during the year. Whilst unrestricted expenditure was reduced, we continued the journey of moving operational and programme capacity to our global offices. This will continue in the coming years as we take forward our strategies related to decolonisation and localisation.

An example of this is our regional/branch office in Kenya, which was registered in 2022, to assist and oversee our operations in Jigjiga, Ethiopia and Bangui, Central Africa Republic. Investments included creating finance and operational capacity for the new entity.

The Statement of Financial Activities shows a net deficit, after Exchange losses of £400,126 (2022 net deficit of £641,754) for the year and total funds available stand at £892,140 (2022 - £1,195,009). We undertook a second year of planned 'spending down' of reserves in 2023 to align the organisation with its reserves ceiling, funding investments in Department structures as well as the continuation of several critical peace processes and other peacebuilding programmes.

This budgeted deficit position was maintained by reducing expenditure in line with reductions of funding. As such, we believe the organisation is in a reasonable position to pursue sustainable finances, respond to any financial challenges and achieve a surplus in 2024.

Income recognised in 2023 was £10,372,015 compared to total income of £9,863,817 in 2022.

The level of deferred income balances as at the end of 2023 increased to £3,524,473 (2022 - £2,793,298; see note 15). A contract by contract level review informs the decision as to whether income should be recognised in the current year or whether it is recognised as deferred income (further information is included in Note 1 – Income Recognition).

The evolving and welcome focus on safeguarding, keeping staff and people we interact with safe, alongside evolving regulatory requirements such as the development of the UK's sanctions regime and Ukraine related sanctions and funding re-alignment, will all continue to require attention and increased financial resources in the years ahead due to the nature and location of our work.

Conciliation Resources continues to plan, adapt and adjust to changing and emerging trends through our Fundraising Strategy which now incorporates an increased focus on commercial contracting and close attention to cost recovery.

Despite reductions, we are fortunate to have the support of the Swedish International Development Cooperation Agency (Sida) for 2024. This continues the longstanding and much valued relationship between our two organisations.

**Principal Financial Management Policies**

Conciliation Resources has financial regulations and control policies set up and reviewed regularly. These set out the allocation of financial management responsibilities, identifying lines of reporting for all aspects of operations, including controls, with the delegation of authority and responsibilities clearly defined. Conciliation Resources uses a nominal ledger coding system for all financial transactions.

Regardless of project simplicity or complexity, all project expenditure is checked against budget and authorised by the appropriate budget-holder, who is responsible for ensuring that expenditure remains within budget. It is then double-checked by two authorised signatories before any payment is made.

An annual planning process is carried out by all budget-holders covering their proposed work for the upcoming period along with a fundraising plan, financial budget and cashflow. This information is reviewed by the Executive Management Team and cross-organisational functions, such as safety and compliance, monitoring and evaluation and finance. A consolidated report is presented to the Board of Trustees for their endorsement at the final Board meeting of the year.

Every quarter, as part of the budget reforecasting process, the Finance Team meets with all teams to discuss the respective changes in planned activities that may impact the annual finances or cashflow. These team forecasts are consolidated into a reforecast of expected income and expenditure each quarter and are presented to the Board of Trustees for their awareness and consideration.

Conciliation Resources holds accounts in six main currencies; Australian dollar, Euro, US dollar, Ethiopian Birr, Central African Francs, Swedish Krona and the Pound Sterling.

Exchange rate risk is considered at a project and organisational level on a rolling basis. Currency exchange rates are monitored by the Finance Director, who works with the Finance Team to ensure that incoming funds are deposited into the appropriate account, and transfers are made in a timely manner. Projects that are planned based on income in a foreign currency carry an element of risk that is identified and responded to at the project planning phase.

Funding to partners is made in a currency that is agreed with the partner, to reduce exchange rate risk to the partner without creating unreasonable risk to Conciliation Resources. Overseas expenditure is predominantly in USD and Australian Dollars.

**Principal Funding Sources**

The principal funding sources for the charity are currently grant income and donations mainly from governments and charitable organisations. Further details of funding are provided in notes 2 and 3 to the Financial Statements.

**Investment Powers and Policy**

Conciliation Resources received income through donations, grants, project income and other sources. Conciliation Resources plans its activities over one, three and five-year time horizons and budgets to use all anticipated income. The only funds that Conciliation Resources holds that are not expendable within 12 months of receipt are reserves and any grants or contracts for activities over a longer period. The policy for investment is outlined in our Ethical Fundraising and Investment Policy. We currently retain funds as cash and place them on bank deposit, or on deposit with the COIF Charities Deposit Fund.



**Reserves Policy**

Conciliation Resources aims to keep a prudent working balance of unrestricted reserves to cover future contractual liabilities, mainly staff salaries and rent, to ensure that the organisation has sufficient funds for the orderly winding down of activities in the event that the organisation had to close. This amount was set at £756,000 in 2023 in accordance with the Reserves Policy.

The total unrestricted funds balance at the end of the year under review was £892,140. Of the total reserves held at the end of the year, £161,742 was in fixed assets. Consequently, the charity had free reserves of £730,398 at the year end. The company plans to rectify the small shortfall of £25,602 between its free reserves and its reserves policy amount of £756,000 in 2024, which is projected to be a surplus year.

The Board of Trustees keeps the reserves policy under regular review and particular attention will be given to the increasingly global spread of financial risk and liability as and when the Board and EMT decide to provide office locations with increased direct financial management responsibility.

**Plans for the Future**

Despite changing political and donor dynamics, particularly as a result of the war in Ukraine as well as the Israel-Gaza conflict, the Trustees are pleased with the fourth year of the 2020-2025 Strategic Plan and the 2020-2025 Operational Plan. We continue to have a positive impact, and 2024 will witness the initial work required to develop the organisation's next Strategic Plan.

We see a continued need for our work and unique peacebuilding approach. Continuity and long-term partnership are necessary elements of good peacebuilding. We will not be seeking significant growth of the overall operational budget or staff body in the next few years, but we will continue to focus on ensuring the financial model of the organisation continues to meet the needs of its operations.

Diligently maintaining strong relationships with a diverse range of institutional donors to ensure the continuity of our work over the longer term. The organisation will continue to move towards a full cost recovery model to ensure its ability to mitigate unrestricted funding risks.

**Trustees' Responsibilities in Relation to the Financial Statements**

The Trustees are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with the United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of its income and expenditure for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the charities' SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Statement of Disclosure to Auditor**

In accordance with company law, the Company's Directors certify that:

- so far as they are aware, there is no relevant audit information of which the Company's auditor is unaware; and
- as the Directors of the Company they have taken all the steps that they ought to have taken in order to make themselves aware of any relevant audit information and to establish that the Charity's auditor is aware of that information.

**Auditor**

In November 2020, the Board agreed to appoint Haysmacintyre LLP for the audit of CR's Financial Statements for 2020 and three further years, subject to an annual review and approval by the CR Risk & Audit Committee and the Trustee Board.

The trustees have agreed to re-appoint the auditors to undertake the 2024 Year End audit and Haysmacintyre LLP has indicated its willingness to continue in office.

**Approval**

This report was approved by the Board of Directors and Trustees on 24 May 2024 and signed on its behalf.



**Lucy Moore**  
**Director and Interim Chair of Trustees**

# **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CONCILIATION RESOURCES**

## **Opinion**

We have audited the financial statements of Conciliation Resources for the year ended 31 December 2023 which comprise the Consolidated Statement of Financial Activities, the Balance Sheets, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 December 2023 and of the group and parent charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

## **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Annual Report (which includes the strategic report and the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Trustees' Annual Report have been prepared in accordance with applicable legal requirements.

## **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report (which incorporates the strategic report and the directors' report).

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

- adequate accounting records have not been kept by the parent charitable company; or
- the charitable company 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.

## **Responsibilities of trustees for the financial statements**

As explained more fully in the trustees' responsibilities statement set out on page 15, 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, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

## **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the group and the sector in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to regulatory requirements of the Charity Commission, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011, Companies Act 2006 and payroll taxes.

We evaluated management's opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries and management bias in certain accounting estimates and judgements such as the income recognition policy applied to grant income. Audit procedures performed by the engagement team included:

- Inspecting correspondence with appropriate regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Review of minutes of meetings to identify expected material amounts of voluntary income;
- Identifying and testing journals, using data analytics to focus testing on higher risk entries; and
- Challenging assumptions and judgements made by management in their critical accounting estimates, with a focus on recognition of grant income at the year end.

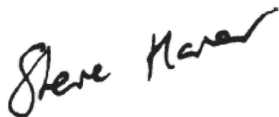
Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.



A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

#### **Use of our report**

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 Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Steven Harper (Senior Statutory Auditor)  
For and on behalf of Haysmacintyre LLP  
3rd June 2024

10 Queen Street Place  
London  
EC4R 1AG



**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**  
**(including an Income and Expenditure Account)**

	Notes	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
<b>Income from:</b>					
Donations and core funding	2	1,247,008	-	1,247,008	1,730,088
Charitable activities	3	31,195	9,055,752	9,086,947	8,126,086
Investments	4	38,060	-	38,060	7,644
Total income		1,316,263	9,055,752	10,372,015	9,863,818
<b>Expenditure on:</b>					
Raising funds	5	226,636	-	226,636	329,015
Charitable activities	6	1,813,433	8,625,010	10,438,443	10,168,699
Total expenditure		2,040,069	8,625,010	10,665,079	10,497,714
Net (expenditure)/income		(723,806)	430,742	(293,064)	(633,896)
Transfers between funds	19	430,742	(430,742)	-	-
Foreign exchange (losses)/gains		(107,062)		(107,062)	(7,858)
Net movement in funds		(400,126)		(400,126)	(641,754)
<b>Reconciliation of funds:</b>					
Other movements in reserves		97,257		97,257	
Total funds brought forward		1,195,009		1,195,009	1,836,763
Total funds carried forward	19	892,140		892,140	1,195,009
		=====	=====	=====	=====

The Statement of Financial Activities also complies with the requirement for an Income & Expenditure Account under the Companies Act 2006.

All income and expenditure derives from continuing activities.

The Statement of Financial Activities includes all gains and losses recognised during the year.

Full comparative figures for the year ended 31 December 2022 are shown in note 26.

The accompanying notes form part of these Financial Statements.


## CONSOLIDATED BALANCE SHEET

	Notes	2023	2022
		£	£
<b>Fixed assets</b>			
Intangible fixed assets	12	127,513	159,469
Tangible fixed assets	13	34,229	58,853
		-----	-----
		161,742	218,322
<b>Current assets</b>			
Debtors	14	1,532,310	2,279,729
Cash at bank and in hand		3,520,011	2,381,996
		-----	-----
		5,052,321	4,661,725
<b>Creditors:</b> amounts falling due within one year	15	(4,271,447)	(3,587,781)
		-----	-----
<b>Net current assets</b>		730,398	1,073,944
Provisions	18	(50,476)	(97,257)
		-----	-----
<b>Total Net assets</b>		892,140	1,195,009
		=====	=====
<b>Charity Funds</b>			
<b>Unrestricted funds</b>			
- General funds	19	892,140	1,195,009
<b>Restricted funds</b>	19	-	-
		-----	-----
<b>TOTAL FUNDS</b>		892,140	1,195,009
		=====	=====

The financial statements were approved and authorised for issue by the Board of Directors and Trustees on 24 May 2024 and were signed on its behalf by:



..... Lucy Moore (Director and Interim Chair of Trustees)



..... Gavin Salmon (Company Secretary)

The accompanying notes form part of these Financial Statements.

## BALANCE SHEET (Company only)

	2023	2022
£	£	£
<b>Fixed assets</b>		
Intangible fixed assets	127,513	159,469
Tangible fixed assets	34,229	58,853
	<u>161,742</u>	<u>218,322</u>
<b>Current assets</b>		
Debtors	4,320,423	4,798,550
Cash at bank and in hand	2,625,144	1,832,800
	<u>6,945,567</u>	<u>6,631,350</u>
<b>Creditors:</b> amounts falling due within one year	<u>(3,970,872)</u>	<u>(3,397,840)</u>
<b>Net current assets</b>	2,974,695	3,233,510
Provisions	-	(97,257)
<b>Total Net assets</b>	<u>3,136,437</u> =====	<u>3,354,575</u> =====
<b>Charity Funds</b>		
<b>Unrestricted funds</b>		
- General funds	3,136,437	3,354,575
- Designated funds	-	-
<b>Restricted funds</b>	-	-
<b>TOTAL FUNDS</b>	<u>3,136,437</u> =====	<u>3,354,574</u> =====

The net income for the charitable company for the 12-month period to 31 December 2023 was -£218,137

The financial statements were approved and authorised for issue by the Board of Directors and Trustees on 24 May 2024 and were signed on its behalf by:



..... Lucy Moore (Director and Interim Chair of Trustees)



..... Gavin Salmon (Company Secretary)

CONSOLIDATED STATEMENT OF CASH FLOWS

	Notes	2023 £	2022 £
Cash flow from operating activities	22	1,222,513	(1,174,675)
Net cash flow provided by operating activities		1,222,513	(1,174,675)
Cash flows from investing activities			
Purchase of tangible fixed assets		(15,496)	(29,100)
Additions to intangible fixed assets		-	-
Dividend and interest receivable		38,060	7,644
Net cash (used in)/ provided by investing activities		22,564	(21,456)
(Decrease)/Increase in cash and cash equivalents in the year		1,245,077	(1,196,131)
Cash and cash equivalents at the beginning of the year		2,381,996	3,585,985
Change in cash and cash equivalents due to exchange rate movements		(107,062)	(7,858)
Total cash and cash equivalents at year end		3,520,012	2,381,996
Cash and cash equivalents consists of:			
Cash at bank and in hand		3,520,011	2,381,996
Cash and cash equivalents at 31 December		3,520,011	2,381,996

The accompanying notes form part of these Financial Statements.

**NOTES TO THE FINANCIAL STATEMENTS****1. Summary of significant accounting policies**

The significant accounting policies applied in the preparation of these financial statements are set out below. The accounting policies have been applied consistently throughout the year and in the preceding year, unless otherwise stated.

**Basis of Preparation of Accounts and General Information**

Conciliation Resources is a charitable company Registered in England and Wales. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the charity information on page 2 of these financial statements. The nature of the charity's operations and principal activities are included in the Report of the Directors and Trustees.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2019.

The financial statements have been prepared on a going concern basis under the historical cost convention. The financial statements are prepared in sterling which is the functional currency of the charity. The accounts are rounded to the nearest pound.

**Basis of Consolidation**

The consolidated statement of financial activities (SOFA), group balance sheet and consolidated statement of cash flows consolidate the financial statements of the Charity and its subsidiary (Conciliation Resources Australia-CRA). The financial statements of the subsidiary are consolidated with the Charity on a line-by-line basis. Transactions and balances between entities are eliminated on consolidation.

CRA was not consolidated in 2022 because most of the contracts were still held by CR UK. But during 2023, CRA income totalled £840,494 and became material to the group consolidation.

No separate SOFA has been presented for the Company alone, as permitted by s408 of the Companies Act 2006. The total income of the Company for the period was £9,563,294 (2022: £9,604,286) and the net result of the Company was a deficit of £218,137 (2022: surplus 941,372).

**Going Concern**

The Directors are required, under the rules governing the preparation of accounts, to consider each year whether it is appropriate to prepare the accounts on a going concern basis. This requires them, therefore, to take a view that the charity can continue in operation for the foreseeable future.

Over the year 2023, Conciliation Resources has faced changes in the funding landscape resulting in some impact on our organisational development and support teams as well as the programme teams. At the same time, 2023 has shown that we have an ability to attract significant and diverse funding, offsetting the reductions. The Directors have reviewed the future requirements of Conciliation Resources and the likely levels of financing, a significant amount of which has already been secured for 2024 and 2025, as well as the satisfactory levels of cash and reserves which it holds. Hence, the directors have not identified any material uncertainty in the charity's ability to continue as a going concern. Accordingly, the Directors are satisfied that resources are fully adequate for the foreseeable future and that it is appropriate that the accounts should be prepared on the going concern basis.

**Income**

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



## 1. Accounting policies (continued)

Income from donations, including gifts and grants that provide core funding or are of general nature, are recognised on receipt, unless there are conditions attached to the donation that have to be satisfied before entitlement can be obtained. In this case income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

The charity receives grant income, including government grants, which provides funding to support its activities. Income from government grants and other grants are recognised at fair value when the charity has an entitlement to it, when performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement conditions are not met then these amounts are deferred.

Investment income is recognised on a receivable basis.

## Volunteers and Donated Services and Facilities

Where services that would normally be purchased from suppliers are provided to the charity free of charge, this contribution is included as both income and expenditure in the financial statements at an estimate of the value of the contribution to the charity. There were no such donations during the year.

During 2023 (2022-nil), the charity had no volunteers.

## Expenditure

All expenditure is accounted for on an accruals basis. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Raising funds are those costs incurred in attracting voluntary contributions and donations, and those incurred in trading activities that raise funds and do not include the costs of disseminating information in support of the charitable activities;
- Expenditure on charitable activities includes expenditure associated with the main objectives of the charity and include both direct costs and support costs relating to these activities; and
- Other expenditure represents those items not falling into the categories above.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

## Support costs allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, communications costs, governance costs, and project management costs. They are incurred directly in support of expenditure on the objects of the charity. Where support costs cannot be directly attributed to particular headings, they have been allocated to each programme activity based on the size of the programme expenditure as a proportion of the total expenditure on charitable activities and raising funds.

The analysis of these costs is included in note 7.

## Accounting for transfers to partners

In delivering its charitable activities, Conciliation Resources works closely with a range of local partners. The delivery of these charitable activities is in conjunction with local partners. On this basis, costs incurred by partners are categorised within the accounts as direct costs rather than as grants made, as in the trustees view this is the most appropriate category having considered the substance of the costs.

## Intangible Assets

Intangible assets are stated at cost less accumulated amortisation and are amortised on a straight-line basis over their useful lives. The useful lives of intangible assets are as follows:

Computer software	7 years
-------------------	---------

## 1. Accounting policies (continued)

### Tangible Fixed Assets and Depreciation

Tangible fixed assets are stated at cost less depreciation. The cost of minor additions or those costing less than £900 are not capitalised. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on a straight line basis:

Computer Equipment	3 years
Office Furniture & Fittings	3 years
Leasehold	10 years
Leasehold Improvements	3 years

### Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

### Creditors and Provisions

Creditors and provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated. Creditors and provisions are normally recognised at their settlement amount after allowing for any discounts due.

### Financial Instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at the settlement value.

### Funds

Unrestricted general funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for specific purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are monies raised for, and their use restricted to, a specific purpose or donations subject to donor-imposed conditions. The cost of raising and administering such funds is charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

### Employee Benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The charity operates a defined contribution pension plan for the benefit of its employees. Contributions are expensed as they become payable.

### Tax

The charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Part 10 Income Tax Act 2007 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

### Foreign Currency

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rate of exchange ruling at the balance sheet date. Transactions in foreign currencies are initially recorded at the rate ruling at the date of the transaction. All differences are taken to the Statement of Financial Activities.

### Critical accounting judgements and key sources of estimation uncertainty

In the application of the Charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources.

1. Accounting policies (continued)

The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. The Trustees do not consider there are any critical judgements or sources of estimation uncertainty affecting assets or liabilities at the balance sheet date which is likely to result in a material adjustment to their carrying amount in the next financial year.

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the statement of financial activities on a straight-line basis over the period of the lease.

2. Unrestricted Income from donations and grants

	Group	
	2023	2022
	£	£
Donations	18,480	12,190
Core funding	1,228,528	1,717,898
	-----	-----
	1,247,008	1,730,088
	=====	=====

Income from donations and core funding was £1,247,008 (2022-£1,730,088) all of which was attributable to unrestricted funds (2022 - all).

Core funding includes £1,228,528 (2022-£1,717,398) of government grants receivable in the year. These grants were awarded as follows:

	Group	
	2023	2022
	£	£
Swedish International Development Agency (SIDA)	1,049,462	1,602,420
Irish Aid	87,756	114,978
Ministry of Foreign Affairs, Finland	86,310	-
Others	5,000	-
	-----	-----
	1,228,528	1,717,398
	=====	=====

100% (2022: 100%) of core funding is received from funders outside of the United Kingdom.

3. Income from charitable activities

	Group	
	2023	2022
	£	£
Project grant income	9,059,367	8,094,733
External consultancies	20,023	20,712
High Net Worth Donors	7,557	10,641
	-----	-----
	9,086,947	8,126,086
	=====	=====

Income from charitable activities was £9,086,947 (2022-£8,126,086) of which £9,055,752 (2022-£8,081,808) was attributable to restricted funds and £31,195 (2022-£44,278) was attributable to unrestricted funds.

3. Income from charitable activities (continued)

Grant income includes £7,233,915 (2022-£6,565,576) of government grants receivable in the year. The government grants received are identified by a \* below:

	Group	
	2023 £	2022 £
<b>Accord, Policy, Practice</b>		
Joseph Rowntree Charitable Trust, UK	66,941	69,889
* Federal Department of Foreign Affairs, Switzerland	198,656	54,306
Sasakawa Foundation	227,563	97,027
* Foreign Commonwealth Development Office, UK	516,160	481,625
International Idea	-	18,370
Ecorys	11,148	17,885
PeaceNexus	8,686	179
United State Institute of peace	-	17,325
*Irish Aid	7,024	-
	-----	-----
	1,036,178	756,606
	-----	-----
<b>Caucasus</b>		
* European Union	2,308,000	922,046
* Federal Department of Foreign Affairs, Switzerland	12,000	165,887
* Foreign Commonwealth Development Office, UK	326,771	258,662
SwissPeace	-	29,325
Sigrid Rausing Trust	168,986	140,471
Ministry for Foreign affairs, Finland	27,738	-
	2,843,494	1,516,391
	-----	-----
<b>West Africa</b>		
National Endowment for Democracy, USA	43,192	74,544
* Foreign Commonwealth Development Office, UK	-	126,551
Robert Bosch Stiftung	207,822	139,932
Norad	6,888	-
	-----	-----
	257,902	341,027
	-----	-----
<b>East and Central Africa</b>		
Zivik	255,750	274,841
DanChurch Aid	372,680	151,113
United Nations Development Programme	271,136	200,227
	-----	-----
	899,566	626,181
	-----	-----

3. Income from charitable activities (continued)

	Group	
	2023	2022
	£	£
<b>Horn of Africa</b>		
* Federal Minister for Foreign Affairs, Germany	364,279	371,212
* Foreign Commonwealth Development Office, UK	1,152,759	768,358
* Irish Aid-Ethiopia	589,533	1,090,990
	-----	-----
	2,106,571	2,230,560
	-----	-----
<b>South Asia</b>		
Ploughshares Fund	32	40,701
Allen & Nesta Ferguson	-	9,892
Misereor	30,131	81,582
* Swedish International Development Agency (SIDA)	-	279,548
	-----	-----
	30,163	411,723
	-----	-----
<b>Pacific</b>		
* Department of Foreign Affairs and Trade, Australia	99,573	-
* Ministry of Foreign Affairs		
	303,892	717,017
Misereor	129,460	119,307
* Foreign Commonwealth Development Office, UK	92,256	-
* European Union	69,564	344,808
* United Nations Development Program (UNDP)	71,788	142,512
* German Foreign Office	216,130	290,496
	-----	-----
	982,664	1,834,148
	-----	-----
<b>Philippines</b>		
* Foreign Commonwealth Development Office, UK	202,164	99,773
* Department of Foreign Affairs and Trade, Australia	40,724	6,017
	-----	-----
	242,888	105,790
	-----	-----
<b>Cross Regional Project</b>		
* Foreign Commonwealth Development Office, UK	32,609	31,451
Saferworld	20,826	33,622
*SIDA	172,148	150,100
*United Nations Development Programme	430,146	44,209
	-----	-----
	655,729	259,382
	-----	-----
<b>Total grants</b>	9,055,155	8,081,808
	=====	=====

72% (2022-76%) of grants within charitable activities is attributable to geographical areas outside the United Kingdom.



4. Income from investments

	Group	
	2023	2022
	£	£
Bank interest	38,060	7,644
	=====	=====

Income from investments was £38,060 (2022-£7,644) of which all (2022 – all) was attributable to unrestricted funds.

5. Costs of raising funds

	Group	
	2023	2022
	£	£
Salaries and staff costs	174,754	193,530
Direct costs	8,837	66,458
Support costs	43,045	69,027
	-----	-----
	226,636	329,015
	=====	=====

All £329,015 (2021-£214,928) of the above costs were attributable to unrestricted funds.

# CONCILIATION RESOURCES

YEAR ENDED 31 DECEMBER 2023

## 6. Analysis of expenditure on charitable activities

Group	Salaries and Staff costs £	Direct costs £	Support costs £	2023 £
Accord, Policy, Practice	601,490	382,585	230,725	1,214,800
South Caucasus	292,510	2,166,771	576,599	3,035,880
West Africa	134,702	130,702	62,226	327,630
East and Central Africa	235,550	602,706	196,536	1,034,792
Horn of Africa	333,836	1,477,903	424,777	2,236,516
South Asia	169,338	28,172	46,308	243,818
Pacific	656,655	422,410	252,996	1,332,061
Philippines	56,607	119,272	41,236	217,115
Cross Regional Project	-	300,403	70,910	371,313
Africa Department	27,219	51,700	19,680	98,599
Europe Asia Department	258,330	7,029	60,560	325,919
<b>Total</b>	<b>2,766,237</b>	<b>5,689,653</b>	<b>1,982,553</b>	<b>10,438,443</b>

## 2022 Comparative Information

Group	Salaries and Staff costs £	Direct costs £	Support costs £	2022 £
Accord, Policy, Practice	564,832	307,330	231,561	1,103,723
South Caucasus	290,476	1,031,866	351,085	1,673,427
West Africa	131,356	180,609	82,827	394,792
East and Central Africa	247,954	410,926	174,934	833,814
Horn of Africa	306,178	1,729,247	540,409	2,575,834
South Asia	216,408	338,795	147,408	702,611
Pacific	942,422	816,973	467,123	2,226,518
Philippines	23,698	60,795	22,433	106,926
Cross Regional Project	736	4,253	1,325	6,314
Africa Department	88,362	83,229	45,558	217,149
Europe Asia Department	234,664	24,199	68,728	327,591
<b>Total</b>	<b>3,047,086</b>	<b>4,988,222</b>	<b>2,133,391</b>	<b>10,168,699</b>

£8,625,010 (2022-£7,646,004) of the above costs were attributable to restricted funds and £1,513,433(2022- £2,522,695) of the above costs were attributable to unrestricted funds.

## CONCILIATION RESOURCES

### 7. Allocation of support costs

YEAR ENDED 31 DECEMBER 2023

Group	Management Administration and Staff costs	Premises costs	Communication costs	Information Technology	Governance costs	Other charitable expenses	2023
	£	£	£	£	£	£	£
Costs of raising funds	24,866	9,652	1,297	5,072	1,829	329	43,045
Accord, Policy, Practice	133,288	51,733	6,953	27,186	9,287	2,276	230,724
South Caucasus	333,097	129,286	17,378	67,939	23,210	5,689	576,599
West Africa	35,948	13,952	1,875	7,332	2,643	475	62,225
East and Central Africa	113,538	44,068	5,923	23,157	8,349	1,501	196,536
Horn of Africa	245,391	95,244	12,802	50,051	18,044	3,245	424,777
South Asia	26,752	10,383	1,396	5,456	1,967	354	46,308
Pacific	146,154	56,727	7,625	29,810	10,747	1,933	252,996
Philippines	23,822	9,246	1,243	4,859	1,752	315	41,237
Cross Regional Project	40,677	15,788	2,122	8,297	2,991	1,036	70,911
Africa Department	10,689	4,149	558	2,180	786	1,319	19,681
Europe Asia Department	35,953	13,954	1,876	7,333	1,444	-	60,560
<b>Total</b>	<b>1,170,175</b>	<b>454,182</b>	<b>61,048</b>	<b>238,672</b>	<b>86,046</b>	<b>15,475</b>	<b>2,025,598</b>

### 2022 Comparative Information

Group	Management Administration and Staff costs	Premises costs	Communication costs	Information Technology	Governance costs	Other charitable expenses	2022
	£	£	£	£	£	£	£
Costs of raising funds	38,007	16,123	1,836	6,699	3,477	2,885	69,027
Accord, Policy, Practice	127,499	54,087	6,158	22,472	11,666	9,679	231,561
South Caucasus	193,309	82,004	9,338	34,072	17,687	14,675	351,085
West Africa	45,605	19,346	2,203	8,038	4,173	3,462	82,827
East and Central Africa	96,320	40,860	4,653	16,976	8,813	7,312	174,934
Horn of Africa	297,552	126,225	14,374	52,445	27,225	22,588	540,409
South Asia	81,163	34,431	3,921	14,305	7,426	6,162	147,408
Pacific	257,200	109,108	12,424	45,333	23,533	19,525	467,123
Philippines	12,352	5,240	597	2,177	1,130	938	22,434
Cross Regional Project	729	309	35	129	67	1,946	3,215
Africa Department	25,084	10,641	1,212	4,421	2,295	2,866	46,519
Europe Asia Department	37,842	16,053	1,828	6,670	3,462	21	65,876
<b>Total</b>	<b>1,212,662</b>	<b>514,427</b>	<b>58,579</b>	<b>213,737</b>	<b>110,954</b>	<b>92,059</b>	<b>2,202,418</b>

Support costs are allocated in accordance with the accounting policy on page 23.

**CONCILIATION RESOURCES****YEAR ENDED 31 DECEMBER 2023****8. Governance costs**

	<b>Group</b>	
	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Board costs	1,182	5,691
Auditors' remuneration (UK)	18,000	15,750
Auditors' remuneration (Ethiopia)	2,000	5,000
Auditors' remuneration (Australia)	4,194	7,421
Legal, professional fees and other support costs	56,161	77,092
	-----	-----
	81,537	110,954
	=====	=====

**9. Net income for the year**

The net income is stated after charging:

	<b>Group</b>	
	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Depreciation of tangible fixed assets	40,120	38,001
Amortisation of intangible fixed assets	31,956	31,956
Operating lease rentals	44,721	155,000
Audit's remuneration – Statutory audit (current auditor)	18,000	15,750
Statutory audit (Ethiopia)	2,000	5,000
Statutory audit (Australia)	4,194	7,421
Grant audits	63,019	40,136
Foreign Exchange Translation Gains/(Losses)	(107,062)	(7,858)
	=====	=====

**10. Trustees' and key management personnel remuneration and expenses**

Expenses reimbursed for airfares, travel, telephone, hospitality and accommodation totalling £1,182(2022-£5,691) were paid on behalf of three (2022-six) trustees.

The number of key management personnel in the year was seven (2022-seven). The total amount of employee benefits received by key management personnel during the year was £547,119 (2022-£637,286). The Charity considers its key management personnel to be the Executive Management Team.

11. UK Staff costs and employee benefits

The total UK staff costs and employee benefits were as follows:

	Group	
	2023	2022
	£	£
Employee salaries	3,351,824	3,618,136
Social security	302,991	335,162
Defined contribution pension costs	322,978	335,621
	-----	-----
	3,977,793	4,288,919
Termination payments	45,400	-
	-----	-----
	4,023,193	4,288,919
	=====	=====

6 employees received termination payment in 2023.

The number of employees who received total employee benefits (excluding employer national insurance, pension costs and termination payments) of more than £60,000 is as follows:

	Group	
	2023	2022
£90,001 to £100,000	1	-
£80,001 to £90,000	-	4
£70,001 to £80,000	4	1
£60,000 to £70,000	9	11

During the year the charity paid £90,871 (2022-£98,206) under a defined contribution pension scheme on behalf of the staff members/director earning over £60,000.

The average monthly number of employees and full time equivalent (FTE) during the year was as follows:

Group	2023		2022	
	Number	FTE	Number	FTE
Executive Management Team	9.33	9.07	9.1	9.1
Accord, Policy, Practice	9.87	9.27	9.1	8.7
Africa Department	0.50	0.50	1.8	1.8
Caucasus	4.90	4.90	4.9	4.9
West Africa	5.81	5.81	5.2	5.2
East and Central Africa	2.50	2.40	2.1	1.9
Europe Asia Department	7.37	7.27	6.9	6.9
Horn of Africa	2.00	2.00	2.0	2.0
South Asia	2.75	2.75	4.0	4.0
Pacific	7.04	7.04	7.5	7.5
Philippines and Colombia	2.19	2.19	1.7	1.7
South East Asia Department	3.76	3.76	6.6	6.0
Cross Regional Project	1.00	1.00	1.0	1.0
Administrative, financial management and fundraising support	17.51	16.37	20.3	19.1
	-----	-----	-----	-----
<b>Total</b>	<b>76.5</b>	<b>74.3</b>	<b>82.2</b>	<b>79.8</b>
	=====	=====	=====	=====



## CONCILIATION RESOURCES

YEAR ENDED 31 DECEMBER 2023

### 12. Intangible fixed assets

#### Group and Company

	Computer Software £
<b>Cost</b>	
Balance as at 1 January 2023	297,196
Additions in the year	-
At 31 December 2023	297,196
<b>Amortisation</b>	
Balance as at 1 January 2023	137,727
Charge for the year	31,956
At 31 December 2023	169,683
<b>Net book value</b>	
As at 31 December 2023	127,513
As at 31 December 2022	159,469

### 13. Tangible fixed assets

Group and Company	Leasehold Improvements	Computer equipment	Fixtures & fittings	Total
	£	£	£	£
<b>Cost</b>				
Balance as at 1 January 2023	316,564	192,338	54,287	563,189
Additions	-	15,496	-	15,496
Disposals	-	-	-	-
At 31 December 2023	316,564	207,834	54,287	578,685
<b>Depreciation</b>				
Balance as at 1 January 2022	306,180	144,225	53,931	504,337
Charge for the year	8,702	31,062	356	40,120
Depreciations on Disposals	-	-	-	-
At 31 December 2022	314,882	175,287	54,287	544,456
<b>Net book value</b>				
As at 31 December 2023	1,682	32,547	-	34,229
As at 31 December 2022	10,384	48,113	356	58,853

# CONCILIATION RESOURCES

YEAR ENDED 31 DECEMBER 2023

## 14. Debtors

	Group		Company	
	2023	2022	2023	2022
	£	£	£	£
Grants receivable	424,148	1,364,925	496,924	1,364,925
Other debtors	114,747	35,046	38,937	32,500
Prepayments and accrued income	509,281	401,788	424,724	347,642
Grants accrued	484,134	477,970	327,348	413,797
Inter Company Accounts CRA	-	-	3,032,491	2,639,687
	-----	-----	-----	-----
	1,532,310	2,279,729	4,320,424	4,798,551
	=====	=====	=====	=====

Other debtors includes a rent deposit of £32,500 (2022 - £32,500) which is receivable in more than one year.

## 15. Creditors: Amounts Falling Due Within One Year

	Group		Company	
	2023	2022	2023	2022
	£	£	£	£
Trade creditors	269,580	301,694	248,720	271,907
Social security and other taxes	109,869	144,499	83,928	116,811
Other creditors	199,319	225,312	199,319	225,312
Accruals	95,431	122,978	91,912	100,252
Accounts payable	72,776	-	-	-
Deferred income (Note 16)	3,524,473	2,793,298	3,343,993	2,683,558
	-----	-----	-----	-----
	4,271,447	3,587,781	3,970,872	3,397,840
	=====	=====	=====	=====

# CONCILIATION RESOURCES

YEAR ENDED 31 DECEMBER 2023

## 16. Deferred income

	Group		Company	
	2023	2022	2023	2022
	£	£	£	£
Balance as at 1 January	2,793,298	2,896,650	2,683,558	2,793,298
Amount released to income in the year	(2,793,298)	(2,896,650)	(2,683,558)	(2,793,298)
Amount deferred in the year	3,524,473	2,793,298	3,343,993	2,683,558
	-----	-----	-----	-----
	3,524,473	2,793,298	3,343,993	2,683,558
	=====	=====	=====	=====

	Group		Company	
	2023	2022	2023	2022
	£	£	£	£
UK Foreign & Commonwealth Office	64,504	72,456	48,838	72,456
Swedish International Development Co-operation Agency (SIDA)	14,096	103,091	14,096	103,091
Irish Aid*	790,262	561,039	790,262	561,039
European Union	996,731	1,092,233	993,552	1,026,690
Department of Foreign Affairs & Trade (Australia)	-	82,384	-	64,614
Misereor	-	6,030	-	6,030
Federal Department of Foreign Affairs, Switzerland	-	48,884	-	48,884
Joseph Rowntree Charitable Trust	34,293	12,248	34,293	12,248
Minister for Foreign Trade and Development, Netherlands	583,498	272,352	583,498	272,352
Sasakawa Peace Foundation	13,802	50,499	13,802	50,499
Federal Ministry for Foreign Affairs Germany	161,635	79,624	-	53,197
UN (Women & DP)	460,574	143,637	460,574	143,637
Sigrid Rausing	140,543	159,529	140,543	159,529
DanChurch Aid	2,906	40,808	2,906	40,808
PeaceNexus	-	8,501	-	8,501
United States Institute of Peace	-	1,965	-	1,965
Robert Bosch Stiftung	84,714	58,018	84,714	58,018
Ministry For Foreign Affairs, Finland	172,620	-	172,620	-
Peace Dividend Initiative	4,295	-	4,295	-
	-----	-----	-----	-----
	3,524,473	2,793,298	3,343,993	2,683,558
	=====	=====	=====	=====

\*Includes Deferred Income Irish Aid Ethiopia of £788,264 (2022-£561,039)

## CONCILIATION RESOURCES

YEAR ENDED 31 DECEMBER 2023

### 17. Operating leases

Total future minimum lease payments under non-cancellable operating leases are as follows:

#### Group and Company

	2023 £	2022 £
Not later than one year	44,721	156,947
Later than one and not later than five years	178,885	38,750
	-----	-----
	223,606	195,697
	=====	=====

### 18. Provisions for liabilities

#### Group

	2023 £	2022 £
Balance as at 1 January	97,257	95,914
Additions during the year	50,476	1,343
Cancellations	(97,257)	-
	-----	-----
Balance as at 31 December	50,476	97,257
	=====	=====

The provision related to the dilapidations expense expected for the London office lease was cancelled after the office move from Burghley Yard to The Graystone Centre.

Charges to the Statement of Financial Activities for disallowable expenditure against restricted grants restricted during the year amount to £50,476 (2022- nil) of which all (2022 - all) were attributable to unrestricted funds.

### 19. Fund reconciliation 2023

Group	Balance as at 01.01.23 £	Income £	Expenditure £	Transfers and gains/(losses) £	Balance as at 31.12.23 £
<b>Restricted Funds:</b>					
<b>Charitable Activities:</b>					
Accord, Policy, Practice	-	1,036,177	(920,710)	115,467	-
South Caucasus	-	2,843,494	(2,786,692)	56,802	-
West Africa	-	257,903	(235,674)	22,229	-
East and Central Africa	-	899,566	(834,453)	65,113	-
Horn of Africa	-	2,106,571	(1,986,520)	120,051	-
South Asia	-	30,163	(30,163)	0	-
Pacific	-	1,226,150	(1,232,719)	(6,569)	-
Cross Regional Project	-	655,729	(598,080)	57,649	-
	-----	-----	-----	-----	-----
<b>Total Restricted Funds</b>	-	9,055,753	(8,625,011)	430,742	-
	-----	-----	-----	-----	-----
<i>General funds</i>				97,257	
<b>Total Unrestricted Funds*</b>	1,195,009	1,316,263	(2,040,069)	323,680	892,140
	-----	-----	-----	-----	-----
<b>Total Funds</b>	1,195,009	10,372,015	(10,665,079)	(107,062)	892,140
	=====	=====	=====	=====	=====

# CONCILIATION RESOURCES

YEAR ENDED 31 DECEMBER 2023

Company	Balance as at 01.01.23 £	Income £	Expenditure £	Transfers and gains/(losses) £	Balance as at 31.12.23 £
<b>Restricted Funds:</b>					
<b>Charitable Activities:</b>					
Accord, Policy, Practice	-	1,036,177	(920,710)	115,467	-
South Caucasus	-	2,843,494	(2,786,692,)	56,802	-
West Africa	-	257,903	(235,674)	22,229	-
East and Central Africa	-	899,566	(834,453)	65,113	-
Horn of Africa	-	2,106,571	(1,986,520)	120,051	-
South Asia	-	30,163	(30,163)	0	-
Pacific	-	417,429	(442,585)	(25,156)	-
Cross Regional Project	-	655,729	(598,080)	57,649	-
<b>Total Restricted Funds</b>	-	8,247,032	(7,834,877)	412,155	-
<i>General funds</i>				97,257	
<b>Total Unrestricted Funds*</b>	3,354,574	1,316,263	(1,954,775)	323,118	3,136,437
<b>Total Funds</b>	3,354,574	9,563,294	(9,789,651)	(89,037)	3,136,437

## Fund reconciliation 2022

Group	Balance as at 01.01.22 £	Income £	Expenditure £	Transfers and gains/(losses) £	Balance as at 31.12.22 £
<b>Restricted Funds:</b>					
<b>Charitable Activities:</b>					
Accord, Policy, Practice	-	756,606	(728,085)	(28,521)	-
Caucasus	-	1,516,391	(1,462,240)	(54,151)	-
West Africa	-	341,027	(309,368)	(31,659)	-
East and Central Africa	-	626,181	(574,808)	(51,373)	-
Horn of Africa	-	2,230,560	(2,110,071)	(120,489)	-
South Asia	-	411,723	(411,717)	(6)	-
Pacific	-	1,834,148	(1,725,739)	(108,409)	-
Philippines and Columbia	-	105,790	(96,471)	(9,319)	-
Cross Regional Project	-	259,382	(227,505)	(31,877)	-
<b>Total Restricted Funds</b>	-	8,081,808	(7,646,004)	(435,804)	-
<b>Total Unrestricted Funds</b>	1,836,763	1,782,010	(2,851,710)	427,946	1,195,009
<b>Total Funds</b>	1,836,763	9,863,818	(10,497,714)	(7,858)	1,195,009



## CONCILIATION RESOURCES

YEAR ENDED 31 DECEMBER 2023

### 19. Fund reconciliation 2023 (continued)

#### Company

	Balance as at 01.01.22 £	Income £	Expenditure £	Transfers and gains/(losses) £	Balance as at 31.12.22 £
<b>Restricted Funds:</b>					
<b>Charitable Activities:</b>					
Accord, Policy, Practice	-	756,606	(740,528)	16,078	-
Caucasus	-	1,516,391	(1,462,240)	54,151	-
West Africa	-	341,027	(309,368)	31,659	-
East and Central Africa	-	626,181	(574,808)	51,373	-
Horn of Africa	-	2,230,560	(2,110,071)	120,489	-
South Asia	-	411,723	(411,717)	6	-
Pacific	-	1,680,406	(114,454)	1,565,952	-
Cross Regional Project	-	259,382	(196,615)	62,767	-
<b>Total Restricted Funds</b>	-	<b>7,822,276</b>	<b>(5,919,801)</b>	<b>1,902,474</b>	-
<b>Total Unrestricted Funds</b>	<b>2,413,202</b>	<b>1,782,010</b>	<b>(2,738,370)</b>	<b>1,897,733</b>	<b>3,354,575</b>
<b>Total Funds</b>	<b>2,413,202</b>	<b>9,604,286</b>	<b>(8,658,172)</b>	<b>(4,741)</b>	<b>3,354,575</b>

#### Purposes of Restricted Funds:

Restricted funds are funds which are subject to restrictions on use imposed by donors and are not available for use generally by Conciliation Resources. Restricted funds held by the charity are used to fulfil its objects and goals, in accordance with the terms and conditions specified by the sources of the relevant funds. Restricted funds are currently held for the Accord, Policy and Practice team to deliver informed, improved support for inclusive peace and transition processes and for the Programmes teams to support national and regional stakeholder dialogues, promote reconciliation in communities, to enhance prospects for lasting peace, ensure inclusive policy making and to support innovative paths to peace.

During the year, most funds received were performance related. In accordance with the accounting policy (see note 1), funds received and not recognised as income have been carried forward as deferred income (see note 16).

During the year a number of grants came to an end and a final submission prepared to the donor. Any previously unrecognised overhead contributions were transferred to unrestricted reserves at the year end.

#### Transfers between funds:

In 2023, a transfer was made from restricted to unrestricted funds in respect of Indirect Cost Recovery (ICR) for funded projects during the financial year.

# CONCILIATION RESOURCES

YEAR ENDED 31 DECEMBER 2023

## 20. Analysis of net assets between funds

Group	General Funds	Designated Funds	Restricted Funds	Total 2023
	£	£	£	£
Fixed assets	161,742	-	-	161,742
Cash	3,520,011	-	-	3,520,011
Other current assets/liabilities	(2,789,613)	-	-	(2,789,613)
	-----	-----	-----	-----
	892,140	-	-	892,140
	=====	=====	=====	=====

## Analysis of net assets between funds-2022 comparative

	General Funds	Designated Funds	Restricted Funds	Total 2022
	£	£	£	£
Fixed assets	218,322	-	-	218,322
Cash	2,381,996	-	-	2,381,996
Other current assets/liabilities	(1,308,052)	-	-	(1,308,052)
Provisions	(97,257)	-	-	(97,257)
	-----	-----	-----	-----
	1,195,009	-	-	1,195,009
	=====	=====	=====	=====

## 20 Analysis of net assets between funds (continued)

Company	General Funds	Designated Funds	Restricted Funds	Total 2023
	£	£	£	£
Fixed assets	161,742	-	-	161,742
Cash	2,625,144	-	-	2,625,144
Other current assets/liabilities	349,551	-	-	349,551
	-----	-----	-----	-----
	3,136,437	-	-	3,136,437
	=====	=====	=====	=====

## Analysis of net assets between funds-2022 comparative

	General Funds	Designated Funds	Restricted Funds	Total 2022
	£	£	£	£
Fixed assets	218,322	-	-	218,322
Cash	1,832,800	-	-	1,832,800
Other current assets/liabilities	1,400,710	-	-	1,400,710
Provisions	(97,257)	-	-	(97,257)
	-----	-----	-----	-----
	3,354,575	-	-	3,354,575
	=====	=====	=====	=====

**CONCILIATION RESOURCES****YEAR ENDED 31 DECEMBER 2023****21. Analysis of changes in net funds**

GROUP	At start of year	Cash-Flows	Foreign exchange movements	Other non- cash changes	At end of year
	£	£	£	£	£
Cash	2,381,996	1,245,077	(107,062)	-	3,520,011
	=====	=====	=====	=====	=====

**Analysis of changes in net funds-2022 comparative**

	At start of year	Cash-Flows	Foreign exchange movements	Other non- cash changes	At end of year
	£	£	£	£	£
Cash	3,585,985	(1,196,131)	(7,858)	-	2,381,996
	=====	=====	=====	=====	=====

As at 31 December 2022, Conciliation Resources had no net debt.

**22. Reconciliation of net expenditure to net cash flow from operating activities**

	GROUP	
	2023	2022
	£	£
Net income/(expenditure) for the year	(400,126)	(641,754)
Interest receivable	(38,060)	(7,644)
Depreciation of tangible fixed assets	40,120	38,001
Amortisation of intangible fixed assets	31,956	31,956
(Increase)/decrease in debtors	747,419	(738,793)
Increase/(decrease) in creditors and provisions	734,143	135,701
Unrealised exchange rate gains/(loss) on cash and cash equivalents	107,062	7,858
	-----	-----
Net cash flow from operating activities	(1,222,513)	(1,174,675)
	=====	=====

**23. Pensions and other post-retirement benefits****Defined contribution pension plans**

The Charity operates a defined contribution pension plan for its employees. The amount of contributions recognised as an expense during the year was £322,978 (2022- £335,621).

The pension expense has been charged to specific programmes where staff are engaged in particular activities. The pension expense included with support costs has been allocated across the activities between unrestricted and restricted funds in accordance with the accounting policy on page 24.

**24. Related party transactions**

For the whole of the year, the charity was under the control of the Directors and Trustees as shown on page 2.

The total related transactions with CR Australia was £3,032,491 (2022-£2,639,687).

25. Financial instruments

The charity holds a number of financial assets (for example debtors and cash) and financial liabilities (for example creditors and provisions for grants payable) which meet the definition of basic financial instruments under the FRS 102 SORP. Details of the measurement bases, accounting policies and carrying values for these financial assets and liabilities are disclosed in the notes above.

26. Investments

Charity

Conciliation Resources Australia ("CRA") is registered as an Australian legal entity, as both a company (limited by guarantee) and a charity (PBI subtype) with an Australian Business Number (94 642 321 640). It is a subsidiary ("Branch") of Conciliation Resources with an MoU in place between the entities. The CRA Board is constituted with CRA and CR staff on a 50/50 basis.

Subsidiary: Conciliation Resources Australia

	2023	2022
	£	£
Total turnover	808,721	259,532
Total expenditure	893,452	1,842,659
	-----	-----
Net result for the year	(84,731)	(1,583,127)

The aggregate of assets, liabilities and funds was

	2023	2022
	£	£
Total assets	1,139,245	681,693
Total liabilities	1,223,976	2,264,820
	-----	-----
Total funds	(84,731)	(1,583,127)

# CONCILIATION RESOURCES

YEAR ENDED 31 DECEMBER 2023

## 27. Comparative Statement of Financial Activities (2022)

	Notes	Unrestricted funds £	Restricted funds £	Total 2022 £
<b>Income from:</b>				
Donations and core funding	2	1,730,088	-	1,730,088
Charitable activities	3	44,278	8,081,808	8,126,086
Investments	4	7,644	-	7,644
<b>Total income</b>		1,782,010	8,081,808	9,863,818
<b>Expenditure on:</b>				
Raising funds	5	329,015	-	329,015
Charitable activities	6	2,522,695	7,646,004	10,168,699
<b>Total expenditure</b>		2,851,710	7,646,004	10,497,714
<b>Net (expenditure)/income</b>		(1,069,700)	435,804	(633,896)
Transfers between funds	19	435,804	(435,804)	-
Foreign exchange (losses)/gains		(7,858)		(7,858)
<b>Net movement in funds</b>		(641,754)	-	(641,754)
<b>Reconciliation of funds:</b>				
Total funds brought forward		1,836,763	0	1,836,763
<b>Total funds carried forward</b>	19	1,195,009	-	1,195,009