TRANSPARENCY INTERNATIONAL UK

England & Wales · Charity number 1112842

Details

Status	Registered
Legal form	Charitable company
Company number	02903386
Registered	2006-01-27
Register	View on the Charity Commission register

Contact

Address	10 Queen Street Place London EC4R 1BE
Phone	02030967676
Email	info@transparency.org.uk
Website	www.transparency.org.uk

Downloaded from opencharities.uk/ew/1112842

Activities

Objects: (A) THE RELIEF OF POVERTY, SUFFERING AND DISTRESS IN ANY PART OF THE WORLD CAUSED DIRECTLY OR INDIRECTLY BY CORRUPTION;(B) THE PROMOTION FOR THE PUBLIC BENEFIT OF ETHICAL STANDARDS OF CONDUCT AND COMPLIANCE WITH THE LAW BY GOVERNMENTAL, INDUSTRIAL, COMMERCIAL, VOLUNTARY SECTOR AND PROFESSIONAL ORGANISATIONS IN INTERNATIONAL AND DOMESTIC BUSINESS TRANSACTIONS AND OVERSEAS DEVELOPMENT INITIATIVES,AND IN THE FURTHERANCE OF THOSE OBJECTS BY:(I) THE PROMOTION AND UNDERTAKING OF MEASURES TO REDUCE AND ELIMINATE CORRUPTION IN INTERNATIONAL AND DOMESTIC BUSINESS TRANSACTIONS AND OVERSEAS DEVELOPMENT INITIATIVES INCLUDING THOSE FUNDED BY THE GOVERNMENT OF THE UNITED KINGDOM AND OTHER GOVERNMENTS WITH A VIEW TO ENSURING THAT THE BENEFITS OF SUCH TRANSACTIONS AND INITIATIVES ACCRUE TO THE MAXIMUM BENEFIT TO THOSE IN NEED;(II) THE PROVISION OF ASSISTANCE AND EXPERTISE TO PARTIES TO INTERNATIONAL TRADE, INVESTMENT AND ECONOMIC AND SOCIAL DEVELOPMENT TO ASSIST THEM IN ENSURING COMPLIANCE WITH ANTI-CORRUPTION CONVENTIONS AND LEGISLATION;(III) THE GIVING TO LEGISLATIVE AND PUBLIC BODIES AND OTHERS, INFORMATION AND ADVICE AND ASSISTANCE IN RELATION TO THE COMBATING AND ELIMINATION OF CORRUPTION AND THE EFFECTIVE MEANS TO ACHIEVE THIS;(IV) HELPING TO REDUCE AND ELIMINATE CORRUPTION IN INTERNATIONAL AND DOMESTIC BUSINESS TRANSACTIONS AND OVERSEAS DEVELOPMENT INITIATIVES BY PROMOTING AND UNDERTAKING MEASURES TO ENSURE THAT THE PROCEEDS OF CORRUPT ACTIVITIES DO NOT BENEFIT THOSE ENGAGING IN SUCH ACTIVITIES;(V) THE PROMOTION UNDERTAKING OR COMMISSIONING OF RESEARCH INTO AND EDUCATION CONCERNING THE CAUSES AND EFFECTS OF POVERTY PARTICULARLY(WITHOUT PREJUDICE TO THAT GENERALITY) IN MATTERS RELATING TO CORRUPTION AND INTERNATIONAL AND DOMESTIC BUSINESS TRANSACTIONS AND OVERSEAS DEVELOPMENT INITIATIVES AND DISSEMINATING AND PUBLISHING THE USEFUL RESULTS OF ANY SUCH RESEARCH; AND(C) THE ADVANCEMENT OF PUBLIC EDUCATION IN BUSINESS ETHICS AND RELATED SUBJECTS WITH PARTICULAR REFERENCE TO THE STUDY AND APPLICATION OF ETHICAL STANDARDS AND THE ELIMINATION OR REDUCTION OF CORRUPTION IN THE MANAGEMENT AND CONDUCT OF INDUSTRY AND BUSINESS GENERALLY, INTERNATIONALLY AND IN THE UNITED KINGDOM

Activities: The relief of poverty, suffering and distress in any part of the world caused directly or indirectly by corruption.The promotion for the public benefit of ethical standards of conduct and compliance with the law by governmental, industrial, commercial, voluntary sector and professional organisations in international and domestic business transactions and overseas development initiatives.

Classification

- **How:** Provides Human Resources, Provides Advocacy/advice/information, Sponsors Or Undertakes Research
- **What:** Education/training, The Prevention Or Relief Of Poverty, Economic/community Development/employment
- **Who:** The General Public/mankind

Downloaded from opencharities.uk/ew/1112842

Geography

- **Area of benefit:** WORLDWIDE
- Belgium
- Georgia
- Germany
- Mali
- Niger
- Nigeria
- Sweden
- Tunisia
- United States
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£3,768,621	£3,922,264	£2,456,000	38
2024-03-31	£3,009,433	£4,148,000	£2,604,000	40
2023-03-31	£4,954,650	£4,047,000	£3,742,000	38
2022-03-31	£4,253,000	£3,079,000	£2,834,000	37
2021-03-31	£3,321,000	£4,015,000	£1,660,102	50

Downloaded from opencharities.uk/ew/1112842

Trustees

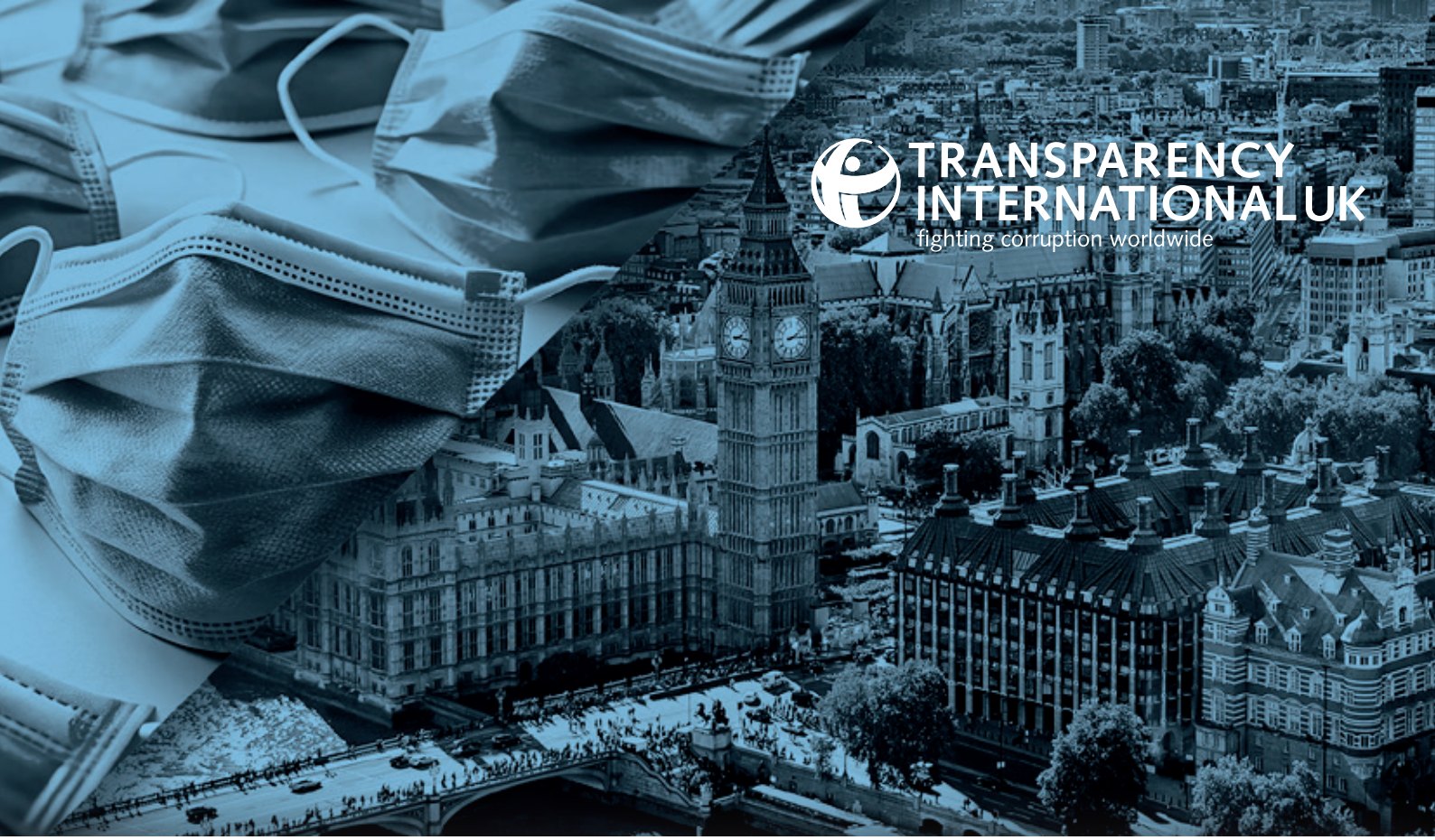
Name	Role	Appointed
Michael Donald Millward	Chair	2023-11-16
Catherine Angela Evans		2022-10-05
Chris Keith Salmon		2026-05-01
Edmund Benjamin Rich		2019-05-14
Huma Yusuf		2026-06-15
James Ford		2022-01-04
Liz Thomas		2026-05-01
Patrick Dominic Sherrington		2026-04-01
Prof Elizabeth David-Barrett		2024-11-01
Thomas Ainsley Robinson		2026-05-01
Xenia Beryl Middleton Wickett		2022-10-05

Downloaded from opencharities.uk/ew/1112842

TRANSPARENCY INTERNATIONAL UK

England & Wales - Charity number 1112842

Accounts



TRANSPARENCY INTERNATIONAL UK
fighting corruption worldwide

ANNUAL IMPACT REPORT AND ACCOUNTS

2024-25

Transparency International is a global movement sharing one vision: a world in which government politics, business and the daily lives of people are free of corruption.

Transparency International UK is the UK national chapter of this movement.

We work with the UK and devolved governments, parliamentarians, civil society and the private sector to tackle corruption at home, addressing the UK's global corruption footprint and helping multinational companies prevent corruption by operating with integrity.

We are also home to two major global programmes tackling corruption in the Defence and Security and Global Health sectors on behalf of the wider Transparency International movement.

> The important work of Transparency International UK in challenging corruption should be rightly recognised and praised. You should be very proud of the incredible impact you have made, and will continue to make, in all our lives.
>
> *10 Downing Street on behalf of the Prime Minister, January 2025.*

Our Vision

is a world in which government, business, civil society, and the daily lives of people are free from corruption.

Our Mission

is to stop corruption, promote integrity and, to that end, hold power to account for the common good.

Our research, evidence and advocacy drives the use and improvements of law, regulations, systems and policy to deter and pursue corruption. We drive the public and private sectors to change behaviour, attitudes and stop corruption. By sharing knowledge, creating pressure and reducing opposition, we mobilise and support allies to tackle corruption.

2024-25 HIGHLGHTS

Our work with allies in civil society and Parliament helped increase transparency over public procurement during the COVID-19 pandemic, advance reforms to tackle the UK democracy's big money problem, and progress corporate transparency in the Overseas Territories.

Our research and advocacy continue to support the UK's efforts to tackle dirty money. This includes media investigations uncovering over £750 million in suspect funds, freezing orders against around £300 million worth of property and recovery of £17 million as part of the UK's first Unexplained Wealth Order case – powers we secured in law in 2018.

Following years of campaigning with our allies, Parliament tightened the rules on MPs' second jobs and the regulation of All-Party Parliamentary Groups – both had presented corruption risks and backdoors to undue influence.

We helped prevent opaque 'trusts' from being inadvertently introduced in Scotland. After engagement with us, the Minister for Victims and Community Safety confirmed the U-turn and committed to introduce Scotland's first anti-corruption strategy.

Our Open Access UK transparency tool contains over 140,000 meetings between lobbyists and policymakers in Parliaments at Whitehall and Holyrood, Edinburgh. It now includes data from Scotland and thematic filters for lobbying on housing, health, defence and climate issues.

We strengthened our Corporate Anti-Corruption Benchmark Service, with the support of in-house practitioners and external advisors, to help companies elevate their approach to anti-corruption and integrity – in line with evolving regulation and leading company practices.

Over 500 representatives attended our business integrity events over the year, sharing insights on how to raise business integrity standards and reinforce anti-corruption efforts against a background of fluctuating support for global enforcement of these laws and a challenging business environment.

We provided recommendations to enhance the spending transparency and management of UK Defence, suggested establishing a select committee for arms export control to strengthen parliamentary oversight, and proposed procurement reforms, such as reducing single-source contracts.

We launched a series of policy briefs examining the institutional resilience of the defence and security sectors in Nigeria, Tunisia, Niger and Mali. Against a backdrop of democratic backsliding, political upheaval and mounting security threats – the briefs give clear, country-specific policy recommendations.

We contributed to NATO's Building Integrity Institutional Enhancement training. We designed and published an advocacy toolkit, *Defending Transparency: An advocate's guide to counteracting defence corruption*. We published thought leadership of the need for anti-corruption measures in the defence and security sector to incorporate a gender perspective and connect anti-corruption with obligations to address sexual and gender-based violence (SGBV).

We unveiled the global *Health Atlas*, an innovative AI tool designed to tackle corruption within health systems worldwide. Drawing on a comprehensive dataset of more than 26,000 media articles from around the globe, the Atlas offers an unprecedented window into how corruption manifests in healthcare and how it undermines access to vital services.

CONTENTS

3
Our Vision and Mission

6
Chair & Chief Executive Message

7
2024 Corruption Perceptions Index

8
Our Objectives

9
UK Programmes

10
Stop the Flow of Dirty Money

12
Protect the Public's Resources

13
Secure Integrity in Politics

14
Drive Integrity in Business

16
Global Programmes

17
Transparency International Defence and Security

20
Transparency International Global Health

22
The Year in Events

23
Global Engagement

24
Other Event Highlights

26
Media Outreach

27
Future Plans

28
2024-25 Donors

29
Thank you

30
Report & Financial Statements

Uncertain times call for decisive action; the case for tackling and preventing corruption on many fronts is clear.

CHAIR & CHIEF EXECUTIVE MESSAGE

There has been undisputed intensification of global uncertainty and disruption in the last year. We are living with open warfare in the Middle East and Europe's eastern flank, collapsing norms in once-mature democracies and the shattering ongoing consequences of the COVID-19 pandemic. Against the backdrop of many forgotten conflicts in the world, it now seems we may miss the primary UN Sustainable Development Goal (SDG) of eradicating extreme poverty by 2030.

Left untreated, the cancer of corruption worsens or even causes these interlinked crises.

That's why our work at Transparency International UK has never felt more relevant or urgent. Throughout this reporting period, we have intensified our efforts to work with the UK government, law enforcement and regulators to push dirty money out of our economy; the proceeds of crime and corruption from around the world for which the UK has long been a magnet. Such unwanted inward investment often comes from resources stolen from the public services of the poorest countries – or from those whose intentions are a security threat to the UK.

Our work to expose corruption risks in the former UK government's handling of the COVID-19 pandemic reached a high-profile peak in early 2025, with us giving evidence at the COVID Inquiry. As part of the UK Anti-Corruption Coalition, we revealed how many privileged individuals or those in a position to influence, were all too willing to exploit a global health emergency for their personal gain – and the deficiencies in safeguards against, and political understanding of, corruption in the UK context. Globally, we have continued to map the losses to frontline health services caused by corruption.

There is a stark link between many of the political swings and shocks we have seen around the world and how big money flows through the political system. The UK is not alone; too many political parties are reliant on a small number of large donors who have no limits on how much they give and the extraordinary level of access this buys them. This year, we revealed the disturbing volume of completely anonymous or corruption-linked funds finding their way into UK politics. We will continue to work with the new government to push for ambitious political finance reform.

Daniel Bruce, Chief Executive & Mike Millward, Trustee Chair

A less predictable policy environment has knock-on effects for businesses too. Many of our Business Integrity partners are dealing with the prospect of the United States, once home to the toughest anti-bribery laws, easing back on enforcement with the implication that paying foreign bribes gives firms a competitive edge. Yet removing the protective shield of strong anti-corruption enforcement leaves more companies expected to rack up costs paying bribes around the world. In response, we have upgraded our best-in-class tools for businesses to ensure their anti-corruption programmes are as strong as possible, meeting all their global legal obligations including the UK Bribery Act.

With the UK and many European governments dramatically increasing defence spending, we will blend our deep expertise in tackling corruption in the defence and security sector with the stark learning from the COVID-19 pandemic. Our research and advocacy work will ensure that corruption does not become an afterthought all over again.

Uncertain times call for decisive action; the case for tackling and preventing corruption on many fronts is clear. We thank you for your support in this critical mission.

Mike Millward, Trustee Chair
Daniel Bruce, Chief Executive

2024 CORRUPTION PERCEPTIONS INDEX

The CPI uses impartial surveys from experts and business leaders to score and rank countries by the perceived level of corruption in their public sectors. It uses a scale of zero (highly corrupt) to 100 (very clean).

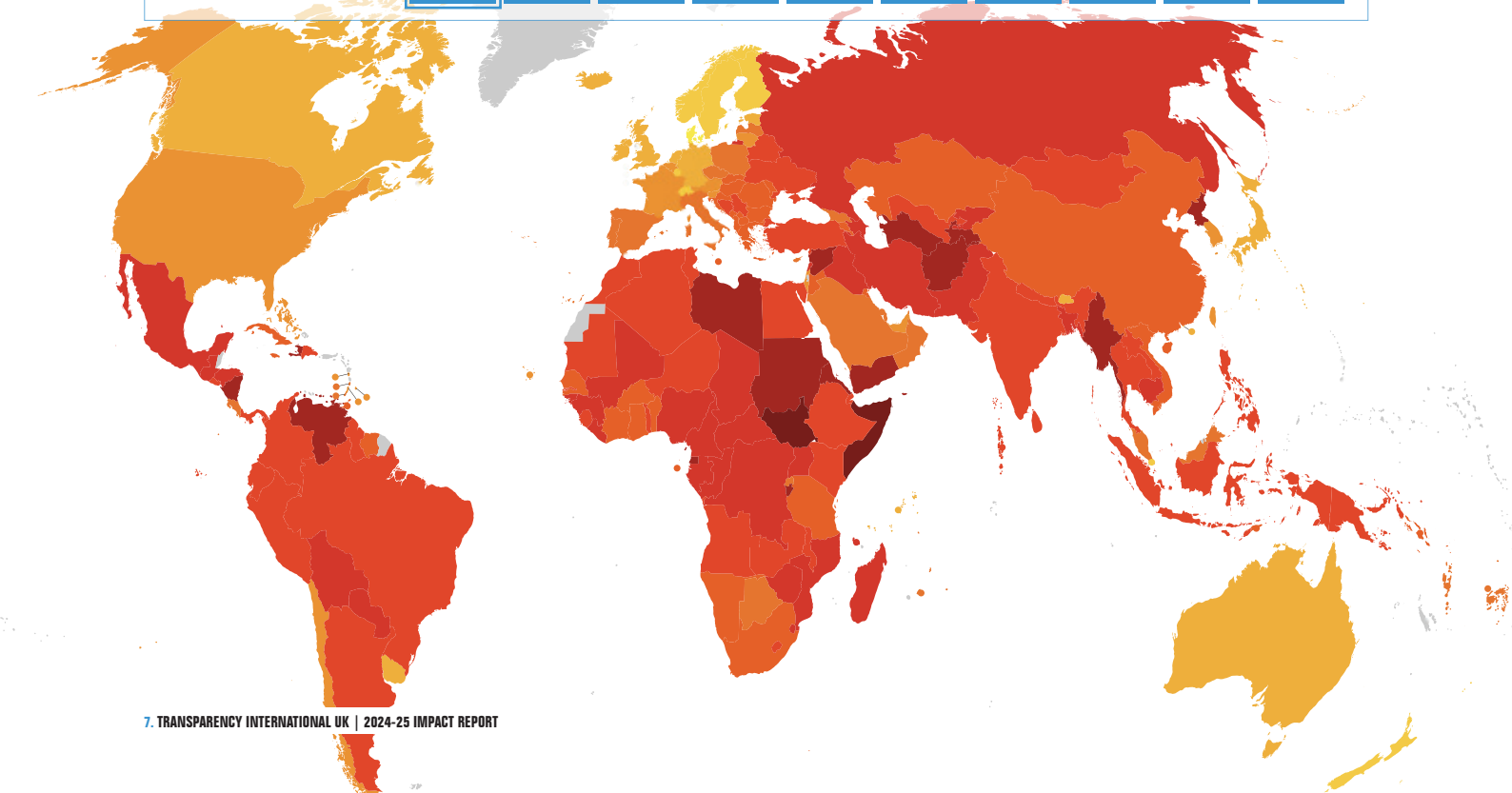
The UK continues to have a relatively high score. However, while there have been some improvements in perceptions of corruption in government and the wider public sector, significant concerns about bribery and the abuse of public office remain.

The UK cannot afford to be complacent about corruption and political will to prioritise this remains urgent.

Transparency International UK's Director of Policy & Programmes, Duncan Hames, speaking on BBC News on the Corruption Perception Index results day, February 2025.

UK results since 2014

Year	2024									2014
Score (out of 100)	71	71	73	78	77	77	80	82	81	81
Rank (1 is highest)	20	20	18	11	11	12	11	8	10	11



OUR OBJECTIVES

1. Stop the Flow of Dirty Money
2. Protect the Public's Resources
3. Secure Integrity in Politics
4. Drive Integrity in Business

UK PROGRAMMES

STOP THE FLOW OF DIRTY MONEY

We have supported law enforcement by reporting hundreds of millions of pounds worth of suspect assets as part of ongoing investigations in the UK and globally. This follows breakthroughs in company and property ownership transparency after years of persistent campaigning.

Breakthroughs in legislation

We contributed to recent anonymous UK company and property register transparency breakthroughs through two major pieces of legislation. These legislative changes are already having a real-world impact. They inform our submissions to law enforcement and give us opportunity along with other investigative organisations and journalists to identify suspect funds.

Our research and investigations team regularly partners with media outlets to pursue and expose dirty money moving through and into the UK. Working with platforms and consortiums such as *BBC Panorama*, the Organized Crime and Corruption Reporting Project (OCCRP) and *The Times* ensures our messaging reaches a wide and politically diverse audience, informing the UK's response against corruption and money laundering. During the recent financial year, we published 10 joint investigations profiling over £750 million worth of property bought with suspect funds.

Freezing Orders and Unexplained Wealth Orders

Following our joint investigation with *the Guardian* in November 2024 where £400 million of suspect funds were identified, UK law enforcement has secured Freezing Orders against over £250 million worth of property owned by allies of the ousted Hasina regime in Bangladesh. In another case, the National Crime Agency secured a forfeiture worth over £17 million in the UK's first landmark case using Unexplained Wealth Orders – powers we secured in law back in 2018. Freezing Orders prevented a further £50 million worth of property from being sold following our collaboration with the OCCRP on the Azerbaijani Laundromat – a complex money-laundering operation and slush fund that handled $2.9 billion over two years through four shell companies registered in the UK.

> **The activities of civil society groups such as Transparency International often play a crucial role in informing sanctions of this kind.**
>
> *Minister of State for Europe, North America and Overseas Territories Stephen Doughty MP, upon the announcement of new sanctions designations in early 2025.*

The Guardian

News Opinion Sport Culture Lifestyle

Business Economics Banking Money Markets Project Syndicate B2B Retail

Business

This article is more than 6 months old

Money trail: questions over deposed Bangladeshi elite's £400m UK property empire

Rob Davies, Kaamil Ahmed and Redwan Ahmed in Dhaka

Sat 30 Nov 2024 13.00 GMT

Share

Aerial view of Grosvenor Square Gardens, London, where several properties are owned by powerful families. Photograph: AP 5 (UK)/Alamy

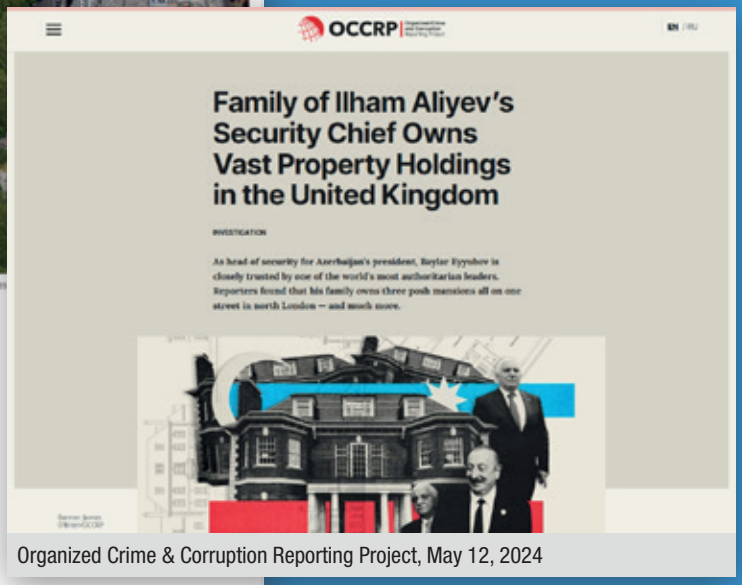
Associates of former Bangladeshi PM Sheikh Hasina have spent millions buying up top-flight property assets in the UK

As Sheikh Hasina watched Dhaka fade from view, aboard a military helicopter, crowds were storming her palatial residence.

Far below, about 1,000 Bangladeshis lay dead and countless more injured, the toll of a brutal crackdown by her security forces on student-led protests, sometimes called the Monsoon Revolution. Hasina was soon in India, where she has remained in exile since August.

Now, as Bangladesh rebuilds after her 16-year reign, attention has turned to reclaiming funds allegedly lost to corruption by members of her deposed regime and its allies - money the country's interim leaders say is badly needed for its reconstruction.

Bangladeshi authorities believe a handful of powerful families and businesses linked to Hasina's Awami League party acquired billions of pounds by illicit means, including huge loans from state-owned banks that have never been repaid. These funds, investigators believe, may have been siphoned out of Bangladesh using the *hundi* system of money transfer popular in South Asia.



OCCRP

Family of Ilham Aliyev's Security Chief Owns Vast Property Holdings in the United Kingdom

INVESTIGATION

As head of security for Azerbaijan's president, Baylar Eyyubov is closely trusted by one of the world's most authoritarian leaders. Reporters found that his family owns three posh mansions all on one street in north London — and much more.

Organized Crime & Corruption Reporting Project, May 12, 2024

Senior Investigations Lead, Ben Cowdock, House of Commons Business and Trade Sub Committee, 19 March 2025

PROTECT THE PUBLIC'S RESOURCES

We published a comprehensive analysis identifying 135 pandemic-era contracts worth £15.3 billion that we believe carry a high risk of corruption. This formed the pillar of evidence provided by us and members of the UK Anti-Corruption Coalition to the official COVID-19 Inquiry.

Safeguarding public procurement

The COVID-19 pandemic required an unprecedented public health response, compelling UK authorities to act with unparalleled speed. In the hurry, many standard procurement safeguards, such as competition and due diligence, were skipped to expedite the process.

Behind the Masks is the most comprehensive analysis to date of public procurement and contracts issued during the COVID-19 pandemic. By analysing publicly available data on over 5,000 UK contracts, alongside official reports, litigation in the courts, and public interest journalism, we identified 135 high-risk contracts worth £15.3 billion. These contracts, which represent nearly one in every three pounds spent, raise serious concerns and warrant further investigation by the relevant authorities.

Watch Our Evidence to the Inquiry (YouTube)

UK COVID-19 Inquiry

We secured core participant status at the UK COVID-19 Inquiry alongside other members of the UK Anti-Corruption Coalition. The Inquiry offers a crucial opportunity to learn from these failures. Daniel Bruce, our chief executive, gave evidence on behalf of the UK Anti-Corruption Coalition as part of the Inquiry's module on the failures of the government's pandemic procurement. Daniel presented findings from our *Track and Trace* and *Behind the Masks* reports – our landmark studies of UK COVID-19 procurement, highlighted the work of the UK Anti-Corruption Coalition and outlined several urgent recommendations.

> If there is one aspect of the UK government's response that was the most egregious it was the creation of the high-priority lane, the so-called VIP lane. Other countries had their pockets of scandal, but the UK government, in essence, ending up creating a system that invited corruption risk, that flew in the face of all international best practice, and threw the rule book out of the window.

Chief Executive Daniel Bruce, Transparency International UK, addressing the UK COVID-19 Inquiry.

SECURE INTEGRITY IN POLITICS

Working with allies in civil society and the All Parliamentary Group on Anti-Corruption and Responsible Tax, has secured momentum for reforms that could protect democracy and reshape politics for the better.

Tackling the corrosive influence of money in politics

Following years of campaigning by us and our allies, the Labour Party included a commitment in its manifesto to "protect democracy by strengthening the rules around donations to political parties". Ministers have since confirmed they will make a statement about their proposals for reform before the House of Commons this year, with legislation anticipated later in 2025. Through our work with investigative journalists, parliamentarians and civil society, we have presented a clear list of issues that need addressing in law, as well as impactful and workable policy solutions. During the coming year, we will continue building a coalition inside and outside of Parliament advocating for their adoption.

Raising standards in public office

The new UK government's pledge to the electorate included several of our other asks, including commitments to tighten the rules on MPs' second jobs, increase oversight of ministerial conduct, and reform the House of Lords. Changes early in the new Parliament delivered part of our recommendations for ending the Commons' culture of members holding outside employment that conflicts with their public duties. A new Ministerial Code, with more independence for the PM's advisor on ministerial interests, provides some additional safeguards against abuse of high office. And the appointment of our long-term ally, Baroness Hodge, as the government's new anti-corruption champion signals a clear intent to restore public trust in our institutions.

We have set out the case for further reform and the blueprints for change, which we will push for with a strong caucus of support inside and outside Parliament.

> **Gaps in political finance rules are failing to stop money from questionable sources being funnelled into our politics. We need tighter spending rules, reforms to bring dark money out of the shadows and more accountability for those who abuse the system. We just don't know whose money it really is.**
>
> Director of Policy and Programmes, Duncan Hames, *The Guardian*, November 2024.

Watch Our Evidence on Political Finance to the Housing, Communities and Local Government Committee (parliamentlive.tv)

Revealed: UK politics infiltrated by 'dark money' with 10% of donations from dubious sources
theguardian.com ▶

DRIVE INTEGRITY IN BUSINESS

The global anti-corruption enforcement landscape is in flux, creating uncertainty and risk for companies around the world. Our Business Integrity programme, events and resources are vital for empowering companies to reassert their commitment to doing business fairly and transparently, and manage bribery risk effectively in an increasingly complex business environment.

Business Integrity events

We welcomed 500 attendees to our events over the year. Our Business Integrity Forum membership brought together expert speakers from the Transparency International movement, industry and policy experts to discuss pressing topics in the anti-corruption landscape. This included enforcement trends and the new UK failure to prevent fraud offence.

In partnership with long-standing Business Integrity Forum member Santander UK, and the UN Global Compact UK Network, we brought together over 70 representatives from business, civil society and government ahead of International Anti-Corruption Day for a rich discussion on "What next for UK anti-corruption efforts" and how businesses can push forward anti-corruption commitments.

Corporate Anti-Corruption Benchmark Service

We extensively reviewed and refreshed our Corporate Anti-Corruption Benchmark survey to align questions with the latest guidance from global authorities and the practices of leading companies. Expert inputs were provided by international legal advisors, including an appointed corporate monitor of the U.S. Foreign Corrupt Practices Act. Our updated question set will help companies prevent and respond to bribery and corruption risks and promote integrity more effectively.

We relaunched our Corporate Anti-Corruption Benchmark Service at a packed in-person event against the backdrop of the pause to the U.S. Foreign Corrupt Practices Act by the Trump Administration. The discussion reaffirmed why committing to business integrity and building an organisational culture grounded in ethics are vital for navigating increasing risk and the shifting enforcement landscape.

Connecting anti-corruption and sustainability

We continue to shape the conversation on anti-corruption in the corporate sustainability landscape. We are bolstering our innovative *Investing with Integrity* series to develop guidance to help impact investors in emerging markets more proactively monitor business integrity risk and provide meaningful support to investee companies.

We published three practical resources to support corporate compliance with sustainability reporting and due diligence legislation in the EU and beyond. Our guide *Preparing for the Corporate Sustainability Reporting Directive* is helping companies assess and report their bribery, corruption and political engagement risks and impacts on society and the environment in line with new EU rules.

The live webinar launch of our guide *ESG Governance and Risk Management: Connecting Anti-Corruption and Sustainability* was an overwhelming success attracting 300 registrations and universal support for the end product by contributing industry experts and corporate supporters.

> As a bank that prides itself on being at the forefront of addressing economic crime and preventing bribery and corruption, we were delighted to partner with Transparency International UK on an event to mark International Anti-Corruption Day in 2024. The team's willingness to collaborate on shared event objectives and subject matter expertise is second to none. It was an excellent opportunity to showcase the work we are doing together, both teams within Santander UK and our external partners.
>
> *AB&C and ATEF Policy Senior Manager Joanne Dean, Santander UK.*

Watch How Business Leaders Can Promote Integrity (vimeo)

> Thanks Transparency International UK and PwC for the opportunity to help launch the new report last week, ESG Governance and Risk Management. It's a great contribution to the field – practical, customisable and comprehensive – and now more needed than ever.
>
> *Global Head of Human Rights Peter Nestor, Novartis.*

GLOBAL PROGRAMMES

DEFENCE AND SECURITY

The world stands at a critical crossroads. The 2024 Global Peace Index highlights a troubling rise in militarisation across 108 countries, alongside 56 active conflicts – the highest number since World War II. Simultaneously, global military expenditure soared to an unprecedented US$2.443 trillion in 2023, as reported by the Stockholm International Peace Research Institute (SIPRI).

Corruption and insecurity are deeply intertwined, and the pursuit of peace cannot be decoupled from addressing corruption in defence. This year, we continued to address the nexus of corruption, peace, and security by bringing together diverse stakeholders to champion transparency, promote accountability, and combat corruption in defence and security.

Corruption and human insecurity

Our report, *Betrayed by the Guardians: The human toll of corruption in defence and security* demonstrated how institutional weaknesses, gaps in oversight, systematic abuses of power, and lack of accountability within defence and security institutions have a disastrous impact on people's lives.

Roadmaps for reforms

We launched a series of policy briefs examining the institutional resilience of the defence and security sectors in Nigeria, Tunisia, Niger and Mali. Against a backdrop of democratic backsliding, political upheaval and mounting security threats – the briefs give clear, country-specific policy recommendations for tackling the corruption risks that undermine effective defence governance and stability across West and North Africa.

North Atlantic Treaty Organization (NATO) engagement

We contributed to NATO's Building Integrity Institutional Enhancement training for the second consecutive year, in partnership with the Centre for Integrity in the Defence Sector, Norway. Our head of research delivered two lectures on strategy development and planning in relation to building integrity in defence institutions. The lectures drew on the Government Defence Integrity Index (GDI) to demonstrate how the Index can facilitate the process of risk assessment and integrity building in defence establishments. Course participants included several civilian and military officers from the defence ministries of NATO partners, including Armenia, Bosnia and Herzegovina, Georgia, Jordan, Moldova, Serbia, Ukraine and Tunisia.

Military spending research

Building on the GDI 2020 and data from SIPRI, we published Trojan Horse Tactics: Unmasking the imperative for transparency in military spending. The report provided an overview of corruption and increased defence spending. Studies that have investigated the link between corruption and military expenditure often relied on measures of corruption that were not specific to the sector.

Gender, corruption and security

We published the thought leadership article, *Corruption, the defence and security sector, and sexual and gender-based violence*. It highlights the need for anti-corruption measures in the defence and security sector to incorporate a gender perspective and connect anti-corruption with obligations to address sexual and gender-based violence (SGBV). We also developed gender indicators across four themes that will be piloted in the 2025 GDI data collection: gender-related legal and normative context, gender balance, gender mainstreaming, and prevention and response to SGBV.

Advocacy toolkit

We designed and published an advocacy toolkit, *Defending Transparency: An advocate's guide to counteracting defence corruption*. This was aimed at advocates, activists and stakeholders engaged in advancing good governance and anti-corruption standards in the defence and security sectors, as well as advocates working in adjacent areas such as human rights and peace and security.

Academy Days

We hosted chapter representatives from Cameroon, Tunisia, South Africa, Ukraine, the Netherlands, Germany, UK, New Zealand and Nigeria to enhance national advocacy efforts.

We also hosted an Academy Day in Bangkok (as part of our Asia Pacific regional meeting) with national experts from six chapters – Malaysia, Indonesia, Cambodia, South Korea, Pakistan and Taiwan. The day reinforced our shared commitment to fighting corruption and enhancing governance of defence and security sectors in the Asia Pacific region through shared learning and collaboration across our movement.

> **Transparency and accountability are not only moral imperatives but also practical necessities for effective defence and security sectors. The evidence outlined in the country policy briefs (Roadmaps for Reforms) clearly shows the effects of weak defence governance – where corruption is allowed to fester, peace and stability suffer. Our recommendations offer governments, policymakers and civil society organisations a clear roadmap to tackle the corrosive effects of corruption on national security.**
>
> *Head of Research, Dr Michael Ofori-Mensah, Roadmap for Reforms press release, January 2025.*

Transparency International Defence & Security continued growing its profile and influence alongside a broadening network of supporters and stakeholders, including those in the human rights and peacebuilding sectors. Together, we are advancing the global awareness and agenda to recognise corruption as a critical threat to peace and security, using our research and evidence to shape meaningful policy conversations.

Access to information in defence

We published, *Unlocking Access: Balancing National Security and Transparency in Defence*, a comprehensive report that examines global practices in access to information and identifies critical barriers to transparency. Through case studies from Armenia, Guatemala, Malaysia, Niger and Tunisia the report highlights challenges from varying contexts. Unlocking Access also showcases good practices in transparency within defence budgets, procurement and policymaking processes, and offers actionable recommendations to mitigate corruption risks.

UK Strategic Defence Review

We responded to an open call for evidence to the UK's 2024-25 Strategic Defence Review. We provided recommendations to enhance the spending transparency and management of UK Defence, suggested establishing a select committee for arms export control to strengthen parliamentary oversight, and proposed procurement reforms, such as reducing single-source contracts. We also recommended enhancing arms control to align with the Arms Trade Treaty, improving military governance, expanding support for defence sector reforms in Ukraine, and increasing corporate transparency in defence offsets, among other suggestions.

Corruption fuelled arms diversion

In collaboration with Transparency International US, we published a report, *Under the Radar: Corruption's Role in Fueling Arms Diversion*. The report sheds new light on the often-overlooked threat of global arms diversion. Drawing on 400 cases of diversion across 70 countries, it identifies common corruption schemes and uncovers how weak systems can be corrupted to divert weapons, fuel violence and weaken military readiness.

Defence offsets

We published a report, *Blissfully Blind: The new US push for defence industrial collaboration with partner countries and its corruption risks*. The report warns about the dangerous corruption risks around opaque defence contract payments (also known as 'offsets') that threaten to undermine the United States and international security. As the United States escalates its defence collaboration globally, Blissfully Blind breaks down the complex web of corruption risks associated with offsets – financial sweeteners added to overseas arms sales in addition to the military hardware the country receives.

GLOBAL HEALTH

With the text of the Pandemic Accord still unresolved, pandemic preparedness is losing ground on the global agenda. Shifting political landscapes – especially in the United States – add fresh uncertainty, affecting momentum to tackle corruption in health systems both globally and domestically.

Amid these challenges, efforts are accelerating to secure more sustainable domestic health financing. The 2024 Lusaka Agenda calls for stronger public financial management and better use of resources. As a core commissioner of the Lancet Commission on Anti-Corruption in Health, Transparency International Global Health continues to lead and shape the global response to corruption in health with evidence, influence and impact.

Inefficiencies and corruption risks within pharmaceutical sectors

Our research work has officially commenced on a three-year programme funded by the National Institute for Health Research on work in Indonesia, focusing on medicines pricing. This project represents a critical opportunity to examine and address inefficiencies and corruption risks within the pharmaceutical sector, with the aim of improving access to affordable, quality-assured medicines. The programme is designed to generate robust evidence and actionable policy recommendations that can inform both national and global health systems reform.

AI-powered global Health Atlas

We unveiled the global *Health Atlas*, an innovative AI tool designed to tackle corruption within health systems worldwide. Drawing on a comprehensive dataset of more than 26,000 media articles from around the globe, the Atlas offers an unprecedented window into how corruption manifests in healthcare and how it undermines access to vital services.

The Atlas leverages cutting-edge AI to systematically identify and categorise public reporting of health-related corruption. Users can quickly determine where corruption is reported, what forms it takes, and how these practices are impacting people's ability to receive medical care. By making large-scale, complex data both accessible and actionable, the Atlas marks a significant step forward in the use of technology to drive transparency and accountability. It provides a vital tool for researchers, policymakers, civil society organisations (CSO), and journalists seeking to understand and respond to the systemic corruption that continues to threaten global health outcomes. Read here to learn more about the features of the Atlas.

Corruption in the health sector isn't just a financial drain; it's a direct threat to human lives and well-being. When resources are siphoned off, individuals are denied essential healthcare, public trust evaporates, and progress towards Universal Health Coverage and SDG 3 is severely undermined. An estimated US$560 billion annually is lost due to corruption and fraud. Transparency International Global Health chapters have been investigating funder investments to address corruption and help tackle this complex and contextual issue.

Lancet Commission on Anti-Corruption in Health

The Commission was formally launched in November 2024 at the Health Systems Global (HSG) conference. We are a member of the core commissioning team, and the Commission is expected to play a transformative role in mainstreaming anti-corruption measures within the global health agenda.

Health Systems global conference

We co-hosted a workshop at the 8th Global Symposium on Health Systems Research in Nagasaki, Japan, focused on donor strategic engagement in addressing corruption in health systems. The session brought together donors, researchers and policy actors to explore how anti-corruption efforts can be better integrated into global health priorities, and identified opportunities for commissioning more targeted, evidence-based work in this space.

Procurement transparency reforms

We supported a new study published in the Governance Journal that explores procurement transparency reforms in nine low- and middle-income countries across Africa and Asia. The research highlights that while transparency is key to improving public spending, successful reforms also depend on cross-cutting factors, including political will, multistakeholder coalitions, technical capacity and strategic framing.

Strengthening integrity and gender equity in public services

As a partner in the *Inclusive Service Delivery in Africa* project, operating across five sub-Saharan countries, we helped drive meaningful progress in promoting transparency and accountability in national contexts. The project has trained over 300 government officials on embedding anti-corruption approaches in education and healthcare, reached more than 4,400 women and girls through awareness campaigns, and supported the formation of multistakeholder coalitions to tackle gendered corruption in healthcare. We also developed advocacy briefs to support networks in addressing critical issues such as drug stockouts.

Influencing aid design to tackle corruption in health

In collaboration with the U4 Anti-Corruption Resource Centre, we advanced research into how aid flows and health sector investments are designed to address corruption. This work included in-depth engagement with key bilateral and multilateral donors, aiming to shape funding practices and mobilise greater resources for anti-corruption efforts in health systems.

2024-25
THE YEAR IN EVENTS

GLOBAL ENGAGEMENT

Both Transparency International Defence & Security (TI-DS) and Transparency International Global Health (TI-GH) strengthened their international presence by engaging across key global platforms from the UN and the International Anti-Corruption Conference (IACC) to regional and thematic forums. Through these efforts, we elevated the profile of anti-corruption in defence, security and health, reinforced the threat of corruption to peace and sustainable development, and forged new alliances to drive collective action across sectors and regions.

International Anti-Corruption Conference

A delegation from TI-DS attended the IACC in Vilnius, Lithuania, to elevate the programme's profile, increase attention to addressing corruption in the defence and security sector and highlight corruption as a threat to peace and security.

UN High-Level Political Forum (HLPF)

As part of the Transparency International Secretariat delegation, we participated in the 2024 UN HLPF on Sustainable Development, where voluntary progress reviews were made on various SDGs, including an in-depth analysis of Goal 16. We highlighted the indispensable role of peace, justice and strong institutions in achieving all SDGs by presenting our report Spotlight on SDG 16.5.

UN Security Sector Reform (SSR)

TI-DS participated in the Annual Common Connections Week on SSR in New York. We presented on a panel alongside experts and representatives from the UN Office on Drugs and Crime, outlining the importance of embedding anti-corruption measures in SSR efforts and highlighting key findings and recommendations from our *Securing Progress* report. Based on our report, UN SSR has approached us for input on technical guidance documents they are developing on the topic.

UN Civil Society Conference

A delegation of seven members from TI-DS and our chapters in Cameroon, Ghana, Niger and Nigeria, participated in the UN Civil Society Conference in Nairobi. We advocated collectively for our mutual recommendations for the Pact for the Future, forming an ImPact coalition with other CSOs, and identified potential allies to our cause.

Building regional momentum

TI-GH engaged with our chapters from the Indo-Pacific region during the regional meeting hosted by our Secretariat in Bangkok. The gathering provided a valuable opportunity to reconnect and hold meaningful discussions on national and regional collaboration around health-related transparency and anti-corruption efforts.

TI-UK Delegation at the IACC, Vilnius, Lithuania, June 2024

OTHER EVENT HIGHLIGHTS

UK PROGRAMMES

- **APR 24** Paper launch: *Reducing Corruption Risks in a Reformed House of Lords*
- Report launch: *Investing with Integrity II*
- **MAY 24** House of Lords Conduct Committee, oral evidence
- All-Party Parliamentary Group on Anti-Corruption and Responsible Tax, reception
- Open Government Partnership Nordic+ Summit, Edinburgh
- Institute for Public Policy Research Conference: Combating Transnational Kleptocracy
- World Bank, Green Climate Fund and Transparency International: Symposium on Integrity in Climate Finance
- **JUN 24** International Anti-Corruption Conference
- **JUL 24** Chatham House roundtable on the role of lawyers as ethical gatekeepers
- Royal United Services Institute and Centre for Finance and Security panel speaker on the new government's priorities to tackle illicit finance
- **AUG 24** Scottish National Party Conference
- **SEPT 24** Cambridge International Symposium on Economic Crime
- Report launch: *Behind the Masks*, including UK Parliament event
- Labour Party Conference (speakers at three panel discussions)
- Liberal Democrat Party Conference
- Business Integrity Forum: (1) Higher Ground: how businesses can do the right thing (2) Leveraging behavioural science in compliance programmes
- **OCT 24** Conservative Party Conference
- Multi-Sector Roundtable on the UK's Financial Action Task Force Evaluation, Guildhall
- Transparency International Professional Supporters (TIPS) Network event on the future on Anti Money Laundering supervision (TI-UK speaker)
- **NOV 24** Report launch: *Joining the Dots: Lessons for a holistic approach to sustainability with a commitment to integrity*
- Business Integrity Forum: Data integrity (focusing on ESG reporting and Generative AI)
- ABC Minds Int'l conference – panel on ESG and anti-bribery and corruption compliance
- Export Credit Agencies Financial Crime Forum
- Chartered Institute of Public Relations annual conference, panel on building transparency and trust in politics
- **DEC 24** International Anti-Corruption Day (sponsored by Santander UK)
- **JAN 25** Joffe Trust Illicit Finance Conference

DEFENCE AND SECURITY

- **APR 24** Report launch: *Blissfully Blind*
- Report launch: *Trojan House Tactics*
- **MAY 24** UN Civil Society Conference, including chapter representatives from Cameroon, Ghana, Niger and Nigeria
- Report launch: *Betrayed by the Guardians*
- **JUN 24** South Korean Anti-Corruption & Civil Rights Commission, UK delegation
- UN Common Connections Week on SSR
- Programme of Action on Small Arms & Light Weapons – Review Conference
- Transparency International chapters Academy Day at IACC
- **JUL 24** UN High-Level Forum on Sustainable Development
- **SEP 24** UN Summit for the Future side event: *The Missing Element, How Addressing Corruption Can Improve Peace, Security & Development*
- Advocacy Toolkit launch: *Defending Transparency*
- Corruption and Conflict, release of Sudan video, (New York City, in-person)
- **OCT 24** Geneva Peace Week
- **NOV 24** Webinar: Private sector – use of beneficial ownership registries
- **DEC 24** Report launch: *Unlocking Access*
- Asia Pacific Academy Day
- **JAN 25** Launch of policy briefs: Tunisia, Nigeria, Niger and Mali
- **FEB 25** UN Institute for Disarmament Research, CSP11 side event: *Is corruption the missing link in arms diversion?*
- Webinar: *Chaos Unchained: Corruption and Conflict in Sudan*
- **MAR 25** Report launch: Under the Radar

GLOBAL HEALTH

- **JUN 24** WHO Global Network for Anti-corruption, Transparency and Accountability (GNACTA) – Costing corruption in health and Lancet commission planning event
- Lancet Viewpoint article, When sex is demanded as payment for health-care services, 21 June
- WHO/GNACTA webinar – Enablers of State Capture in Health: A Call for Evidence
- WHO/GNACTA webinar – Ending Impunity to Corruption in Health Systems
- **SEP 24** USAID/GNACTA webinar series, Corruption and Quality of Care: A Compromised Health Workforce, online
- **OCT 24** USAID / GNACTA webinar series, Using political economy analysis to counter corruption in the health sector, online
- **NOV 24** 8th Global Symposium on Health Systems Research

MEDIA OUTREACH

Through a combination of high-profile investigations, media partnerships and expert commentary, we have raised awareness of the UK's role as an enabler of corruption, keeping our issues in the news and supporting our calls for reform.

We achieved extensive media engagement in 2024-25, with 2,359 earned media mentions. This was anchored by several strategic research publications that captured national attention.

Our *Behind the Masks* report in September generated a remarkable impact with 281 media articles/reports within 24 hours, reaching a potential audience of 925 million across major outlets including front-page coverage in *The Guardian*, *BBC*, *Daily Mail* and *POLITICO*'s Playbook. The *Cheques and Balances* report in December 2024 gained widespread coverage following high-profile political donation controversies, while our participation in the UK COVID Inquiry through the UK Anti-Corruption Coalition secured premium broadcast coverage including *BBC Radio 4's* Today programme.

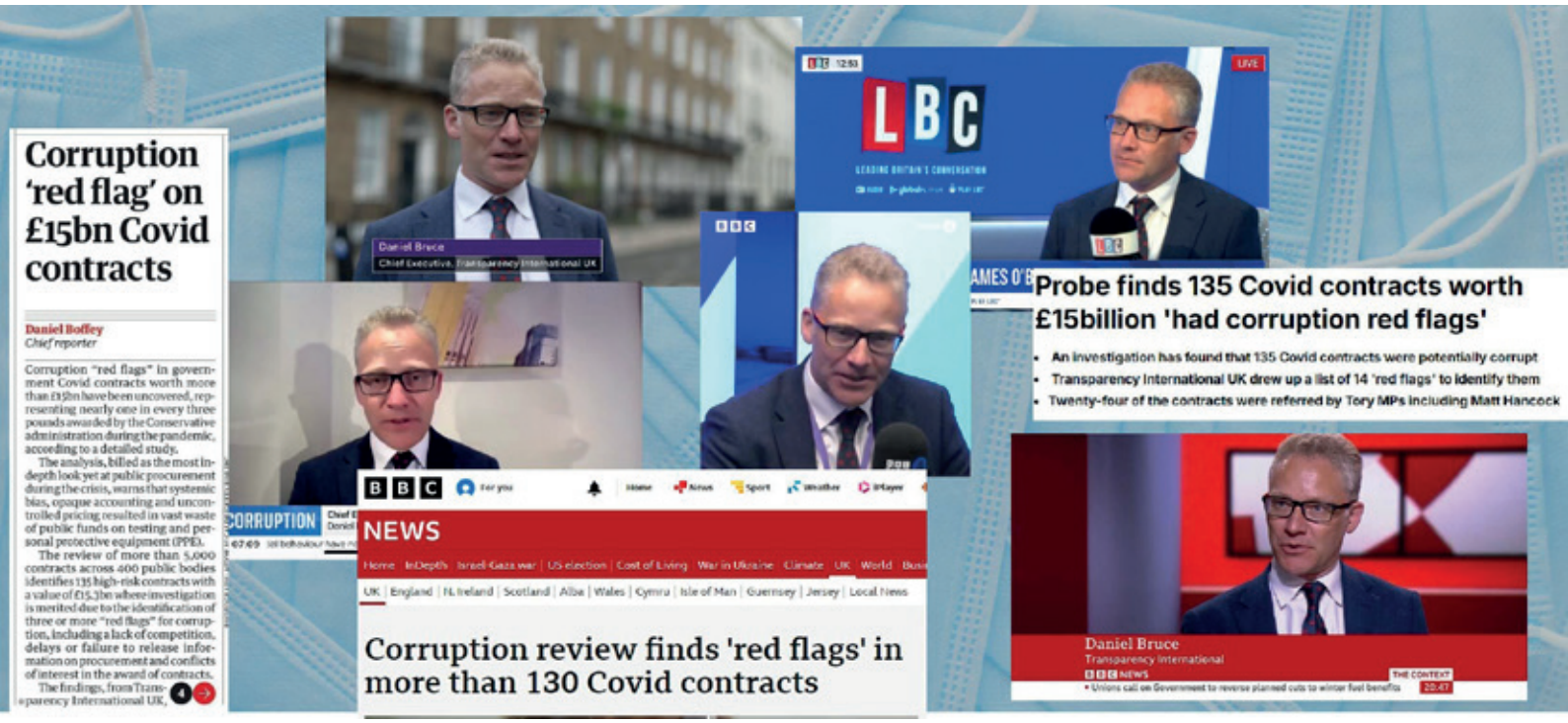
Our investigative collaborations continued to drive significant impact, with nine investigations published across major outlets including *The Guardian*, *Financial Times* and international partners like OCCRP. These investigations led to tangible outcomes, including a standards investigation that resulted in a minister's resignation. We expanded our broadcast presence substantially, with leadership team members appearing regularly across *BBC News*, *Channel 4*, *Times Radio*, *Sky News*, and *Bloomberg UK* throughout the year.

2,359 — **media mentions**
featuring or recognising our work across print, online and broadcast (increased by 54 per cent)

328k — **website visitors**
across our main sites

639,316 — **digital media impressions**

Despite platform challenges, we maintained strong digital engagement with 639,316 impressions and successfully diversified our social media presence, establishing a growing community of over 3,500 followers on Bluesky.



FUTURE PLANS

We will continue to build on this year's significant successes fighting dirty money, reinforcing political integrity and working to increase transparency in our Global Health and Defence & Security programmes.

Our UK priorities include:

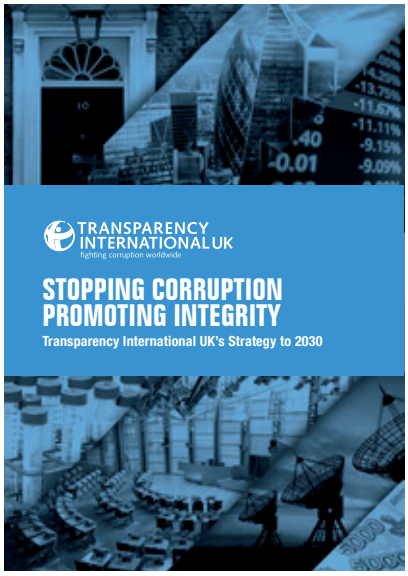
- Economic crime laws addressing money laundering and abuse of UK shell companies
- Pushing for ambitious reform to the supervision of anti-money laundering measures
- Transparency in British Overseas Territories and accountable asset return
- Tightening of spending rules and improved accountability of money in politics
- Explore how undue influence from secretive lobbying impacts climate, housing and healthcare
- Mobilising civil society coalitions and the private sector to help strengthen our mission
- Continuing to support companies and investors to promote integrity in business including anti-corruption disclosures.

In Global Health we will:

- Launch a revised, more comprehensive AI media monitoring tool
- Better quantify the costs of corruption including economic losses and impact on health outcomes
- Engage and seek action from African regional health bodies to ensure that corruption does not pose a barrier to accessing primary healthcare.

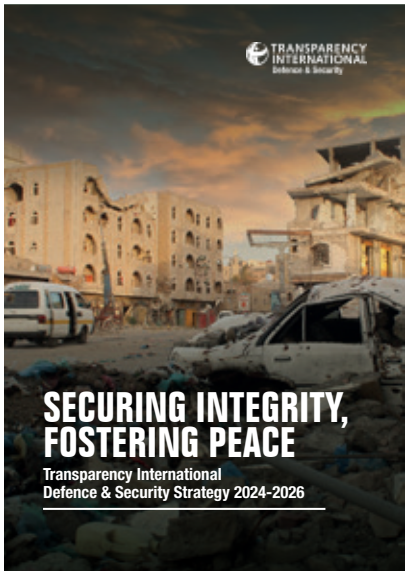
In Defence & Security we will:

- Respond to the challenges and opportunities from European defence spending reforms
- Grow our work on SSR focusing on the EU and UN while expanding efforts to the African Union
- Promote and expand the Government & Defence Integrity Index 2025 waves
- Fully integrate a gender perspective in all aspects of our work, ensuring inclusivity and equity.



DOWNLOAD REPORT

DOWNLOAD REPORT



DOWNLOAD REPORT

2024-25 DONORS

We would like to thank those who resourced our work.

GOVERNMENT AGENCIES

- Global Affairs Canada
- German Agency for International Cooperation
- The Netherlands Ministry of Foreign Affairs
- The U.K. Foreign, Commonwealth & Development Office
- The UK National Institute of Health Research

MULTILATERAL INSTITUTIONS

- The North Atlantic Treaty Organization
- United Nations Democracy Fund

FOUNDATIONS & TRUSTS

- Carnegie Corporation of New York
- David and Elaine Potter Foundation
- Joffe Charitable Trust
- Joseph Rowntree Charitable Trust
- Julia and Hans Rausing Trust
- Montpelier Foundation
- Open Society Foundations
- Trust for London
- Savannah Wisdom
- Sigrid Rausing Trust
- U4 Anti-Corruption Resource Centre Norway

CORPORATE DONORS/ BUSINESS INTEGRITY FORUM MEMBERS

- AB InBev
- Aberdeen Group
- Anglo American
- Barclays
- BHP
- Binance
- British International Investment
- Brunel International
- BT
- Clifford Chance
- Control Risks
- Energian
- Exiger
- FTI Consulting
- Genel Energy
- GSK
- Grant Thornton UK
- HSBC
- IHG
- Johnson & Johnson
- Lloyds Bank
- National Grid
- Nationwide
- NatWest
- Novartis
- Orange UK
- PwC
- Reckitt
- Ropes and Gray
- RPC
- Santander UK
- Shell International
- Siemens
- Sqope Intelligence
- Subsea 7
- Tullow Oil
- Unilever
- Vodafone Group
- WorldPay

COALITION PARTNERS

- UK Anti-Corruption Coalition

INDIVIDUALS (donation greater than £800/ €1,000)

- Matthew Kennedy
- Nick Marple (via Joffe Charitable Trust)
- Stephen Murdoch (via Joffe Charitable Trust)

THANK YOU

Your invaluable backing has enabled us to come this far. We hope you will continue to work with us on our journey to create a world free from corruption.

BOARD OF TRUSTEES REPORT AND FINANCIAL STATEMENTS

2024-25

The trustees report (which includes the directors report required by Company Law), comprises the contents of the Impact Report and the section of the Annual Review and Financial Statements between pages 31 and 61.

REFERENCE AND ADMINISTRATIVE DETAILS

Transparency International (UK) ('the charitable company') was established in 1994 and is registered with the Charity Commission: 1112842 (England & Wales) and with Companies House: 2903386. Reference and administrative details are outlined on page 61.

STRUCTURE, GOVERNANCE AND MANAGEMENT

CONSTITUTION

Transparency International UK is a charity and company limited by guarantee. It was set up by a memorandum of association on 1 March 1994 (last amended 12 January 2006). It was registered in England and Wales as a charity on 27 January 2006. The articles of association were last amended on 15 January 2025. The trustees have confirmed with the Office of the Scottish Charity Regulator that registration as a cross-border charity was not required and this is periodically monitored.

TRANSPARENCY INTERNATIONAL NATIONAL CHAPTER

Transparency International (UK) is a national chapter of the global movement, Transparency International (TI), incorporated in Berlin, Germany. National chapters lead our work in their countries and participate in regional and international work. The membership base of each national chapter differs in type and size from country to country.

Our members are an important part of the chapter's governance. They can vote at the annual general meeting (AGM) and approve board appointments. In the UK, as of 31 March 2025, we have 80 members (in 2024 it was 91). Since the year-end new applications have increased.

The Transparency International Secretariat based in Berlin leads global advocacy and international initiatives, supports national chapters and coordinates regional work. The relationship of mutual support reflects the sharing of insight and research undertaken by the chapter to complement global research tools with the secretariat supporting efforts to obtain the necessary resources to tackle corruption. In the UK, we operate under a national chapter accreditation agreement which was renewed for a further three years in December 2024. The review assessment highlighted that the chapter is very impactful and among the strongest and largest within the international movement. It displays best practice in transparency and has solid funding diversity.

While operating as integral parts of the structure of each host chapter, our global thematic networks are globally focused programmes shaped by innovative approaches and ambition to deliver impact in thematic areas. Bringing together and working with other chapters, we share and collaborate on knowledge exchange and research and advocacy. In the UK, we operate two of these on behalf of the movement through the strategic themes of Defence & Security and Global Health, and this was re-accredited in July 2022.

APPOINTMENT OF TRUSTEES AND DIRECTORS

The board of trustees (up to 12 directors) are elected by the members of the charity or co-opted subject to election.

The trustee recruitment policy seeks to promote as diverse a range of candidates as possible to apply for vacancies. A skills matrix and board succession plan are in place to help facilitate recruitment. Trustees are appointed to the board until the next annual general meeting (AGM) at which time they stand for appointment by the membership. Term limits are in place for board members (nine years cumulative) and the chair (six years cumulative). New trustees participate in a minimum half-day induction and are given a comprehensive induction pack including the governance framework and links to key Charity Commission guidance documents. Additional training for trustees is arranged when considered necessary.

GOVERNANCE

Transparency International UK's reputation is of paramount importance. We have internal policies and procedures to ensure that our board of trustees and employees preserve their independence, safeguard their integrity and express opinions based on an impartial assessment of facts. All trustees and senior employees complete conflict of interest forms (annually updated) and these are published on our website. Every meeting notes any potential conflicts of interest with external contacts or companies.

The board of trustees meet regularly during each financial year (normally four half days along with a strategy away day) to provide strategic guidance, discuss and agree on policy issues, review fundraising targets, approve budgets and review progress in implementing programmes. Committees are in place to provide assurance on aspects of risk. The finance, risk and audit committee has two independent members with relevant experience. An ethics advisory panel is in place for the purpose of providing advice to the board on ethical questions including conflicts of interest.

The trustee board's decisions are implemented by our employees, led by the chief executive. Board committees meet depending on needs but generally three or four times a year. A delegation scheme is in place and regularly reviewed to ensure that the roles and responsibilities of the board and the executive are outlined and that delegated decisions are taken and reported accordingly.

The charity has an advisory council that allows the board to draw on its members' varied expertise and experience.

Professional indemnity, trustees' indemnity and employment practices insurance covers are in place.

A formal evaluation of the effectiveness of the trustee board is undertaken periodically with input from the senior leadership team (SLT). Plans for the next review were agreed (April-June 2025) and the results discussed with an agreed action plan for key recommendations at the June 2025 board meeting. The board of trustees undertake a performance review of the trustee chair every 18 months.

Trustee recruitment was undertaken with advertised and open application processes in place for two trustees who had completed their full-term limits. Natasha Houseman stepped down as treasurer and her successor, Hilda Cheong, was appointed in June 2024. Maryam Hussain stepped down as an independent member of the committee and Patrick Sherrington is her replacement. Kwaku Osafo renewed his appointment to the committee. Prof. Paul Heywood stepped down as a trustee and his successor, Prof. Liz David-Barrett, joined in October 2024. Alexander Traube-Childs stepped down as independent member of the private sector engagement committee. Dominic Martin re-joined the board in September 2024.

The board appreciates the considerable commitment to the charity that trustees and independent members bring and the professional expertise and insights they contribute.

Table 1: The following trustees held office in 2024-25.

Trustee	Date of Appointment/ Resignation	Committees	Board Attendance
Hilda Cheong	24 June 2024	F (chair), N	4 of 4
Liz David-Barrett	3 October 2024	G, R	2 of 2
Cat Evans	5 October 2022	G, R (chair)	5 of 5
James Ford	4 January 2022	F, N, R	5 of 5
Paul Heywood	12 October 2015 to 11 October 2024	G, R (chair)	2 of 3
Natasha Houseman (nèe Clayton)	16 May 2015 to 4 June 2024	F (chair), N	1 of 1
Dominic Martin	11 September 2024	F, P, R	2 of 3
Mike Millward (chair)	16 November 2023	N (chair of trustees)	5 of 5
Valerie Monk	4 January 2022	G, P (chair)	3 of 5
Eddie Rich	14 May 2019	G (chair), P	5 of 5
Xenia Wickett	5 October 2022	G, P	4 of 5
Anne Zaki	5 October 2022	F, R	2 of 5

G: global thematic networks F: finance, risk and audit N: nominations and governance P: private sector engagement R: research

ANNUAL GENERAL MEETING

Our AGM was held online on 15 January 2025 with 35 per cent of members taking part (in 2024 it was 27 per cent). The key decisions taken were the appointment of new trustees, re-election of trustees retiring by rotation, appointment of new external auditors and updates to articles of association to reflect Charity Commission guidance regarding online meetings. Following the AGM all members were contacted to provide feedback and ideas on membership. The board subsequently discussed this as part of agreeing plans to support an increase in the number of members in the years ahead.

PRINCIPAL RISKS AND UNCERTAINTIES

The board of trustees and SLT regularly review the principal internal and external risks faced by the charity. These include risks related to strategy, people (including safeguarding), security (travel and cyber), finance and funding, legal and donor compliance and external relationships. The trustees are satisfied that systems and procedures are in place to mitigate those risks. However, threats to geopolitical stability and globalisation (including rules-based global order and multilateral organisations) economic unpredictability and its impact on strategic delivery and resourcing are all seen as current uncertainties. These are closely monitored by trustees.

Table 2: Board of trustees' and senior leadership team's responsibilities.

Board of trustees	• responsible for management and control of the charity • sets overall risk management and risk appetite • approves risk register annually with a mid-year review
Finance, risk and audit committee/ all committees	• advises on financial control and risk management • reviews and monitors risk register including deep dives into risk areas • considers whether risks identified through other committees have organisational and / or reputational impact
Senior leadership team	• monitors and maintains internal control environment ensuring day-to-day operations have adequate systems and procedures in place • reviews and monitors the risk register every quarter to profile new or emerging risks and ensures timely follow-up of mitigating • actions to reduce risks to manageable levels

Table 3: How we are managing our principal five risk areas.

Key organisational risks	How we are mitigating the risk
1. Strategic	
The failure to deliver on the ambition outlined in the refreshed strategic goals due to resource constraints and/or threats to geopolitical stability and globalisation.	• Transparency International UK and global programmes strategies aligned to our movement strategy • Annual Plan and Budget aligned to refreshed strategy with quarterly SLT/board of trustee updates • focus on measuring outcomes and impact • recruitment for trustee vacancies based on skills and expertise to best deliver the strategy • programme development team led by the chief executive reviews and prioritises funding opportunities aligned to strategy delivery • ongoing engagement with movement collaboration models to identify new opportunities and sustain the effectiveness of hosted models
2. Security	
Increased political uncertainty, pandemics and the climate crisis mean that many of our travelers are at a higher level of risk and disruption if travelling due to potentially being affected by protests, strikes, terrorism, flooding or cyclones. The safety of chapters/researchers is a key risk in some countries/areas of work and must be prioritised. This includes the impact of us being designated an 'undesirable organisation' by the Russian Federation.	• safety and security risk framework, policies and procedures with updated materials for chapter/research safety risks • safety and security refresher training for all employees • crisis management plans (annually reviewed by SLT) • insurance cover including overseas assistance

Key organisational risks	How we are mitigating the risk
Cyber threat/ransomware levels increased globally as highlighted by the UK National Cyber Security Centre. As our programmes spotlight Russian dirty money and consider defence and security, there is heightened risk exposure for those involved in research and advocacy intelligence sharing as well as inadvertent disclosure of sensitive information through AI/machine learning tools.	• various IT security measures and awareness-raising across the organisation • mandatory technology training • contingency planning • cyber essentials plus annual accreditation • access to experienced IT recovery partners • AI/machine learning guidance and awareness-raising • other protections not publicly disclosed
3. Finance	
Failure to achieve adequate cost recovery on restricted grants prevents an effective level of shared services from being funded. Where programmes are not fully funded there can be an unequal share of recoveries across the organisation. Our infrastructure is impacted by the balance of long-term funding available to the programmes.	• budgetary templates and internal reporting • formal approval process for funding bids • regular review of overhead charges across programmes • longer term cash flow planning/contingency budgeting to ensure risks to organisational health are managed promptly
4. Funding	
With the financial model based on high levels of restricted income and limited unrestricted income opportunities, the external funding environment is one of increased competition, lack of multi-year commitments, matched funding, and Overseas Development Assistance funding targeted at partners in the global south. There is pressure to balance the need to deliver strategic priorities, maintain organisational infrastructure and ensure adequate reserves.	• fundraising targets for programmes in place and monitored by SLT/trustee board using up-to-date pipeline prospects from customer relationship management software • engaging a broader range of large institutional donors and trusts and foundations in multi-year funding • ongoing engagement with the TI secretariat, TI US and national chapters to overcome barriers and enhance collaboration • development of Business Integrity products and offers, including membership, thought leadership and corporate anti-corruption benchmark • flexible fundraising resources through consultant expert pool to support bid developments
5. People	
High levels of employee turnover: cost of living, changing employee expectations, lack of career progression, funding uncertainty. This manifests itself in our ability to complete existing contractual obligations (workload issues) and protecting our knowledge and expertise.	• Employee engagement forums including monthly 'One Team' meetings, quarterly in-person meetings with a focus on strategic delivery and organisational developments. Regular Listen into Action surveys • quarterly reporting on annual plan delivery • annual appraisals with three-monthly check-ins to discuss career plans with team learning and development plans monitored • ensuring our salary and benefits package remains comparable with the sector • digital recruitment platform that is attractive to applicants, delivers capacity to better assess high volume applications and reduces recruitment administrative workload • blended working guidance focused on promoting collaboration supported with an engaging workspace offer

GRANT-MAKING POLICY

We award grants to other organisations as part of delivering our charitable and strategic objectives. This can include both chapters within our network and other organisations working on anti-corruption and bribery agendas or engaged in research or advocacy in these fields. We have acted as lead granter for selected members of the UK Anti-Corruption Coalition. Formal evaluation and due diligence of a partner is undertaken in advance of agreeing on funding.

All grants outline key activities and deliverables are approved by the relevant director before funds are disbursed. Monitoring and evaluation of progress are undertaken to ensure that the grant is managed according to

the agreement. Where progress or implementation is deemed unsatisfactory, the grant will either be delayed or discontinued. Due to the way teams work, it is not possible to split support costs between grants payable and direct charitable costs.

Grants to partner organisations totalled £337,000 (2023-24: £481,000). For a full list, see note 6 in the accounts.

OBJECTIVES AND ACTIVITIES

The board of trustees approve our Annual Plan and Budget, which is available on our website. The SLT undertakes quarterly progress reporting with achievement and performance documented, and a scorecard of status ratings monitored.

PUBLIC BENEFIT

Transparency International UK's primary objective is the relief of poverty, suffering and distress caused directly or indirectly by corruption and the promotion for the public benefit of ethical standards and compliance with the law by the public and private sectors. The trustees are satisfied that the charity's activities continue to further these aims and meet the public benefit (as defined by the Charity Commission).

The board of trustees consider beneficiaries from our activities include:

- those at risk of harm caused directly or indirectly by corruption in the UK and overseas
- all those in societies who benefit from strong and transparent institutional structures that help deter and defend against corruption
- those in economies whose development is enhanced through reducing corruption

We think there are clear public benefits arising from:

- promoting the enforcement of the UK Bribery Act, the Economic Crime and Corporate Transparency Act and other anti-corruption legislation
- highlighting the threat of corruption in specific sectors of the UK
- building integrity and preventing corruption in the defence and security and health sectors
- ensuring the UK effectively enforces international anti-corruption conventions
- helping companies and non-governmental organisations to raise their anti-corruption standards
- increasing public awareness of corruption issues

STRATEGY

Our UK strategy: *Stopping Corruption, Promoting Integrity* (2021-2030) was last reviewed and approved by the board of trustees in 2023. Our Defence & Security and Global Health networks have individual three-year strategies.

ACHIEVEMENTS AND PERFORMANCE

Our *Impact Report* has captured our achievements and programme performance across each of our strategic areas.

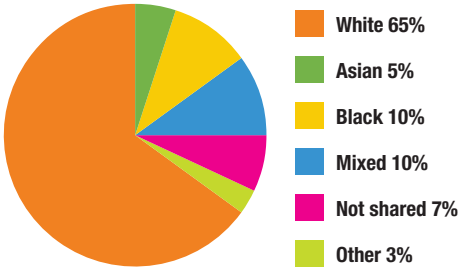
Our people are fundamental to the delivery of any strategic success.

PEOPLE

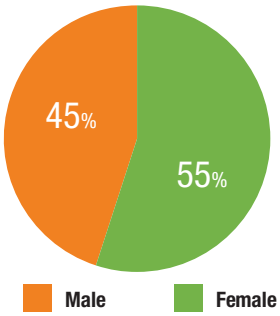
Our skilled, committed, independent and often courageous colleagues who deliver our strategy remain our most important resource. The values and behaviours that we consider most critical are acting with integrity, valuing and respecting differences, working collaboratively, and having the courage to demand better of ourselves and others.

This year, our team represented:

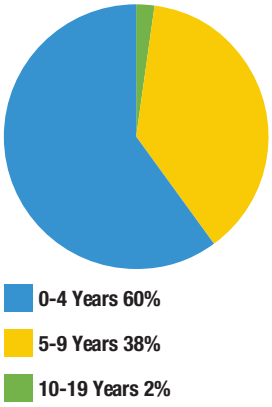
Ethnicity (Headcount 40)



Gender (Headcount 40)



Length of Service (Headcount 40)



The views of colleagues are captured through quarterly Listen into Action surveys and results are reviewed by the SLT and shared as part of our Annual People Report to the board. This helps to monitor satisfaction levels, support and resources to perform roles, life/work balance, awareness of organisational ethical guidance and procedures, and confidence in management's commitment to a 'speak up' culture. We have seen an increase in colleagues meeting in-person and we remain committed to the benefits of this in learning and collaboration.

Updated policies were introduced to reflect legislative developments including flexible working and anti-bullying and harassment.

A salary and benefits system is in place to ensure fairness and transparency. Management provides an annual report to our finance, risk and audit committee on the implementation of the policy. ONS earnings data and CPI inflation are considered, as well as affordability.

The wellbeing of employees remains critical. Our Employee Assistance Programme is promoted and available to support with advice, counselling and guidance on personal and professional challenges, and is also available for immediate family members. During the year we changed our provider and our new supplier offers extended healthcare options. Mental wellbeing continues to be promoted with the theme of being active and offering local opportunities to engage with a range of sports. Quarterly in-person team days include personal development and training and an updated approach to appraisals and performance management, which includes quarterly employee check-ins.

DIVERSITY AND INCLUSION

We are a Race at Work Charter member, allowing us to play our part to help tackle the barriers that national minority people face in recruitment and progression in the workplace. This was our third year using the Be Applied recruitment platform, which is designed to help remove bias during the application selection process. This is used for all externally advertised vacancies with candidates continuing to report very high levels of satisfaction and confidence in the application process. The system allows candidates to complete questions tailored to the job role and, although CVs can be reviewed later, candidates are selected for interviews after being independently assessed by three colleagues without access to any personal details.

SAFEGUARDING (DUTY TO PROTECT FROM HARM)

We voluntarily publish a safeguarding report annually. The latest was in February 2025. Our trustees review this report and provide transparency on the safeguarding framework in place, summarising matters that are reported and investigated, and detailing how evolving sector best practices are considered. In the year to December 2024 there were no safeguarding matters reported concerning sexual abuse, harassment or exploitation. We received one concern (in 2024 there were three) and this was reviewed and resolved. We continued to ensure that negative retaliation by anyone reporting concerns was avoided. To strengthen this, we introduced Speak Up Champions in June 2024, together with alternative reporting and escalation routes so that a wider and more diverse pool of people are trained in these areas and can provide signposting and non-judgmental support to those who may wish to report matters.

The report outlines our code of conduct that everyone working with us must agree to uphold. There are details of the values and behaviours expected in the workplace, pre-employment checks that are undertaken, relevant policies and learning and training resources, and how incidents can be reported. We continued to participate in the charity sector network promoting a Speak Up culture and monitoring sector developments from BOND (UK network for non-governmental organisations working in global development). In line with statutory requirements and as part of possible scenario planning, we conducted a risk assessment related to harassment, sexual harassment and victimisation. This was shared with colleagues along with relevant training.

SUSTAINABILITY

ETHICS AND GOVERNANCE

Transparency International UK continues to be a supportive member of the UN Global Compact and reports activities undertaken to deliver on the commitments of its anti-corruption programmes. This recognises the role played in promoting good governance as essential to the rule of law, social inclusion and the management of natural resources.

We follow the Charity Governance Code that sets out best practice advice on leadership, equality and inclusion, and ensures we demonstrate social impact. The TI re-accreditation process undertaken by their governance team independently reviews these areas every three years. The governance framework published on the website provides full transparency on this. The ethics advisory panel gives guidance on ethical issues that can arise.

As an organisation committed to transparency, our website provides details of our Annual Plan and Budget, annual declaration of interests of the SLT and trustees, policies, gifts and hospitality register, advocacy transparency disclosure, anti-bribery and corruption risks, key performance indicators, and annual safeguarding report.

ENVIRONMENTAL

There are significant measurable carbon emissions arising from our global activities, relating to business travel and rented office use. Demand for business travel has increased but remains below pre-pandemic levels, with many events held online. Geography, infrastructure and safety remain considerations in determining international air travel and participation is limited to those who will gain most and contribute from being present in person. Where possible we encourage travelling by train rather than air in the UK and to key European capitals.

Our preferred travel agent captures organisational carbon footprint data and has tools that integrate carbon reduction into its booking plans (including hotels) and travel decisions. This allows individuals to make positive choices about their environmental impact.

In hosting events, the value of in-person collaboration remains important. Where possible, hybrid options are made available to reduce the carbon footprint of those travelling outside of London. Our co-working space ensures that our environmental footprint remains a key consideration and the impact of vacant desk space is minimised while also providing a central London location for the best use of walking, bus, tube and train links, and with no car parking routinely provided.

The calculation of emissions is approximate and based on the area of space rented within the overall building location. Our office provider saw an increase in utilisation with a subsequent impact on energy use and the carbon reporting was independently audited with a greater assurance on accuracy. A review of our office space was undertaken with environmental impact as a key consideration. From April 2025, a new co-working space has been sourced to better meet working patterns and demand for collaboration space. An employee Cycle to Work scheme is in place along with bicycle storage and changing facilities.

	2024-25	2023-24
Tonnes CO_2e from work related flights	64.1	56.7
Tonnes CO_2e from energy use in office	2.4	1.2
Total measured emissions (tonnes CO_2e)	**66.5**	**57.9**

RESPONSIBLE FUNDRAISING

Responsibility for programme fundraising is shared between directors and those with fundraising expertise, with overall co-ordination from the chief executive. Most funding comes in the form of restricted funds from a small number of large government donors, together with trusts and foundations (UK and US-based). This carries two risks: that the programmes become over-reliant on a small number of donors, and that the programmes may seem to be too close to the governments that we are aiming to hold to account.

To mitigate the perception that our mission may be compromised by our donors, we have clear guidelines on the circumstances in which funds can be accepted, relationships with donors, and transparency around funders. We ensure our multi-year fundraising strategy and targets are revised annually and reflect these risks. Most of the unrestricted funding is generated by the Business Integrity programme.

The fundraising strategy, over and above generating the revenues necessary to support our mission, aims to diversify our donor base, both type and number, and seek more unrestricted funding. This is principally to help programmes plan for the longer term, to innovate and test approaches and be responsive to advocacy opportunities. All this underpins our ability to deliver change. We also want to allocate funding to areas of work that are important or emerging but may be less immediately attractive to conventional funders. This helps us maintain our independence and ability to turn away money if the circumstances require. To deliver the fundraising strategy, we have committed to invest in raising funds from institutions, trusts, foundations and individual donors.

We direct as much financial support as possible to our core programmes while ensuring our support team is adequately resourced.

We are committed to maintaining the highest standards in fundraising, including the codes and norms for the sector as well as GDPR compliance. We undertake little to no mass fundraising from the wider public and do not use third parties, external fundraisers (either volunteer or professional) or contract out our fundraising, so our exposure to areas highlighted by the code is not high.

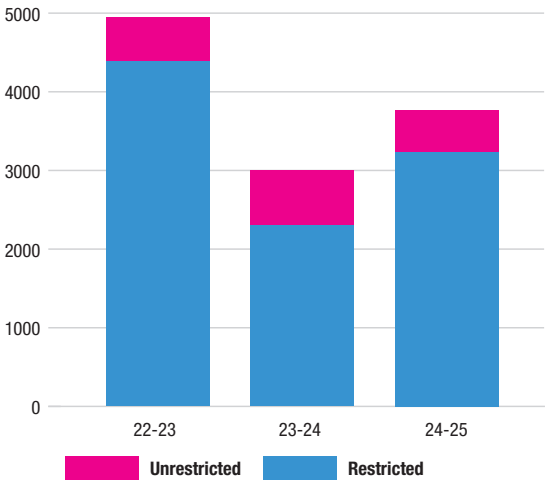
We are registered with the Fundraising Regulator and have committed to follow the regulator's Code of Fundraising Practice and the Fundraising Promise. We have not received any complaints about our fundraising practices during the year.

FINANCIAL REVIEW

INCOME

- overall income increased to £3,768,000 (25 per cent)
- restricted income increased by 41 per cent
- unrestricted income decreased by 25 per cent

Total Revenue (£'000)



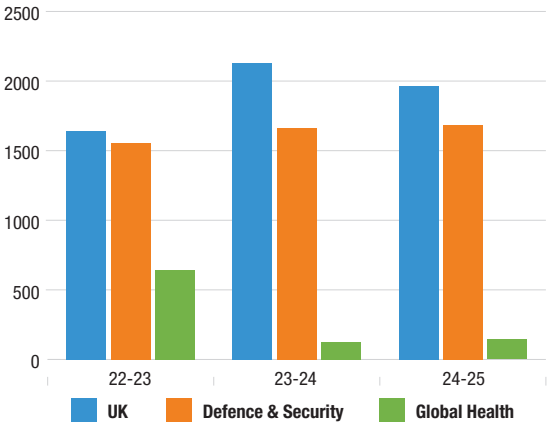
The three-year graphs show significant variations in the restricted income received (where the funds can only be used for specific purposes, agreed with donors) and associated expenditure, particularly where sums are received late in the financial year but the activities and expenditures occur in the subsequent year. Up to 47 per cent of our income supports our UK-focused activities and 53 per cent funds the international activities of the movement.

Unrestricted (where the funds can be spent at the discretion of the charity) income, comprising grants, donations and our membership fees as well as revenue generated by the Business Integrity programme through membership of the Business Integrity Forum (BIF) continued to fluctuate. Unrestricted income remains more challenging to generate from donors including from individual giving and yet is invaluable to the financial sustainability of the charity.

EXPENDITURE

- expenditure reduced by 4.5 per cent
- grants to partners reduced, reflecting restricted projects that were completed and not renewed
- unrestricted expenditure reduced by 30 per cent as the costs of shared services were reviewed to ensure these remained aligned to future project funding activities and through increased cost recoveries from restricted funds.
- most expenditure, 98 per cent, went to charitable activities and 2 per cent went to raising funds

Programme Expenditure (£'000)



RESERVES POLICY

The trustees consider that the charity needs to hold unrestricted reserves for the following principal reasons:

- to maintain sufficient working capital cash flow to cover delayed debtor receipts
- to maintain programme delivery activities if delays in grant installment payments from funders occur and to maintain the organisational structure including staffing in the short term where delays or gaps on the expiry of major grants occur, given dependence on a relatively small number of funders

- to cover risks related to contract delivery in consortia arrangements where ongoing activities must be funded while delivery milestones, often outside of our direct control, are demonstrated to the funding partner/client
- to cover risks related to failing to meet donor obligations resulting in clawback of funding for activities undertaken, and other income risks.

Based on a risk assessment, including the risks outlined, the trustees consider we need an unrestricted reserve of £700,000. The target is reviewed on a six-monthly basis, and future changes to the target will be dependent on shifts in the risk profile of the charity, an ongoing assessment of the likelihood of major grant renewals and our ability to grow unrestricted revenue principally through the Business Integrity Forum and corporate anti-corruption benchmark. Unrestricted surplus budgets are identified by the trustees to deliver the reserve target, however external revenue decisions by funders (both restricted and unrestricted) have been making delivery of those results a challenge. Further reductions in shared services costs are considered to hamper the effective delivery of programmes and future fundraising opportunities. Therefore, the target to achieve is over three to five years. The key risk to reserves that could arise in the year ahead relates to securing renewal funding for the Defence & Security, Global Health programmes and aspects of the UK programme with an impact on staffing and overhead recoveries. Fundraising target pipelines, reviewed quarterly are in place to secure the required funds, monitor progress and act should this risk materialise.

Total reserves at 31 March 2025 amounted to £2,456,000 (during 2023-24 it was £2,604,000) of which unrestricted reserves amounted to £397,000 (during 2023-24 it was £400,000) and restricted reserves amounted to £2,059,000 (during 2023-24 it was £2,506,000). Cash flow projections are regularly updated and do not indicate liquidity issues in the short term from the reserves being below target.

GOING CONCERN

The trustee board consider that there are no material uncertainties about the charity's ability to continue as a going concern (see also accounting policies (note 1)). The trustees have reviewed the financial position, risks in relation to funding, fundraising targets, budgets and cash flows for the period to September 2026, and consider that the charity can meet its financial obligations as they fall due.

FUNDS HELD ON BEHALF OF OTHERS

Over the year, we were asked by TI Madagascar (the principal) to receive legacy funds from the estates of two individuals who had been based in the UK. Such requests are not routine. Following due diligence checks on the source of funds, agency agreements were put in place to allow for the funds to be administered in accordance with the instructions received. The principal is responsible for the charitable application of the funds and therefore the transaction is not reflected in our financial statements.

ACCOUNTING AND REPORTING RESPONSIBILITIES

The trustee board (who are also directors of Transparency International (UK) for the purposes of company law) are responsible for preparing the trustees' report and the financial statements, in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the situation of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP and FRS102
- 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 trustee board are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and Companies Act 2006. The trustee board are also responsible for safeguarding

the assets of the charitable company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustee board are responsible for the maintenance and integrity of the corporate and financial information included on our website. Legislation in the UK governing the preparation and dissemination of the financial statements may differ from legislation in other jurisdictions.

The trustee board have taken all the necessary steps to make themselves aware of any information needed by the charity auditors for the purpose of their audit and establish that the auditors are aware of that information. The trustees are not aware of any relevant audit information of which the auditor is unaware.

In preparing this report, the trustee board have taken advantage of the small company's exemptions provided in part 15 of the Companies Act 2006.

Approved by the board of trustees and signed on their behalf by:

Mike Millward
Trustee Chair

31 July 2025

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF TRANSPARENCY INTERNATIONAL (UK)

OPINION

We have audited the financial statements of Transparency International (UK) (the 'charitable company') for the year ended 31 March 2025 which comprise the statement of financial activities, the balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS102 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 charitable company's affairs as at 31 March 2025 and of its incoming resources and application of resources, 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 charitable company 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 trustees' 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 Transparency International's (UK) 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 trustees with respect to going concern are described in the relevant sections of this report.

OTHER INFORMATION

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained in the 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- 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 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 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 charitable company; or

- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the trustees' responsibilities set out in the trustees' annual report , 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 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 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 are set out below.

CAPABILITY OF THE AUDIT IN DETECTING IRREGULARITIES

In identifying and assessing risks of material misstatements in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management and the finance, risk and audit committee, which included obtaining and reviewing supporting documentation, concerning the charitable company's policies and procedures related to:
    - Identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
    - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
    - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charitable company operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charitable company from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

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. 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.

Noelia Serrano *(Senior statutory auditor)*
Date: 5th August 2025
Sayer Vincent LLP, Statutory Auditor,
110 Golden Lane, LONDON, EC1Y 0TG

Sayer Vincent LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

Transparency International UK

STATEMENT OF FINANCIAL ACTIVITIES

(incorporating income and expenditure account) for the year ended 31 March 2025

	Notes	Restricted Funds 2024/25 £'000	Unrestricted Funds 2024/25 £'000	Total Funds 2024/25 £'000	Restricted Funds 2023/24 £'000	Unrestricted Funds 2023/24 £'000	Total Funds 2023/24 £'000
Income from:							
Donations	2	45	32	77	-	57	57
Charitable activities	3	3,190	474	3,664	2,299	609	2,908
Investments (bank interest)		-	27	27	-	45	45
Total Income		**3,235**	**533**	**3,768**	**2,299**	**711**	**3,010**
Expenditure on:							
Raising funds		-	60	60	-	103	103
Charitable activities							
Programmes:							
UK		1,576	396	1,972	1,671	462	2,133
International:							
Defence & Security		1,667	23	1,690	1,580	80	1,660
Global Health		137	5	142	114	9	123
Other activities:							
Communication		-	58	58	-	129	129
Total charitable activities	5	**3,380**	**482**	**3,862**	**3,365**	**680**	**4,045**
Total Expenditure		**3,380**	**542**	**3,922**	**3,365**	**783**	**4,148**
Net Expenditure		(145)	(9)	(154)	(1,066)	(72)	(1,138)
Transfers between funds	14	-	-	-	48	(48)	-
Exchange gain		-	6	6	-	-	-
Net movement in funds		**(145)**	**(3)**	**(148)**	**(1,018)**	**(120)**	**(1,138)**
Reconciliation of funds **Funds brought forward 1 April**		2,204	400	2,604	3,222	520	3,742
Funds carried forward 31 March	15	**2,059**	**397**	**2,456**	**2,204**	**400**	**2,604**

The Statement of Financial Activities includes all gains and losses recognised in the year and are from continuing activities. The notes on pages 47 to 60 form part of these financial statements.

Transparency International UK

BALANCE SHEET

as at 31 March 2025

Company Registration 02903386

	Note	2024/25		2023/24	
		£'000	£'000	£'000	£'000
Fixed Assets					
Tangible fixed assets	11		-		1
Current Assets					
Debtors	12	795		382	
Cash at bank		2,002		2,506	
			2,797		2,888
Creditors: amounts falling due within one year	13		(341)		(284)
Net Current Assets			2,456		2,604
Net Assets	15		**2,456**		**2,604**
The funds of the charity					
Restricted income funds	14		2,059		2,204
Unrestricted funds	14		397		400
Total charity Funds			**2,456**		**2,604**

The financial statements were approved and authorised for issue by the Board of Trustees on 31 July 2025 and were signed below on its behalf by:

Mike Millward
Trustee Chair

The notes on pages 47 to 60 form part of the financial statements.

Transparency International UK
CASHFLOW STATEMENT
for the year ended 31 March 2025

	2024/25	2023/24
	£'000	£'000
Cash flows from operating activities:		
Net cash provided by operating activities	(531)	(1,285)
Cash flows from investing activities:		
Interest from investments	27	45
Purchase of fixed assets	-	-
Change in cash and cash equivalents in the reporting period	**(504)**	**(1,240)**
Cash and cash equivalents at the beginning of the reporting period	2,506	3,746
Cash and cash equivalents at the end of the reporting period	**2,002**	**2,506**
All amounts relate to continuing activities.		
Reconciliation of net movement in funds to net cash flow from operating activities		
Net movement in funds for the period (as per the Statement of Financial Activities)	(148)	(1,138)
Adjustment for depreciation charges	-	1
Increase in debtors	(412)	(61)
Increase/(decrease) in creditors	56	(42)
Net cash used in operating activities	**(504)**	**(1,240)**
Analysis of cash and cash equivalents		
Cash at bank and in hand	2,002	2,506
Total cash and cash equivalents	**2,002**	**2,506**

A net debt reconciliation note has not been presented as the charity has no debt. The notes on pages 47 to 60 form part of these financial statements.

Notes to the Financial Statements

1. Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

Accounting basis

Transparency International (UK) is a registered charity in England and Wales (charity number 1112842) and a company limited by guarantee (number 02903386).

The financial statements have been prepared in accordance with the Charities Statement of Recommended Practice (SORP) FRS 102 – 'Accounting and Reporting by Charities (2019)' Second Edition, effective 1 January 2019, the Charities Act 2011 and applicable accounting standards.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Going concern

The financial statements have been prepared on a going concern basis. The trustees have reviewed the financial position, budgets and cash flows for the period to September 2026 and consider that the charity is in a position to meet its financial obligations as they fall due.

The trustees formally review financial performance together with financial projections on a quarterly basis based on current income and expenditure, future levels of secured and unsecured revenue and stress tested cash flow forecasts over an 18 month period.

The trustees consider that there are no material uncertainties which cast doubt on the charity's ability to continue as a going concern.

Company status

The charity is a company limited by guarantee (registered number 02903386) which is incorporated and domiciled in the UK. The address of the registered office is 10 Queen Street Place, London EC4R 1AG. The charity meets the definition of a public benefit entity under FRS 102. More detail on how the trustees have satisfied themselves that TI-UK has met the public benefit requirements is given in the trustees' report. The members of the company are subscribers to the Memorandum of Association and the persons listed in the Register of Full Members of the company. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

Critical accounting estimates and judgements

In accordance with FRS 102, the trustees are required to make certain estimates and judgements that have an impact on the policies and amounts reported in the financial statements. These estimates and judgements are based on historical experience and other factors including expectations of future events that are believed to be reasonable at the time such estimates and judgements are made.

Estimates and judgements are continually evaluated. Revisions to accounting estimates are recognised in the period(s) they impact.

The significant estimates and judgements are:

- Accrued income (see Income policy below)
- Accruals: costs not yet invoiced (see Expenditure policy below)
- Allocation of support costs (see Expenditure policy below)

In the view of the trustees, as at the balance sheet date there are no estimates or judgements that would materially impact the carrying value of assets and liabilities in the next financial year.

Income

All income is included in the Statement of Financial Activities (SOFA) when the charity is legally entitled to the income, receipt is probable and the amount can be quantified with reasonable accuracy, and the amount can be measured reliably. Where contracts for advisory services cover a period of time spanning the financial year end the proportion of revenue recognised in the year reflects an assessment of the fair value of services provided to the reporting date. Gifts in kind and donated services are recorded at the value to the charity at the date of receipt. No amount has been included in the financial statements for services donated by volunteers. Income from BIP membership is recognised when invoiced.

Gift Aid receivable is included in income when the donation is made and where there is a valid Gift Aid declaration from the donor.

Expenditure

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use

of the resources. Overheads have been allocated on the basis of employee costs (head count).

At the year-end, employee emoluments include paid annual leave where this has not been taken at the rate of pay applicable at that date. Termination benefits are accounted for on an accruals basis.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the company and include general management, payroll, administration, budgeting, and accounting, technology, and human resources.

Grants payable are made to third parties in furtherance of the charity's objects. Single or multi-year grants are accounted for when either the recipient has a reasonable expectation that they will receive a grant and the trustees have agreed to pay the grant without condition, or the recipient has a reasonable expectation that they will receive a grant and that any condition attaching to the grant is outside of the control of the charity.

Foreign currency

Foreign currency transactions are translated at the rate applicable on the transaction date. Foreign currency balances are translated at the exchange rate prevailing at the balance sheet date. Gains and losses on translation are included in the SOFA.

Tangible fixed assets

Tangible fixed assets are stated at cost net of depreciation. All fixed assets costing more than £1,000 are capitalised. Depreciation is provided on equipment and fixtures over three years straight line.

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered.

Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably.

Pension costs

The charity provides a defined contribution scheme, which is available to all employees. The funds are independently held from those of the charity. The pension costs comprise the costs of the charity's contribution to its employees' pension schemes.

Taxation

The charity falls with the meaning of Part 1, Schedule 6 of the Finance Act 2010. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains within categories covered by Chapter 3 of Part 11 of the Corporation Tax Act 2010 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. No tax charges arose in the period.

Irrecoverable VAT is not separately analysed and is charged to the SOFA when the expenditure to which it relates is incurred, and is allocated as part of the expenditure to which it relates.

Financial instruments

The charity has financial assets and liabilities of a kind that qualify as basic financial instruments. Financial assets comprise cash at bank and in hand, trade and other debtors. Financial liabilities include trade and other creditors. Basic financial instruments are recognised at transaction value. Details of these financial assets and liabilities and their carrying value are given in the notes to the accounts.

Funds

Restricted funds are funds that are to be used in accordance with specific restrictions imposed by donors. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

General reserves are unrestricted funds which 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.

2. Donation Income

	Restricted Funds 2024/25	Unrestricted Funds 2024/25	Total Funds 2024/25	Restricted Funds 2023/24	Unrestricted Funds 2023/24	Total Funds 2023/24
	£'000	£'000	£'000	£'000	£'000	£'000
Grants	-	4	4	-	4	4
Donations	45	28	73	-	53	53
Total	**45**	**32**	**77**	**-**	**57**	**57**

Unrestricted grants include funding from the following trusts and foundations:

The Beale Trust	£250	(2023/24: £Nil)
PF Charitable Trust	£4,000	(2023/24: £4,050)

3. Income from Charitable Activities

	Restricted Funds 2024/25	Unrestricted Funds 2024/25	Total Funds 2024/25	Restricted Funds 2023/24	Unrestricted Funds 2023/24	Total Funds 2023/24
	£'000	£'000	£'000	£'000	£'000	£'000
Grants receivable (Note 4)	3,058	32	3,090	2,209	45	2,254
Business Integrity:						
- Bronze Membership	-	172	172	-	272	272
- Gold Membership	-	225	225	-	175	175
- Standalone Benchmark	-	45	45	-	105	105
- Thought Leadership & other income	132	-	132	90	12	102
Total	**3,190**	**474**	**3,664**	**2,299**	**609**	**2,908**

A list of Business Integrity Forum members is found on page 28.

Thought Leadership includes income from British International Investment, £92,000 and Novartis, £40,000.

4. Grants Receivable

	Notes	Total Funds 2024/25 £'000	Total Funds 2023/24 £'000
UK			
Foreign, Commonwealth & Development Office		60	-
Joffe CharitableTrust		227	110
Montpelier Foundation		50	30
Open Society Foundations		124	447
Julia & Hans Rausing Trust		280	150
Sigrid Rausing Trust		250	250
Joseph Rowntree Charitable Trust		42	30
Transparency International-Secretariat		55	9
Trust for London		-	14
	14	**1,088**	**1,040**
International: Defence & Security			
Carnegie Corporation of New York		91	65
CMI (U4)		-	10
Netherlands Ministry of Foreign Affairs		1,652	923
NATO		-	10
United Nations Democracy Fund (UNDEF)		41	56
	14	**1,784**	**1,064**
International: Global Health			
GlaxoSmithKline		-	6
CMI (U4)		7	6
Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH		37	-
Global Affairs Canada (Department of Foreign Affairs, Trade and Development)		106	93
National Institute of Health Research		11	-
Savannah Wisdom		25	-
	14	**186**	**105**
Unrestricted Grants			
David and Elaine Potter Foundation (unrestricted - designated for UK programme)		5	45
David and Elaine Potter Foundation		27	-
		32	**45**
Total	14	**3,090**	**2,254**

5. Charitable Activities Expenditure

	Total Funds 2024/25	Total Funds 2023/24
	£'000	£'000
Direct charitable costs	1,125	691
Employee costs (see note 10)	2,334	2,625
Grants payable (see note 6)	337	481
Support costs (see note 7)	66	248
Total	**3,862**	**4,045**

6. Charitable Expenditure: Grants Payable

	Total Grants 2024/25	Total Grants 2023/24
	£'000	£'000
Association CRI 2002 Mali (TI Chapter)	10	22
The Athena Foundation	10	-
Center TIR 2 (TI Chapter)	85	105
CISLAC Nigeria (TI Chapter)	149	50
I-Watch Tunisia (TI Chapter)	50	100
Open Ownership (UK Anti-Corruption Coalition member)	-	20
Open Democracy	-	5
Royal United Services Institute for Defence & Security Studies	10	-
Spotlight on Corruption (UK Anti-Corruption Coalition member)	10	-
Tax Watch (UK Anti-Corruption Coalition member)	-	64
Transparency International Niger	8	100
Transparency International Sweden	5	15
Total	**337**	**481**

7. Charitable Activities Expenditure: Support Costs

	UK Programmes	Defence & Security	Global Health	Programme Delivery Support	Total
	2024/25	2024/25	2024/25	2024/25	2024/25
	£'000	£'000	£'000	£'000	£'000
Governance/ Company Secretarial	-	-	-	20	20
Finance (incl. Premises)	246	151	14	23	434
Information Technology	23	14	1	2	40
Human Resources	89	55	5	8	157
Project Management	145	89	8	13	255
Total	**503**	**309**	**28**	**66**	**906**

	UK Programmes	Defence & Security	Global Health	Programme Delivery Support	Total
	2023/24	2023/24	2023/24	2023/24	2023/24
	£'000	£'000	£'000	£'000	£'000
Governance/ Company Secretarial	-	-	-	26	26
Finance (incl. Premises)	158	87	4	76	325
Information Technology	33	18	1	15	67
Human Resources	63	35	2	30	130
Project Management	213	118	5	101	437
Total	**467**	**258**	**12**	**248**	**985**

Support costs have been allocated as above based on the proportion of employee time spent on each activity.

8. Net Expenditure

This is stated after charging:

	2024/25	2023/24
	£'000	£'000
Depreciation	-	1
Auditor's remuneration – statutory audit services	16	12
Auditor's remuneration – donor certificate audit services/company administration	5	-
Pension costs	94	93

9. Board of Trustee Remuneration, Expenses & Donations

No Trustees received remuneration or benefits in kind during 2024/25 (2023/24: Nil). Travel expenses reimbursed £914 for three trustees (2023/24 £917).

The cost incurred by the charity for trustee indemnity insurance was £3,246 (2023/24: £2,798).

During the year nine trustees (2023/24: eight trustees) donated, in aggregate, £750 (2023/24: £2,080) to the charity.

10. Employee Numbers and Emoluments

The average number of employees during the year was:

	2024/25	2023/24
	£'000	£'000
Charitable activities	29	28
Fundraising	1	2
Support	8	10
Total	**38**	**40**

Employee emoluments were as follows:

	2024/25	2023/24
	£'000	£'000
Wages and salaries	2,032	2,273
Social security costs	208	259
Pension costs	94	93
Total	**2,334**	**2,625**

The total amount of benefits received by key management personnel includes gross salaries, employer pension contributions and employer NI was:

	2024/25	2023/24
	£'000	£'000
Chief Executive	140	136
Chief Operating Officer	116	111
Director of Policy & Programmes (paternity Leave 2024)	99	102
Director of International Engagement (maternity leave during 2024/25)	87	99
Director of International Engagement (acting during 2024/25)	42	-
Director of Development, Communications & Impact (until September 2023)	-	40
Director of Strategic Partnerships (until March 2024)	-	123
Total including gross salaries, employer pension contributions	**484**	**611**
Total including gross salaries, employer pension contributions and employer National Insurance Contributions	**542**	**684**

Total pension contributions in 2024/25 for key management personnel amounted to £25,785 (2023/24 £27,507).

	2024/25	2023/24
	£'000	£'000
Number of employees who earned from:		
£60,001 – £70,000	3	6
£70,001 – £80,000	3	1
£80,001 – £90,000	1	1
£90,001 – £100,000	1	3
£100,001 – £110,000	1	1
£120,001 – £130,000	-	2
£130,001 – £140,000	1	-
	10	**14**

The remuneration above includes gross salaries only.

One termination payment was made for £41,565 (2023/24: four termination payments for £115,424), inclusive of pay in lieu of notice and holiday not taken.

The lowest paid employee, with the exception of interns who are paid the London Living Wage, was paid an annual equivalent gross salary of £35,360 per annum (2023/24: £34,000 per annum).

The highest paid employee received 3.78 times (2023/24: 3.81 times) the salary of the lowest paid employee.

11. Tangible Fixed Assets

	Equipment & Fitting
	£'000
Cost	
At 1 April 2024	65
Additions	-
Disposals	-
At 31 March 2025	**65**
Depreciation	
At 1 April 2024	65
Charge for year	-
Depreciation on disposals	
At 31 March 2025	**65**
Net book value	
At 31 March 2025	**-**
At 31 March 2024	**-**

12. Debtors

	2024/25	2023/24
	£'000	£'000
Trade debtors	157	205
Prepayments	31	25
Accrued income	565	122
Rent deposit	42	30
Total	**795**	**382**

13. Creditors

	2024/25	2023/24
	£'000	£'000
Trade creditors	119	37
Accruals	129	62
Social security and other taxes	91	113
Deferred income and other creditors	2	72
Total	**341**	**284**

14. Total Funds

2024/25	Brought forward	Income & Gains	Expenditure	Transfer	Carried forward
	£'000	£'000	£'000	£'000	£'000
Restricted & Designated income funds					
UK	1,061	1,265	1,576	-	750
International: Defence & Security Programme	1,143	1,784	1,667	-	1,260
International: Global Health Programme	-	186	137	-	49
	2,204	3,235	3,380	-	2,059
Unrestricted funds	400	539	542	-	397
Total funds	**2,604**	**3,774**	**3,922**	**-**	**2,456**

2023/24	Brought forward	Income	Expenditure	Transfer	Carried forward
	£'000	£'000	£'000	£'000	£'000
Restricted & Designated income funds					
UK	1,554	1,130	1,671	48	1,061
International: Defence & Security Programme	1,659	1,064	1,580	-	1,143
International: Global Health Programme	9	105	114	-	-
	3,222	2,299	3,365	48	2,204
Unrestricted funds	520	711	783	(48)	400
Total funds	**3,742**	**3,010**	**4,148**	**-**	**2,604**

Restricted funds are held for the following purposes:

The UK Programme funds aim to challenge Britain's role in facilitating global corruption, the need to safeguard public services, politics and the private sector in the UK against corruption.

The funds are for projects that include:

- Stopping the flow of Dirty Money: a programme of research and advocacy seeking to address where corrupt wealth is laundered into the UK economy and financial system. Ensuring that illicit assets are recovered by law enforcement agencies both in the UK and territories where it has influence (brought forward £836,000, carried forward £628,000).
- Securing integrity in politics: putting integrity and accountability into the heart of UK politics with evidence-informed policy solutions to remove the corrupting influence of big money, campaign financing, lobbying or the use of the 'revolving door' (brought forward £211,000, carried forward £122,000).
- Business integrity: drive improvements in impact investor efforts to mainstream business integrity and leveraging anti-bribery and corruption within business ESG strategies (brought forward £13,000, carried forward £Nil).

Unrestricted designated funding is utilised to match funding on expenditure within the programme £5,000 (2023/24: £45,000).

The Defence & Security International Programme aims to reduce corruption risks in the global defence and security sector by conducting research and by influencing policy recognising that it is a factor contributing to conflict, insecurity and crises. It seeks to improve the integrity of private sector defence and security actors. Funding also allows for on-going advocacy in relation to global indices (Government Defence Integrity Index and Defence Companies Index on Anti-Corruption and Corporate Transparency).

The Global Health International Programme aims to ensure effective, accountable and transparent health systems which leave no room for corruption and which deliver Universal Health Coverage. The programme focuses on three key areas of the health value chain most prone to corruption: research and development, procurement and service delivery. If mitigated these could reap enormous impact and better investments in strengthening health system esilience and delivering equitable health outcomes.

Restricted & Designated Funds detail

2024/25	Brought forward	Income	Expenditure	Carried forward
	£'000	£'000	£'000	£'000
Ajahma Charitable Trust	228	-	-	228
ESG Reporting (Novartis & PwC)	10	40	50	-
Foreign, Commonwealth & Development Office	-	60	22	38
Impact Investing Report (British International Investment)	4	92	96	-
Joffe CharitableTrust	35	227	118	144
Montpelier Foundation	-	50	17	33
Open Society Foundations	375	124	499	-
Julia & Hans Rausing Trust	89	280	307	62
Sigrid Rausing Trust	239	250	267	222
Joseph Rowntree Charitable Trust	69	42	105	6
Transparency International Secretariat	12	55	65	2
Individual donors	-	45	30	15
UK Programme	**1,061**	**1,265**	**1,576**	**750**

2024/25	Brought forward	Income	Expenditure	Carried forward
	£'000	£'000	£'000	£'000
Carnegie Corporation of New York	14	91	105	-
Netherlands Ministry of Foreign Affairs (2022-26 Grant)	1,129	1,652	1,521	1,260
United Nations Democracy Fund (UNDEF)	-	41	41	-
International: Defence & Security Programme	**1,143**	**1,784**	**1,667**	**1,260**
Global Affairs Canada (Department of Foreign Affairs, Trade and Development)	-	106	79	27
Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH	-	37	31	6
Chr. Michelsen Institute (CMI)/ U4	-	7	6	1
National Institute of Health Research	-	11	11	-
Savannah Wisdom	-	25	10	15
International: Global Health Programme	**-**	**186**	**137**	**49**
Total	**2,204**	**3,235**	**3,380**	**2,059**

Designated Funds Detail

2024/25	Brought forward	Income	Expenditure	Carried forward
	£'000	£'000	£'000	£'000
David and Elaine Potter Foundation (unrestricted – designated for UK programme)	-	5	5	-
Total	**-**	**5**	**5**	**-**

Restricted & Designated Funds detail

2023/24	Brought forward	Income	Expenditure	Carried forward
	£'000	£'000	£'000	£'000
Ajahma Charitable Trust	230	-	2	228
ESG Reporting (Novartis & PwC)	40	50	80	10
Impact Investing Report (British International Investment)	137	40	173	4
Joffe CharitableTrust	-	110	75	35
Luminate: The Omidyar Group	310	-	310	-
Montpelier Foundation	21	30	51	-
Open Society Foundations	405	446	476	375
Julia & Hans Rausing Trust	129	150	190	89
Sigrid Rausing Trust	216	250	227	239
Joseph Rowntree Charitable Trust	39	30	-	69
Transparency International Secretariat	3	10	1	12
Trust for London	24	14	38	-
UK Programme	**1,554**	**1,130**	**1,623**	**1,061**

2023/24	Brought forward	Income	Expenditure	Carried forward
	£'000	£'000	£'000	£'000
Carnegie Corporation of New York	130	65	181	14
Chr. Michelsen Institute (CMI)/ U4	-	10	10	-
NATO	-	10	10	-
Netherlands Ministry of Foreign Affairs (2022-26 Grant)	1,529	923	1,323	1,129
United Nations Democracy Fund (UNDEF)	-	56	56	-
International: Defence & Security Programme	**1,659**	**1,064**	**1,580**	**1,143**
Chr. Michelsen Institute (CMI)/ U4	-	6	6	-
GlaxoSmithKline	9	6	15	-
Global Affairs Canada (Department of Foreign Affairs, Trade and Development)	-	93	93	-
International: Global Health Programme	**9**	**105**	**114**	**-**
Total	**3,222**	**2,299**	**3,317**	**2,204**

Designated Funds Detail

2023/24	Brought forward	Income	Expenditure	Carried forward
	£'000	£'000	£'000	£'000
David & Elaine Potter Foundation (unrestricted - designated for UK programme)	-	48	48	-
Total	**-**	**48**	**48**	**-**

15. Analysis of Net Assets Between Funds

	Restricted Funds 2024/25	Unrestricted Funds 2024/25	Total Funds 2024/25	Restricted Funds 2023/24	Unrestricted Funds 2023/24	Total Funds 2023/24
	£'000	£'000	£'000	£'000	£'000	£'000
Fixed assets	-	-	-	-	-	-
Debtors	555	240	795	-	382	382
Cash	1,504	498	2,002	2,204	302	2,506
Creditors due within one year	-	(341)	(341)	-	(284)	(284)
Total	**2,059**	**397**	**2,456**	**2,204**	**400**	**2,604**

16. Related Party Transactions

In 2024/25 there were no related party transactions (2023/24: £Nil).

Statutory Information

Transparency International (UK) (a company limited by guarantee)

Registered Address: *10 Queen Street Place, London EC4R 1AG*
Registered Charity Number: 1112842
Registered Company Number: 02903386

External advisors

Auditors:

Sayer Vincent LLP
110 Golden Lane, London, EC1Y 0TG

Bankers:

HSBC Plc
PO Box 41, High Street, Uxbridge, Middlesex, UX8 1BY

Solicitors:

Bates Wells
10 Queen Street, London, EC4R 1BE

Egality Law
International House, 36-38 Cornhill, London, EC3V 3NG

Senior Leadership Team

Daniel Bruce: *Chief Executive*

Colin Munro: *Chief Operating Officer / Company Secretary*

Sara Bandali: *Director of International Engagement (maternity leave)*

Duncan Hames: *Director of Policy & Programmes*

Alexander Knapp: *Director of International Engagement (acting)*

Photo credits

Shutterstock:
Cover, *Westminster* – AR Pictures, *Flags* – Alexandros Michailidis. Page 4 – Pandora Pictures. Page 9 – Aaron Hatton. Page 10 – Avella. Page 12 – Najmi Arif. Page 16 – Belish. Page 18 – Alexandros Michailidis. Page 19 – Parilov. Page 20 – Rapit Design

Adobe Stock:
Cover, *Masks* – prapatsorn, *Money* – Bits and Splits.

TRANSPARENCY INTERNATIONAL UK
fighting corruption worldwide

ENGAGE

Follow us, share your views and discuss corruption with people from across the UK on social media.

bsky.app/profile/transparencyuk.bsky.social
https://www.linkedin.com/company/transparencyuk/
facebook.com/transparencyuk/
instagram.com/transparencyuk
x.com/transparencyuk

LEARN

Visit our website to learn more about our work in the UK and beyond, and sign up for the latest news in the fight against corruption.

transparency.org.uk

DONATE

Your donation will help us better respond to victims of corruption through developing new tools and research and holding governments and business to their promises. We want to build a fairer, more just world. With your help, we can.

transparency.org.uk/get-involved/donate-now

TRANSPARENCY INTERNATIONAL UK

England & Wales - Charity number 1112842

Accounts

TRANSPARENCY INTERNATIONAL UK
fighting corruption worldwide

ANNUAL IMPACT REPORT AND ACCOUNTS

2023-2024

Transparency International is a global movement sharing one vision: a world in which government politics, business and the daily lives of people are free of corruption.

Transparency International UK is the UK national chapter of this movement.

We work with the UK and devolved governments, parliamentarians, civil society and the private sector to tackle corruption at home, addressing the UK's global corruption footprint and helping multinational companies prevent corruption by operating with integrity.

We are also home to two major global programmes tackling corruption in the Defence and Security and Global Health sectors on behalf of the wider Transparency International movement.

> **TI UK is one of the most expert organisations working on corruption and economic crime in the UK. Their work has been instrumental in uncovering egregious cases of corruption and money laundering, whilst providing effective advocacy and evidenced-based policy solutions to influence legislative and policy change.**
>
> *Dame Margaret Hodge MP, Chair of the All Party Parliamentary Group on Anti-Corruption and Responsible Tax.*

Our Vision

is a world in which government, business, civil society, and the daily lives of people are free from corruption.

Our Mission

is to stop corruption, promote integrity and, to that end, hold power to account for the common good.

WE ADVANCE POLICY

Our research, evidence and advocacy drives the use and improvements of law, regulations, systems and policy to deter and pursue corruption.

2023-24 HIGHLIGHTS

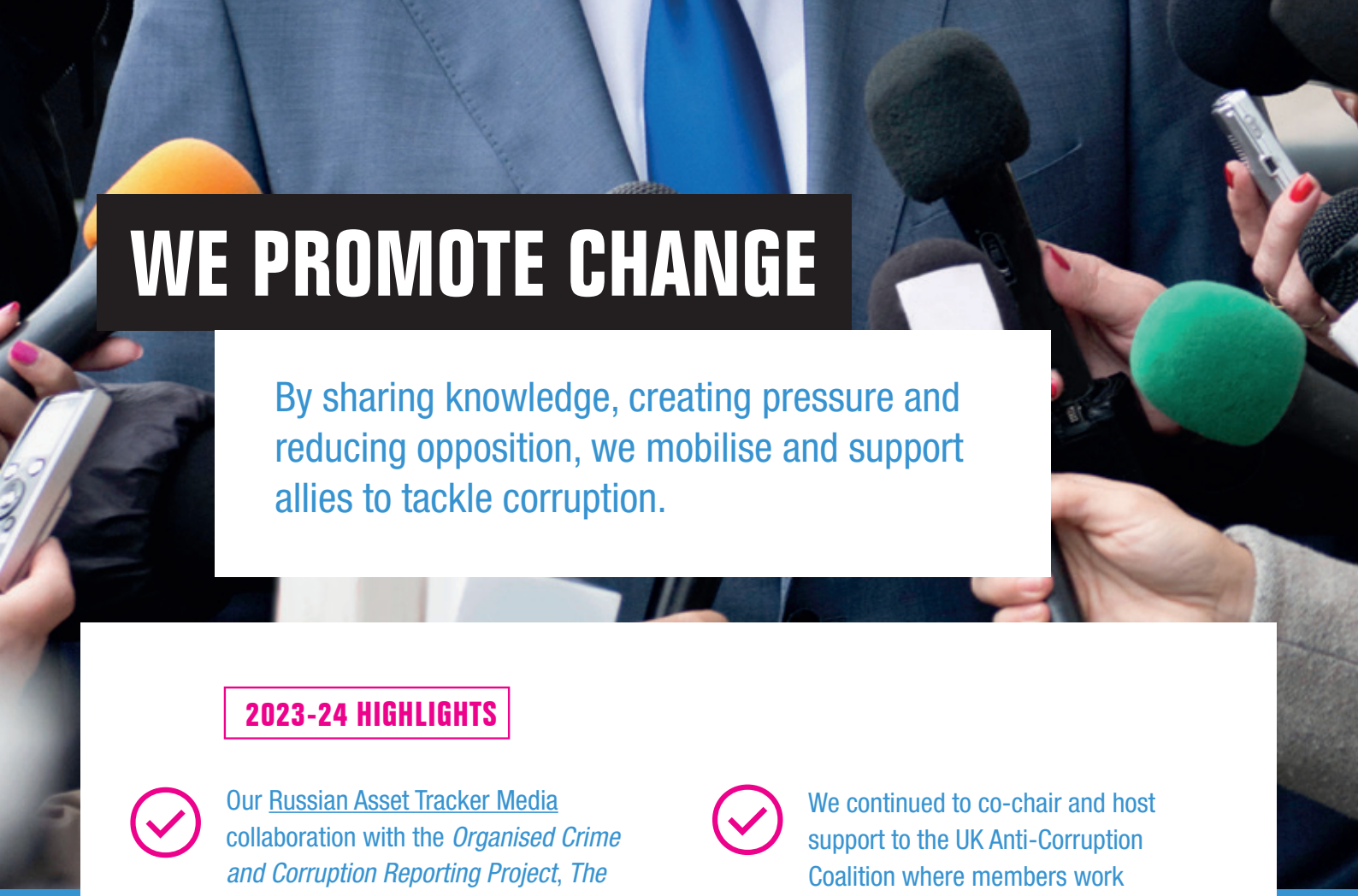
- The Economic Crime and Corporate Transparency Act 2023 became law. In October 2023 we saw Companies House and property register transparency breakthroughs following years of persistent campaigning, with evident and immediate real-world impact through reporting on the findings.
- Our new Investing with Integrity II guidance is already impacting positively on how impact investors (those who look for positive, measurable social and environmental impact alongside a financial return) can meet business integrity and environmental and social due diligence checks to proactively mitigate corruption risks that undermine development outcomes.
- The latest draft of the World Health Organization's Pandemic Preparedness Accord (March 2024) reflected several of our key advocacy goals, recognising that transparency and accountability are key principles of pandemic prevention, preparedness and response. It also contains measures that will increase the transparency of procurement, financing and information sharing in future pandemics.
- The third draft (January 2024) of the UN Instrument on Private Military & Security Companies reflected the impact of our advocacy efforts. Our wording on the objectives for transparent oversight, references to UN anti-corruption conventions, mandates for international standards on corruption prevention, and measures against the recruitment of personnel with a history of corruption-related acts were included in the draft instrument.

WE IMPROVE PRACTICE

By driving the public and private sectors to change behaviour, attitudes and stop corruption.

2023-24 HIGHLIGHTS

- We provide our Open Access transparency tool free of charge, which contains over 100,000 meetings between lobbyists and government ministers, providing a one-stop-shop for journalists, non-governmental organisations (NGOs) and the public investigating the potential misuse of power for private gain.
- Our Corporate Anti-Corruption Benchmark (an industry-leading comprehensive self-assessment tool) continues to drive improvements in companies' anti-corruption and bribery programmes, with 86 per cent of participants improving or maintaining their scores in line with our evolving best practice guidelines.
- In partnership with NATO (a military alliance of member states), we co-drafted and published the revised Integrity Action Plan handbook that featured a step-by-step detailed plan to integrate anti-corruption standards in defence and security establishments. This was included as a core part of NATO's Building Integrity Institutional Enhancement training.
- Key arguments from our blog on the risks of decreasing congressional control on US arms sales, and how this could fuel corruption and undermine good governance were quoted by Representative Dina Titus during a debate on a bill to reduce congressional reviews of proposed arms sales in the US House Foreign Affairs Committee.
- With global spending on medicines continuing to grow, and taking up increasing amounts of health sector budgets, we looked at the efficiency gains that could be made by tackling corruption in the procurement of medicines. Using data from nine countries we found that if corruption was eliminated, costs could decrease by 34 per cent – a saving of US$4 billion in the countries studied.



WE PROMOTE CHANGE

By sharing knowledge, creating pressure and reducing opposition, we mobilise and support allies to tackle corruption.

2023-24 HIGHLIGHTS

- Our Russian Asset Tracker Media collaboration with the *Organised Crime and Corruption Reporting Project*, *The Guardian* and others won the European Press Prize 2023 for Innovation, raising awareness of the urgent need for transparency to uncover the hidden assets of those close to the Kremlin.
- We continue to grow our Business Integrity Forum and Corporate Anti-Corruption Benchmark and the wider movement for corporate transparency by building strong relations with companies and engaging in multi-stakeholder initiatives such as the Extractive Industries Transparency Initiative, which works to set a global standard for the good governance of oil, gas and mineral resources.
- We continued to co-chair and host support to the UK Anti-Corruption Coalition where members work collaboratively to fight corruption in the UK and end its role in facilitating corruption abroad. The Coalition secured Core Participant status in the Procurement Module of the UK COVID-19 Inquiry and worked to secure positive changes to the Economic Crime and Corporate Transparency Act.
- In conjunction with five Transparency International chapters in sub-Saharan Africa, we have examined the drivers of corruption that citizens face when trying to access health services. We are working with chapters to use these findings to plan policy reforms and develop advocacy strategies to address key corruption issues.
- We successfully advocated for the inclusion of anti-corruption language into the UN Human Rights Council's Resolution on Arms Transfers and Human Rights (53/15) that was adopted unanimously in July 2023.

CONTENTS

Our Vision and Mission 2
Message from the Chair and Chief Executive 8
2023 Corruption Perceptions Index 10
Our Objectives 11
UK Programmes 12
Stop the Flow of Dirty Money 13
Protect the Public's Resources 15
Secure Integrity in Politics 16
Drive Integrity in Business 18
Global Programmes 20
Transparency International Defence and Security 21
Transparency International Global Health 24
The Year in Events 28
Global Engagement – New Relationships 29
Transparency International UK Annual Event 30
Other Event Highlights 31
Media Outreach 34
Social Media 35
Lessons Learnt This Year 36
Going Forward 37
Thank you 38
Annual Accounts 39

FROM THE CHAIR AND THE CHIEF EXECUTIVE

Daniel Bruce
Chief Executive

Fiona Thompson
Trustee Chair to Jan 2024

Mike Millward
Trustee Chair

For many years, our work at Transparency International UK has focused on tackling the single biggest contribution that our government and authorities can make to reducing global corruption: dismantling the UK's unwanted reputation as a safe haven for dirty money.

The National Crime Agency estimates that, at the very least, £100 billon of such illicit finance flows through our economy every year. These are the net gains of corrupt leaders, officials and regimes from around the world. The consequence of this is that authorities are denied the money they need to ensure ordinary people can access the resources that are rightfully theirs.

During 2023-24, together with our allies, we secured some of the most significant legislative reforms for around a decade to stop criminals and the corrupt from laundering their dirty money through UK companies and services. Years of commanding research, investigations and strategic advocacy paid off with new powers created to stop the use and abuse of shell companies. This builds upon achievements in the past year to stop anonymous foreign ownership of UK property; another method used for those with something to hide.

Large UK companies also have a role to play in preventing the harm caused by bribery and corruption if it creeps into global supply chains. We have continued to support members of our Business Integrity Forum with tools and expertise to deliver strong anti-bribery and corruption controls. With increasing recognition that corruption permeates environmental, social and governance efforts, we developed new resources this year to help companies guard, for example, against greenwashing risk. We also continued to work with the impact investing community, to identify and mitigate corruption risks in their portfolios.

In UK politics, a tense and chaotic environment has persisted throughout the year. While perhaps less dramatic than some recent history, the potential for scandal or significant lapses in public standards has remained; not just in the Westminster government, but also in the devolved nations and local authority governance. We have continued to campaign for stronger rules on standards and behaviour in government, sensible reforms of political financing and greater transparency around lobbying of public policy. Despite a challenging environment, the outgoing government committed to improve the timeliness and openness of lobbying information and to stronger regulation of the so-called revolving door (where former government ministers take on related roles in the private sector).

There is much still to do. The Labour Party manifesto made around 10 explicit commitments for more ambitious changes to drive trust and standards in government. They include the creation of a new Integrity & Ethics Commission, tougher regulations on political finance and 'immediate reform of the House of Lords'. This explicit emphasis is welcome evidence of our advocacy, and that of our allies, having succeeded in locating such issues in the policy roadmap of the new government. The challenge in front of us will be to sustain momentum for their adoption in a meaningful and effective way.

We remain proud to serve as the Transparency International movement home to two global programmes tackling corruption in Global Health and in Defence and Security. The past year has seen important strides forward in both areas where corruption is being better addressed in international instruments and regulations; arms trade treaties, UN regulation of private military contractors, NATO's Integrity Action plan and the WHO's global Pandemic Preparedness Accord. The programmes have also supported Transparency International chapters by increasing national demand for greater transparency and oversight of the defence sector.

All of our work has continued to be well amplified by a strong media profile, both in response to emerging events throughout the year, as well through a growing range of joint investigations with journalists or longer-form television documentaries.

As with many civil society organisations, global events of recent years have continued to translate into a challenging fundraising landscape, especially through international development assistance funding. We are immensely grateful, therefore, to the loyal philanthropists, institutions, companies and individuals who continue to fund our vital work. The evidence is increasingly clear that the battle against corruption is a marathon, not a sprint. We should rightly be proud of the significant reforms we have secured after many years of patient advocacy.

At a governance level, we bid a very fond farewell to two dedicated, long serving-trustees, Fiona Thompson and Natasha Houseman this year. Both reached their 9-year term limit having providing outstanding service as our board Chair and Treasurer respectively. We welcomed Mike Millward as our incoming Chair; a highly experienced corporate risk & security professional with an early career in the Royal Air Force. Meanwhile Hilda Cheong was appointed Treasurer; currently Director of Financial Crime & Forensic Services at EY.

We would not have achieved the significant breakthroughs highlighted in this report without your support for our campaigns and research which can often take years to bring about reform and change.

Thank you. We hope you will continue to back us in the year ahead.

2023 CORRUPTION PERCEPTIONS INDEX

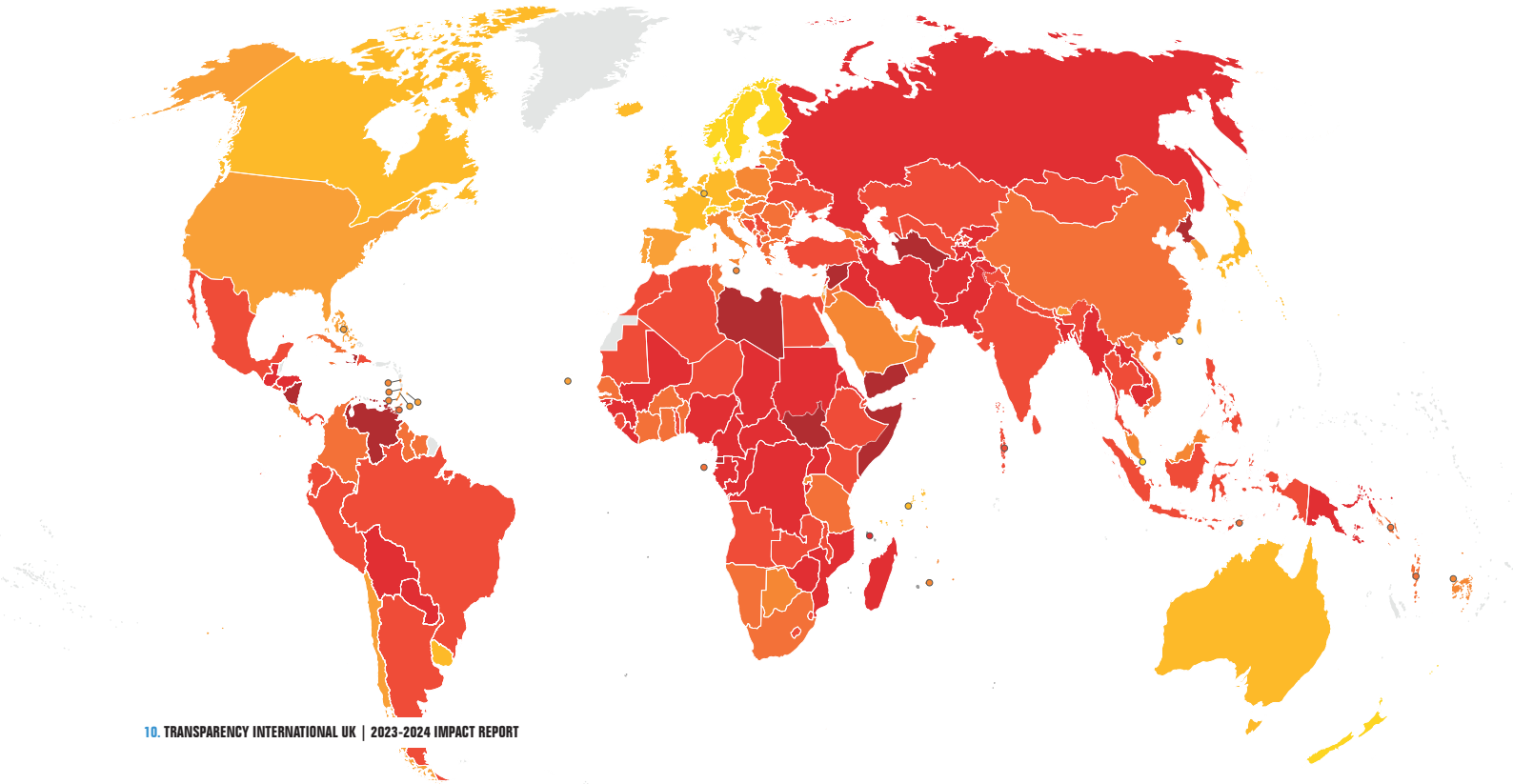
In 2023, the UK dropped to its lowest rank and score on Transparency International's respected global Corruption Perceptions Index (CPI). The UK now sits at 20th place having been just outside the top 10 in 2021.

The CPI uses impartial surveys from experts and business leaders to score and rank countries by the perceived level of corruption in their public sectors. It uses a scale of zero (perceived as highly corrupt) to 100 (perceived as very clean).

The UK continues to have a relatively high score however the latest data shows increasing concerns about the government's approach to corruption. This has been increasing due to the global perception that government contracts were not always awarded on merit and that there were insufficient safeguards to prevent the abuse of high office. This indicates that urgent action is required to restore public confidence.

UK results since 2013

Year	2023									2013
Score (out of 100)	71	73	78	77	77	80	82	81	81	78
Rank (1 is highest)	20	18	11	11	12	11	8	10	11	14



OUR OBJECTIVES

1. Stop the Flow of Dirty Money
2. Protect the Public's Resources
3. Secure Integrity in Politics
4. Drive Integrity in Business

UK PROGRAMMES

STOP THE FLOW OF DIRTY MONEY

We saw breakthroughs in company and property ownership transparency following years of persistent campaigning, with evident and immediate real-world impact through reporting on the findings.

Companies House Reform

After a concerted campaign by Transparency International UK and our partners spanning over half a decade, the Economic Crime and Corporate Transparency Act 2023 became law, giving us our second major legislative win in as many years. This legislation will make it harder for kleptocrats to use UK companies to facilitate corruption and associated money laundering.[1] Advocacy efforts to influence this new law secured widespread, cross-party backing with dozens of parliamentarians speaking in support of our proposed changes to the Act.

The Property Register

After a Transparency International-led campaign spanning seven years, the UK property register went live in 2023. Using data from the register, we have already secured three major investigative media stories featuring individuals from **Russia**, **Armenia** and **Nigeria**, and provided relevant intelligence packages to UK law enforcement.

1 A kleptocrat is a corrupted official or connected individual who wields their power to embezzle and misappropriate public funds at a large scale, neglecting the people.

IGOR KOMAROV, SANCTIONED OLIGARCH AND PUTIN ALLY

After our investigation (and reporting from the International Consortium of Investigative Journalists) identified Igor Komarov's hidden ownership of a UK property in February, his name has officially been added to the company on the property register, and a freezing restriction has been placed on the underlying property.

> The UK has rolled out the red carpet for dirty money for decades, allowing our property market to hide the spoils of corruption and criminality. Until we close the remaining loopholes, the UK's reputation as a hub for global money laundering will remain.

Sky News, February 2024. Rachel Davies, Advocacy Director, Transparency International UK

PROTECT THE PUBLIC'S RESOURCES

The Transparency International UK team has continued to analyse corruption risks in UK public procurement during the COVID-19 pandemic, working with coalition partners to influence the scope of the UK COVID-19 Inquiry.

Protecting Public Money

The COVID-19 pandemic required a rapid public health response on a scale and speed unseen in modern times. While those procuring goods and services tried to expedite the emergency response, previous Transparency International research into personal protective equipment procurement data uncovered systemic corruption in the procurement of some goods and a pattern of behaviour. We found that critical safeguards for protecting public money were thrown aside without adequate justification.

UK Anti-Corruption Coalition Coordinator Peter Munro providing our opening statements to the Covid-19 Inquiry

UK COVID-19 Inquiry

We have continued to interrogate government procurement during that period, highlighting lessons learned for future reforms and holding to account those involved in wrongdoing. The procurement module of the COVID-19 Inquiry now explicitly includes conflicts of interest and the VIP lane within its scope, following the publication of our research. We have also secured **core participant status** at the UK COVID-19 Inquiry alongside other members of the UK Anti-Corruption Coalition.

> The frequency with which COVID-related contracts were awarded to those with political connections is deeply concerning and is at such a level that it cannot be explained away as coincidence. With more spent on PPE than the annual budget of the Home Office, the public have a right to know if their money was spent wisely and properly.
>
> Daniel Bruce, Chief Executive, Transparency International UK, commenting in 2021.

SECURE INTEGRITY IN POLITICS

A significant part of our work involves enabling others to hold power to account with access to crucial information about how decisions are made.

Open Access

We provide our **Open Access transparency tool** free of charge, which contains over 100,000 meetings between lobbyists and ministers. It allows users to share links to meetings with others by email and social media, and submit automatically-populated Freedom of Information requests. This provides a one-stop-shop for journalists (including those at The Guardian, The Times and Open Democracy), NGOs and the public investigating the potential misuse of power for private gain. Examples include an investigation into the privileged political access afforded to the **fossil fuel industry**.[2]

Restoring Trust in Lobbying

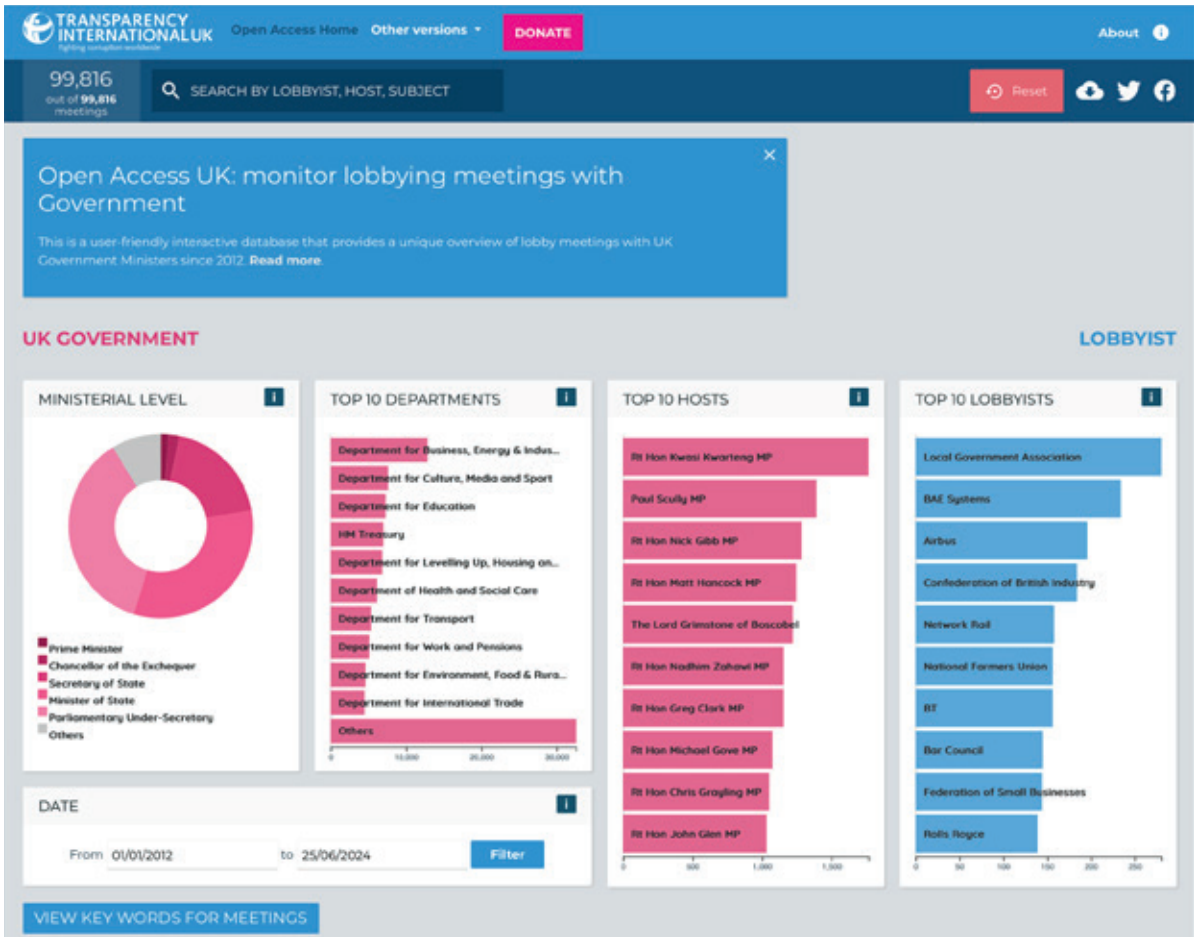
Transparency International UK has also been the leading voice calling for improvements to the quality of ministerial meetings data for some years. Our **research and analysis** has highlighted how the descriptions of meetings as well as the timeliness of the data could be improved.[3] In July, the UK Government committed to improve the quality of ministerial meetings data, and has since introduced its first proactively published guidance on how meetings should be recorded, with improvements to descriptions. There have also been ongoing developments within government to improve the timeliness of the data and to produce a more accessible central database. This work helps to make lobbying in the UK more transparent and the data released on it more meaningful so that the public and journalists can spot any concerning lobbying practices.

In Scotland, we became co-chair of the Open Government Partnership Multi-Stakeholder Forum and secured commitments from the minister on a wider review of records management policy and practice, and we are exploring the establishment of a Good Governance Champion.

We have continued to advocate for stronger safeguards against public officials abusing their position for personal gain. Activities in pursuit of these changes involve **working with investigative media** to call out those failing to comply with existing rules; providing expert interviews to news outlets on breaking investigations; and **giving oral evidence** to parliamentary committees.

2 "Conservatives are the 'political wing of the fossil fuel industry' as Sunak invites BP and Shell to Downing Street", Global Witness, 1 August 2023.

3 'Restoring trust in our lobbying system', Transparency International UK.



openaccess.transparency.org.uk

> When parliamentarians are offered gifts and hospitality from private companies, they should ask themselves what the motivation behind this is. In order to ensure that lobbying no longer happens behind closed doors, the government must update the rules to address the informal lobbying loophole.
>
> *The Guardian, August 2023. Rose Whiffen, Senior Research Officer, Transparency International UK.*

DRIVE INTEGRITY IN BUSINESS

Our work with companies to raise standards of business integrity is more important than ever both in the fight against economic crime and to underpin the sustainability agenda. As new environmental, social and governance disclosure rules in Europe drive greater transparency on corruption and political engagement issues, upholding standards of integrity is crucial to address greenwashing and undue political influence, which pose potential barriers to sustainability goals. Without business integrity, sustainability efforts risk being derailed and positive change undermined by corruption.

Business Integrity Forum

Our **Business Integrity Forum** welcomed three new company members with our events drawing expert speakers, including policy leads at Companies House and the Home Office, the Global Reporting Initiative (GRI) and leading businesses, covering a wide range of topics from Companies House reform and the new failure to prevent fraud offence, to the role of anti-corruption efforts in the sustainability conversation.

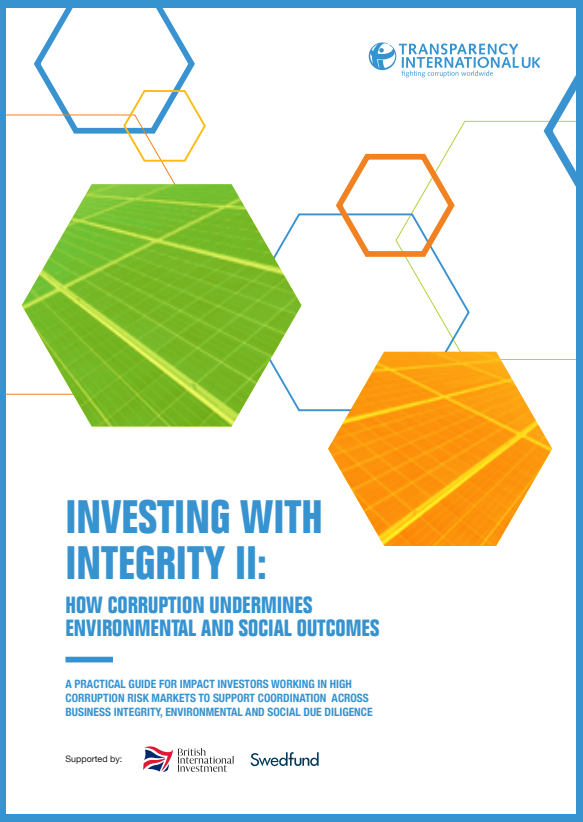
Anti-Corruption Benchmark

Our **Corporate Anti-Corruption Benchmark** continues to provide an effective tool for anti-corruption programme improvement, with three new joiners this year further strengthening the potential for peer-to-peer benchmarking. Feedback from participants highlights how they have been able to create an organisational roadmap for improvement in lower-scoring areas, secure senior management buy-in, and share valuable insight and experience through our parallel 'deep dive' workshops (where information, ideas and best practice are exchanged).

Sustainability and Standards

In partnership with the International Federation of Accountants (IFAC) and the World Economic Forum's Partnering against Corruption Initiative, we published a **joint report** analysing anti-corruption related corporate sustainability disclosures (May 2023), which attracted wide attention (our LinkedIn post received 2,396 impressions). It also fostered an important new relationship with IFAC, allowing us to reach a broader audience for our research on sustainability reporting. Our **Open Business** transparency principles continue to influence the work of those setting global standards. This includes the Global Sustainability Standards Board and its review of the GRI's Standards and the World Benchmarking Alliance, which have both used Open Business when reviewing their political engagement indicators.

> Intercontinental Hotel Groups is a member of Transparency International UK's Business Integrity Forum and participates in its annual Corporate Anti-Corruption Benchmark. Each year, the results from this benchmark help to measure the effectiveness of our anti-bribery and corruption programme and identify areas for continuous improvement.
>
> IHG Annual Report 2023, 19 February 2024



DOWNLOAD REPORT

INVESTING WITH INTEGRITY II

We launched Investing with Integrity II, our second guidance report for impact investors, which explores the main ways corruption in impact investing can undermine environmental and social outcomes. We have received feedback that our findings are already having an effect on investors' due diligence practices, in particular, investors have been using the findings to highlight overlapping risks to their investment teams.

On our website:

- *Investing with Integrity II* was the 2nd most downloaded report in quarter 4
- *Investing with Integrity I* has had over 800 downloads since July 2022

To support broader corporate transparency efforts in the UK, we responded to the Financial Reporting Council's consultation on the proposed reform of non-financial reporting standards. Our input focused on the need for UK standards to include anti-corruption metrics and for the UK government to consider the 'double materiality' principle as a basis for disclosures where companies disclose information on significant sustainability matters from a financial perspective, an impact perspective, or both.

GLOBAL PROGRAMMES

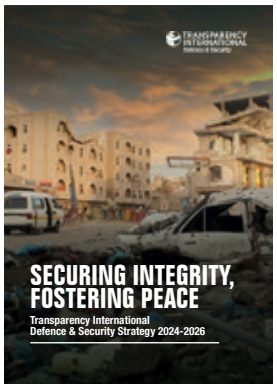
> Many Transparency International chapters are threatened and harassed. But despite all these challenges, there are strong signs of hope. In many countries, we obtain laws and judgements against corruption. And the more the corrupt leaders fight against us, the more they show their weakness.
>
> François Valérian, Chair of Transparency International, November 2023

DEFENCE AND SECURITY

Corruption and insecurity are profoundly interconnected. Russia's ongoing war in Ukraine, the recent coups in West Africa, and the escalating Israel-Palestine conflict are all fuelled by a record value of US$2.2 trillion in global military spending. This reflects a new geopolitical reality where the urgency of our work is increasingly vital and relevant.

This year we maximised our constructive partnerships with national Transparency International chapters to generate local demand and oversight on the defence and security sectors and incorporated a gender perspective across our work.

Securing Integrity, Fostering Peace



As we enter our next strategic phase, we identified the opportunities, pathways and partnerships that will help us advance peace and stability by reducing corruption in the defence and security sector. Our **2024-2026** strategy sets out three global themes:

- corruption as a security threat
- anti-corruption in defence and security national decision-making
- informed and active citizens driving integrity in defence and security

Private Military and Security Companies (PMSCs)

Notable inclusions of anti-corruption standards and oversight objectives in the third draft of the UN instrument on PMSCs published in January 2024 reflected the impact of our continued advocacy efforts since the publication of our **Hidden Costs** research.

We issued action circulars to all Transparency International chapters, hosted a workshop with our Global Defence Network to support informed collective action, and made recommendations to the Intergovernmental Working Group on PMSCs to advocate for the integration of anti-corruption controls in the UN instrument drafted to regulate PMSCs' activities.

Building Integrity in Defence

In partnership with NATO, we co-drafted and published the revised **Integrity Action Plan handbook** with the Centre for Integrity in the Defence Sector. The handbook featured a step-by-step plan to integrate anti-corruption standards, as highlighted by our Government Defence Integrity Index (GDI) for practitioners in defence and security establishments to monitor and assess corruption risks.

Arms Trade Treaty

We successfully advocated for the inclusion of anti-corruption language in the UN **Human Rights Council's Resolution on Arms Transfers and Human Rights (53/15)** that was adopted unanimously in July 2023. This serves as a crucial agenda-setting function that could result in further international-level research and evidence advocating for stronger measures to address corruption in arms transfers.

We also published a **blog** which expands on the risks of decreasing congressional control on US arms sales, and how this could fuel corruption and undermine good governance. Key arguments in the blog were quoted by US **Representative Dina Titus** during a debate on a bill to reduce congressional reviews of proposed arms sales in the House Foreign Affairs Committee.

> **Even with the current checks and dollar thresholds, there are still many gaps in administration and congressional oversight of arms sales. It is important to consider the risks of arms sales along with the potential benefits before making any dramatic changes in US government checks on arms sales.**
>
> *Colby Goodman, Senior Researcher, The Global Anticorruption blog, February 2024.*

Transparency International Defence and Security has markedly increased its profile and visibility with EU and UN institutions, with a focus on shifting international understanding to address corruption as an urgent security threat. Internal and external engagement has also been re-energised, resulting in stronger cooperation and coordination with key stakeholders globally.

With our support, chapters in Niger, Nigeria, and Tunisia have been able to demonstrate real progress on their context-specific goals, often despite substantial changes in the political context or a narrowing civil society space.

10th Conference of State Parties (CoSP10) to the United Nations Convention against Corruption (UNCAC)

We sent a **written submission** to the CoSP and delivered an oral statement to the UNCAC plenary to advocate for the recognition and response to corruption as a threat and the promotion of good governance across the defence and security sector to advance peace and stability. We also outlined the actions UNCAC States Parties should take accordingly.

Security Sector Reform (SSR)

We published **Securing Progress**, which identified specific gaps and opportunities for the effective mainstreaming of anti-corruption in five key multilateral SSR frameworks (UN, EU, OSCE, AU, and ECOWAS). We also published a Spotlight on **Anti-Corruption in Security Sector Reform: The Key to Sustainable Peace and Stability** that highlighted the importance of integrating anti-corruption as a core cross-cutting component within SSR initiatives.

Using the contents of the report, we established links with the SSR framework policy security and defence subcommittee penholder at the EU Parliament, and briefed committee members in June to build interest and support from members of the European Parliament on the recommendations we proposed on embedding anti-corruption into SSR initiatives.

Network-building

We launched a Global Defence Network that connected 27 Transparency International chapters across different regions of the world. The network served as a platform to facilitate peer learning, information exchange, and coordinate regional and global collective actions to promote integrity in defence and security sectors while meeting national priorities.

We hosted three global network sessions and discussed topics on SSR, PMSCs and military expenditure and corruption risks. The network also contributed to Transparency International's Defence and Security's 2024-2026 Strategy, and the development of gender indicators for GDI 2025.

Additionally, sustained through a participative governance model, we established a regional network comprising of West Africa and Sahel chapters to coordinate advocacy plans and targets for the region.

Government Defence Integrity Index 2025

We officially **launched the 2025 GDI research** in March 2024 and organised briefing webinars for our chapters, specifically from the sub-Saharan African region.

DOWNLOAD REPORT

NIGER: COUP, INSTABILITY, AND AN ONGOING FIGHT FOR REFORMS AND DEMOCRATIC RULE

Until the July 2023 coup, ANLC's[4] (Transparency International's chapter in Niger) initiatives aimed at fostering transparency, cooperation, and anti-corruption measures in the country's defence and security sectors were achieving promising results. ANLC managed to gain support for an anti-corruption law from the former president, Mohamed Bazoum, and worked on a draft with a parliamentary network.

ANLC also met with Niger's European Peace Facility[5] Lead in Brussels, with plans to liaise in Niger. However, the coup d'état in July[6] shook the country and the region, creating further political and economic uncertainties and security risks.

Eight Citizen Vigilance and Community Watch Committees launched by the ANLC remain active platforms for government and citizen representatives to meet safely and discuss defence governance and anti-corruption issues. Despite the renewed challenges of operating within a military-led regime, this decentralised platform, together with the anti-corruption clubs across the country, will help ANLC continue to advocate for an anti-corruption bill and reforms of the charter on information classification to enhance the accountability and civilian oversight of defence and security sectors in Niger.

4 The Association Nigérienne de Lutte Contre la Corruption (Nigerien Association for the Fight Against Corruption

5 The European Peace Facility is an off-budget facility that allows the EU to act as a global security provider. Established in March 2021to preserve peace, prevent conflicts and strengthen international security.

6 On 26 July 2023, the country's presidential guard detained the President with the Presidential Guard Commander seizing power, suspending the constitution and proclaiming himself leader of the new military junta.

GLOBAL HEALTH

In 2023, the global community made significant strides in recognising the harmful impact of corruption on health systems and outcomes. It is now crucial for governments to take decisive action against corruption in healthcare. Transparency International Global Health has further established itself as a centre of excellence, raising awareness and guiding the fight against corruption in health systems worldwide.

In September 2023, our Global Health programme teams worked with members **of the World Health Organization (WHO) Global Network on Anti-Corruption, Transparency & Accountability** (GNACTA) to get text included in the UN High-Level resolution on Universal Health Coverage, emphasising corruption as a barrier in accessing healthcare.

Transparency International Global Health secured **'non-state actor' status at the WHO**. This enables us to directly influence global health policies and practices, ensuring that integrity and transparency are at the forefront of international health governance.

We co-hosted with **USAID seven webinars** covering key topics on health corruption with participation and panellists across public and private sectors. These webinars have raised awareness, facilitated knowledge exchange and fostered international cooperation, contributing to a global dialogue on combating corruption in the health sector. They have garnered significant attention, highlighting the urgency and importance of these issues.

Our Global Health teams have co-authored several peer-reviewed academic articles to raise visibility on **emerging topics** including: 1) **"Examining corruption risks in the procurement and distribution of COVID-19 vaccines in select states in Nigeria"** published in the Journal of Pharmaceutical Policy and Practice and 2) **"Safeguarding NICE from patient groups' conflicts of interest"** was published in the British Medical Journal.

Over the past 18 months, the Global Health programme has been advocating for greater transparency and accountability measures to be included in the World Health Organization's global **Pandemic Preparedness Accord**, an agreement that should, once signed, help ensure more equitable responses to future pandemics and prevent mistakes made during COVID-19 from reoccurring. The accord contains specific provisions around ensuring transparency in information sharing, the licencing of medical technologies, financing and procurement, which should assist in ensuring future pandemic responses are more transparent and that countries have more equitable access to technologies and medicines.

Corruption and fraud drain an estimated US$560 billion from global health budgets annually, highlighting the need for stronger anti-corruption, transparency, and accountability measures in health systems globally. Transparency International Global Health has been working with our chapters in different contexts and is investigating funder investments to address corruption in health to help tackle this complex issue.

The **'Inclusive Service Delivery in Africa'** project where we are a partner, operates in five sub-Saharan countries. It has made significant strides in promoting transparency:

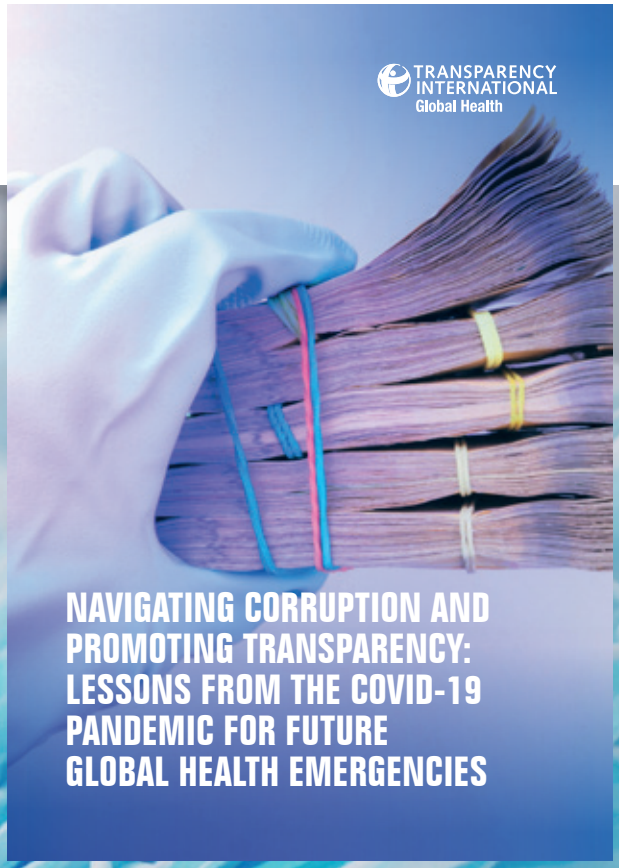
- training over 304 government officials on integrating anti-corruption practices in the delivery of education and healthcare
- reaching 4,408 women and girls through sensitisation and mobilisation campaigns
- forming multistakeholder coalitions to address gendered forms of corruption in healthcare services

We secured funding from the **U4 Anti-Corruption Resource Centre** to evaluate the design of aid flows and investments made to address corruption in health. This assessment involved detailed interactions with key bilateral and multilateral funding agencies to influence greater resources towards reducing corruption in health.

Reducing the cost of medicines is vital for better healthcare access and outcomes. Transparency International Global Health has explored how high-risk procurement practices influence medicine prices, revealing that lowering corruption risks could significantly cut costs.

With expenditure on pharmaceuticals increasing globally, we looked at the impact of high-risk procurement practices on prices paid for medicines to understand if improving procurement transparency could reduce prices.

Drawing on data from nine countries we investigated the relationship between unit prices and corruption risk. Our analysis found that corruption risk was associated with a more than 34 per cent increase in prices paid for medicines, and that decreasing corruption risks by even a third could lead to a 14 per cent reduction in savings which is now visualised on an interactive dashboard. With such a large savings potential to be had, Transparency International Global Health is working with governments and multilateral agencies to ensure procurement systems are transparent and resilient to corruption.



DOWNLOAD REPORT

> It's imperative that our national and global leaders do not miss this crucial opportunity to integrate the valuable lessons learned from the COVID-19 pandemic, especially those concerning transparency and accountability, into preventing and preparing for future pandemics.
>
> *Jonathan Cushing, Programme Director, Transparency International Global Health.*

TACKLING CORRUPTION IN HEALTH SERVICES DELIVERY ACROSS AFRICA

Over the past year, Transparency International Global Health has been working with chapters across Africa to better understand the drivers and dynamics of corruption that impact those accessing essential health services.

We have been working with colleagues in Ghana, Rwanda, Madagascar and Zimbabwe to identify policy changes and develop advocacy strategies to tackle priority corruption issues, which include addressing illicit fees charged for maternal health services, improving procurement of and preventing diversion of medicines, and tackling bribery in the processing of health insurance claims. Over the coming year, we will be working with chapters to deliver a series of interventions to address these issues, including advocacy towards governments, support for policy reforms, and engaging communities to allow them to better monitor health service provision and hold health service providers to account.

With these interventions, we anticipate improvements in the availability and quality of healthcare services across these countries including greater transparency in health service provision and enhanced patient trust and satisfaction.

2023-2024
THE YEAR IN EVENTS

GLOBAL ENGAGEMENT – NEW RELATIONSHIPS

To further raise the visibility of our work and global profile, Transparency International has engaged with new partners across the public and private sectors as well as been active participants in new forums such as the **10th Conference of State Parties (CoSP10) to the United Nations Convention against Corruption (UNCAC)**.

CoSP UNCAC

Transparency International Defence and Security convened a panel discussion as part of the official side event programme together with the US Department of State, the Government of Canada, and the U4 Anti-Corruption Resource Centre on **Corruption as a Human Security Threat: New Perspectives**. Our expert panel explored the opportunities and challenges of implementing anti-corruption initiatives in conflict and post-conflict settings, the necessity of and approaches to including the defence sector in anti-corruption work in fragile and conflict-affected states, and how a multidimensional solution, including integrating gender and the women, peace, and security agenda, can effectively tackle corruption as a security threat. It introduced us to new audiences inside and outside the conference and acted as a stepping stone for closer engagement with multiple governments.

Transparency International Movement Summit

During the annual Movement Summit, Transparency International Defence and Security led a session entitled *Secretive Spending and National Security: Promoting Anti-Corruption Reforms in a New Era of Militarisation*, with speakers from Germany, Mexico, Taiwan, Ukraine and Nigeria. We used this opportunity to foster knowledge exchange with many other chapters on defence corruption and increase knowledge of and engagement with the Government Defence Integrity Index.

Transparency International Defence and Security and the Government of the Netherlands Ministry of Foreign Affairs

In partnership with the Government of the Netherlands Mission to the EU, we hosted a roundtable event in Brussels entitled *Advancing Anti-Corruption in EU Defence and Security Action* which included representatives from member states, EU institutions, international organisations and notable NGOs. The discussion explored potential collaborations between the European External Action Service and the European Commission and led to concrete recommendations for integrating corruption analysis into conflict assessments and linking military activities with political efforts.

Private Sector Engagement

In partnership with the Pharmaceutical Supply Chain Initiative, Transparency International Global Health has raised corruption risk awareness among their members – private pharmaceutical companies – culminating in a collaborative webinar that underscored the importance of integrity within the pharmaceutical supply chain. Separately we are engaged in discussions to shape one of USAID's Grand Challenges on Countering Transnational Corruption and fostering connections to pharmaceuticals and other private sector partners working in the health sector for this opportunity.

TRANSPARENCY INTERNATIONAL UK ANNUAL EVENT

On 18 January 2024, Transparency International hosted our annual event, Corruption: The Human Cost and Consequences – this year held at the US Embassy in London.

Corruption: The Human Cost and Consequences

We aimed to explore the human costs and consequences of corruption and the trail of damage and destruction it leaves in its wake. As campaigners against corruption, it's very easy to focus on the principled reasons for our work and the technical aspects of what needs to be done, while failing to give time to look at the everyday impact of corruption felt by millions of people around the world – often the most vulnerable.

We were joined by Richard Nephew, US Department of State's Coordinator on Global Anti-Corruption who delivered a keynote address setting out the case for why corruption represents a national and international security risk, the role of the international system in tackling it and the tools we have available to do so.

This was followed by a closer look at several examples of the impact of corruption including the 2023 earthquake in Turkey and the 2020 explosion in the port of Beirut, Lebanon and a discussion and questions from our expert panel that included: Sara Chayes (researcher and author), Dalal Mawad (Lebanese journalist and author) and Oya Özarslan (founding chair of Transparency International Turkey).

To listen to the event click the link above.

OTHER EVENT HIGHLIGHTS

UK PROGRAMMES

- **APR '23** Mo Ibrahim Governance Weekend, with Transparency International Kenya: *Challenges of Tackling Assets Stolen From African Nations*
- **MAY '23** Wilton Park Conference: *Illicit Finance*
- All-Party Parliamentary Group on Anti-Corruption & Responsible Tax reception
- Organisation for Economic Co-operation and Development Forum: *Corruption Risks in Global Trade and Commerce*
- Corporate Anti-Corruption Benchmark Deep Dive
- **JUN '23** UN Global Compact: *10th Anniversary Speaker*
- Ukraine Recovery Conference high-level civil society event
- European Press Prize Innovation: *Russian Asset Tracker*
- **SEP '23** Cambridge International Symposium on Economic Crime
- Business Integrity Forum: *Doing Business in China*
- Open Government Partnership Summit, Tallinn: plenary panel and high-level panel with international government representatives
- Committee on Standards in Public Life, oral evidence on *regulation of lobbying*
- **OCT '23** Labour Party Conference, Institute for Government event: *Political Integrity Reforms*
- Conservative Party Conference: *Economic crime fringe panel with UK security minister*
- Anthropy Cross Sector National Gathering: *Panels on economic crime and political and business integrity*
- UK RISK Expo partner demonstrating Corporate Anti-Corruption Benchmark
- Corporate Anti-Corruption Benchmark Deep Dive
- Protect -speak up, stop harm: *30th Anniversary The Future of Whistleblowing Conference*
- **NOV '23** Ten Years of UK-Russian Trade-Based Money Laundering: A Collection of Long Stories by TI Russia
- Business Integrity Forum: *The Role of Anti-Corruption in ESG Strategies & Corporate Reporting*
- ABC Minds: *Corporate Criminal Liability*
- Foreign, Commonwealth and Development Office Development white paper consultation
- National Economic Crime Centre all staff event talk
- UCL public talk on *transparency in government*
- **DEC '23** Corporate Anti-Corruption Benchmark Deep Dive
- **FEB '24** Business Integrity Forum: *CPI Briefing*
- Business and Trade Commons Select Committee oral evidence

DEFENCE AND SECURITY

APR '23 The fourth session of the *UN Open-Ended Intergovernmental Working Group on Private Military Security Companies*

MAY '23 Building Integrity Annual Discipline Conference 2023

Alliance for Peace's 2023 Peace Conference: *Tackling Corruption for Peace: Anti-Corruption Approaches to Address Fragility and Insecurity*

JUN '23 International Conference on Economics and Security: *Corruption & Military Spending*

Oxford Institute's Ethics, Law and Armed Conflict-led workshop: *Mainstreaming Democratic Good Governance Across NATO's Priorities*

European Network Against Arms Trade online event: *European Military Spending Harms Peace and the Planet*

Transparency International Spotlight: *Anti-Corruption in Security Sector Reform: The Key to Sustainable Peace and Stability*

Revised version of the *Integrity Action Plan* handbook

Transparency International blog: *The Lingering Threat of Sexual Corruption in UN Peacekeeping*

JUL '23 EU Working Party on Conventional Arms Export (COARM) - NGOs Forum

EU Roundtable: *Defence and Security Governance, Institutional Resilience and Human Security*

Transparency International *30th Anniversary Conversation*

Transparency International blog: *A Corrupt State is a Target – Why NATO Summits Must Not Stage Conversations About Deterrence and Defence That Fail to Talk About Anti-Corruption*

AUG '23 Arms Trade Treaty Conference of State Parties

Taiwan Ministry of Defence: Military Integrity International Academic Forum

Regional Network Meeting with Transparency International chapters from Taiwan, Indonesia, South Korea and Malaysia

Transparency International Spotlight: Corruption Risk and Military Operations: *A Strategic Priority to be Addressed*

Transparency International Spotlight: *Defence Offsets in Asia and Oceania*

Transparency International blog: *Niger, ECOWAS Can Aim Higher Than Zero Tolerance Responses to a 'Coup-Belt' Undermined by Corruption*

SEP '23 Transparency International Movement Summit: *Secretive Spending and National Security*

Open Government Partnership Global Summit

Transparency International Spotlight: *Sustainable Development Goal (SDG) 16.5*

OCT '23 Transparency International blog: *Taiwan; the Importance of Building Trust in Defence Institutions as China Factor Grows*

NOV '23 *Securing Progress* report: M*apping Opportunities for Anti-Corruption in Security Sector Reform Frameworks*

DEC '23 Co-hosted event with the Government of Canada and the US Department of State during the 10th CoSP to the UNCAC, entitled *Corruption as a Human Security Threat: New Perspectives*

Transparency International Defence and Security 2024-2026 Strategy: *Securing Integrity, Fostering Peace*

Transparency International blog: *Securing Integrity, Fostering Peace: our Call to Action*

JAN '24 Basel Peace Forum

FEB '24 Chatham House: *Security and Defence Conference 2024*

MAR '24 Transparency International Defence and Security webinar series: *Gender, Corruption and Insecurity: Joining the Dots*

GLOBAL HEALTH

APR '23 Global Network on Anti-Corruption, Transparency & Accountability (GNACTA)/USAID webinar: *Quantifying Corruption Losses in the Health Sector*

MAY '23 World Health Assembly side event: *Standing in the way of Universal Health Coverage and Health Security*

JUN '23 GNACTA/USAID webinar: *Ending Impunity to Corruption in the Health Sector*

GNACTA/USAID webinar: *Absenteeism in the Health Sector*

World Bank Anticorruption for Development (AC4D) Global Forum: *Restoring Trust, Anti-Corruption in Service Delivery*

JUL '23 UN High-Level Political Forum side event: Ensuring Access to Healthcare Services For All: *Exploring Strategies to Mainstream Anti-Corruption in the Health Sector in Africa*

SEP '23 Movement Summit: Corruption in Education/ Healthcare Service Delivery and At-Risk Groups

GNACTA webinar: *Community Monitoring as a Tool to Prevent Corruption*

OCT '23 Bergen Global: Corruption in the Health Sector

NOV '23 WHO GNACTA: *ACTA and Technology*

GNACTA/USAID webinar: *The Role of Corruption in sub-Standard and Falsified Medicines*

DEC '23 GNACTA event: *The Ignored Pandemic*

JAN '24 GNACTA/USAID webinar: *Public Financial Management as a Tool to Combat Corruption*

MEDIA OUTREACH

Through a combination of high-profile investigations, media partnerships and expert commentary we have raised awareness of the UK's role as an enabler of corruption, keeping our issues in the news and supporting our calls for reform.

We have supported over 15 media partnerships throughout the year. This includes The Rotenberg Files, a major project with the Organised Crime and Corruption Reporting Project (OCCRP) documenting how the Rotenberg brothers, oligarchs and childhood friends of Vladimir Putin, handle their wealth to avoid the sanctions coming from the West.

The project has been nominated for a major investigative journalism award. Another high-profile collaboration with the *BBC*, *The Evening Standard* and OCCRP reported how a major Conservative donor, Javad Marandi, was named in court proceedings as a key part of an international money laundering operation. Mr Marandi strongly denies wrongdoing and isn't subject to criminal sanctions.

We achieved more than 1,500 pieces of media coverage in the last year across a range of high-profile print and online media outlets. These include gaining coverage for our work in *The Times*, *Financial Times* and *The Guardian*. We continued to offer our expert comment on broadcast media with appearances on *Talk TV*, *Times Radio* and *Sky News* throughout the year as well as the *Channel 4* documentary series *The Great Climate Fight*. Globally we also continue to build awareness of our Global Health and Defence and Security work with interviews in *The Economist*, *BBC World* and an opinion piece in a leading South African outlet working with colleagues in Uganda and Transparency International's deputy chair.

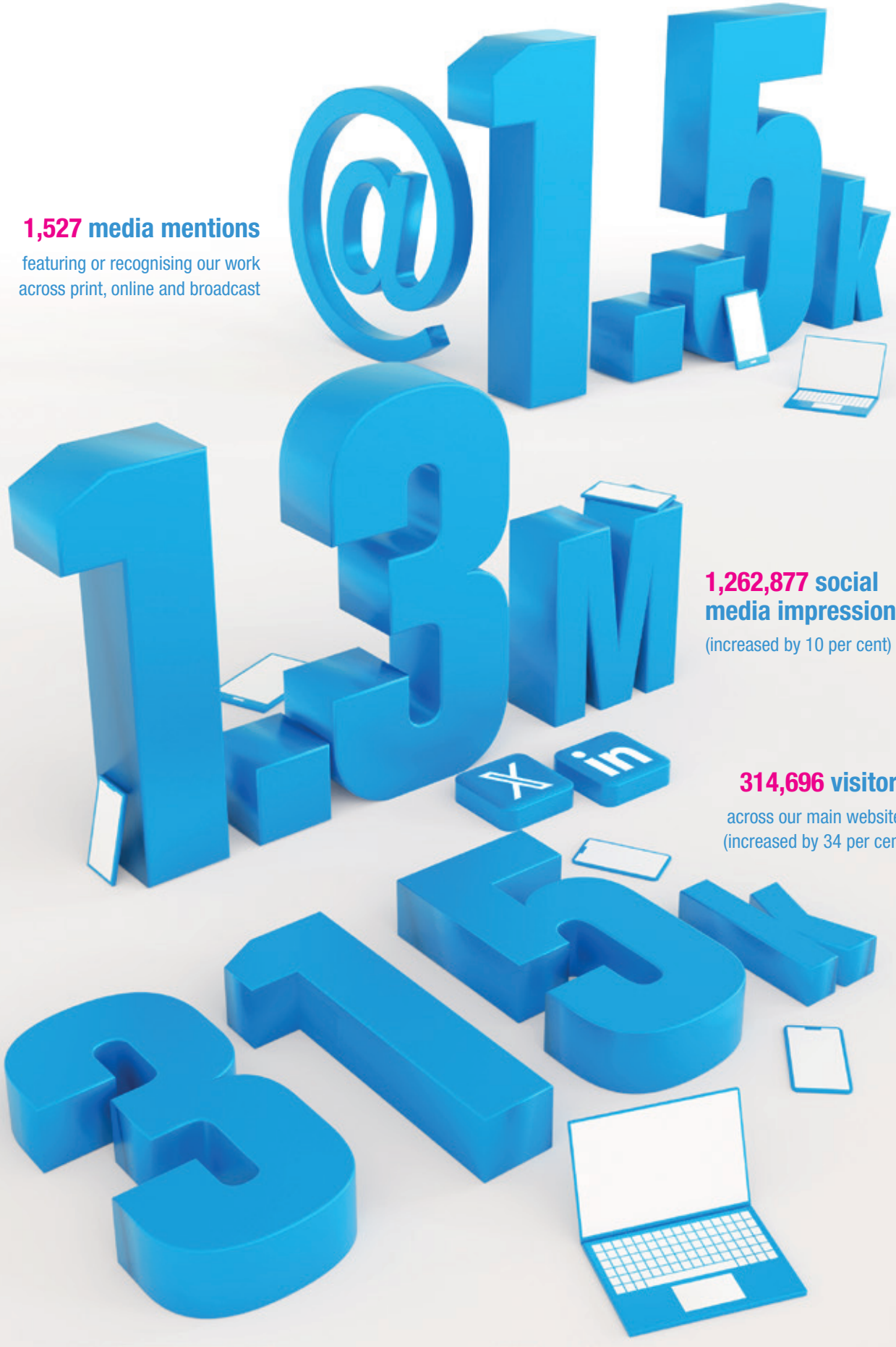
Channel 4 'The Great Climate Fight'

Sky News

Sky News

SOCIAL MEDIA

1,527 media mentions
featuring or recognising our work across print, online and broadcast



1,262,877 social media impressions
(increased by 10 per cent)

314,696 visitors
across our main websites
(increased by 34 per cent)

LESSONS LEARNT THIS YEAR

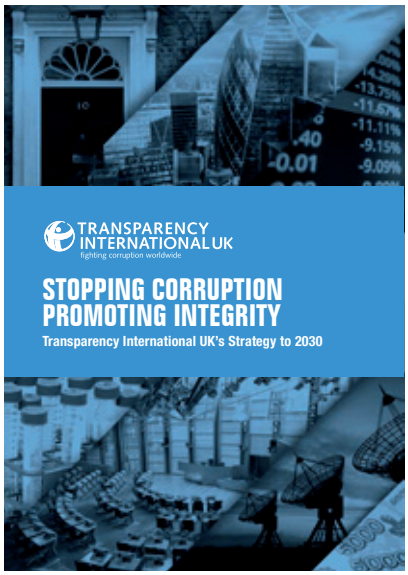
Within an ever-changing geopolitical context, we have constantly adapted our programmes to respond. While we are flexible in our approach, we are clear on our goals.

With shifting contexts, the pace of delivery can be affected as new pathways are charted out and re-orientation of programme interventions is required. We also know that corruption risks can also alter. Our global programmes on Defence and Security and Global Health keep their finger on the pulse through strong engagements with Transparency International chapters in countries as well as other key stakeholders in their respective sectors to proactively adapt to shifting contexts.

Crucial to our successful campaigns to end the flow of dirty money was the evidence from our research and investigations that underpins our recommendations, our close work with trusted partners and our working collectively with allies to influence key players.

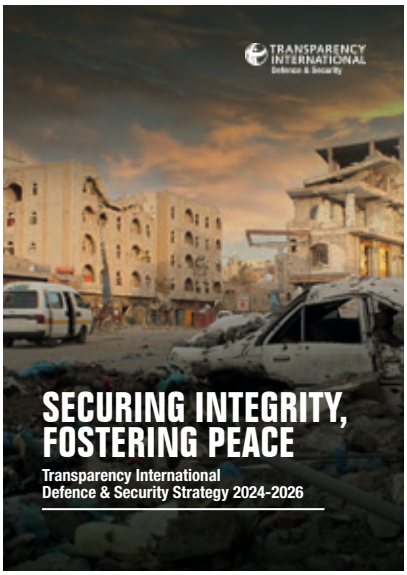
GOING FORWARD

We will roll out our refreshed strategy in 2024, building on this year's significant successes fighting dirty money, reinforcing political integrity and working to increase transparency in our Global Health and Defence and Security programmes.



DOWNLOAD REPORT

DOWNLOAD REPORT



DOWNLOAD REPORT

THANK YOU

Your invaluable backing has enabled us to come this far. We hope you will continue to work with us on our journey to create a world free from corruption.

ANNUAL ACCOUNTS

2023-2024

The Trustees report (which includes the Directors report required by Company Law), comprises the contents of the Impact Report and the section of the Annual Review and Accounts between pages 39 and 67.

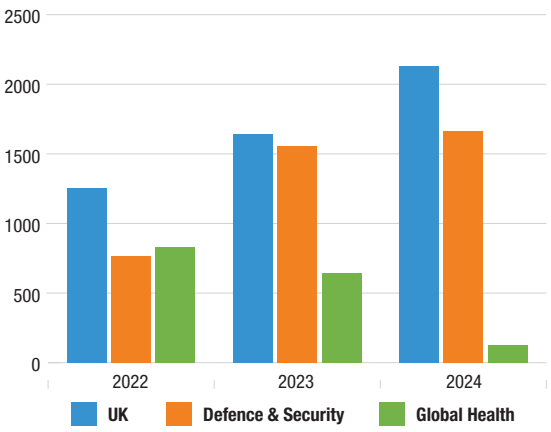
Financial Review

Income from all sources was £3,085,000 in the year to 31 March 2024 (2022/23: £4,955,000) representing an decrease of 38 per cent on the previous year. The three-year graphs show significant variations in the restricted income received (where the funds can only be used for specific purposes, agreed with donors) and associated expenditure, particularly where sums are received late in the financial year but the activities and their expenditure occur in the subsequent year.

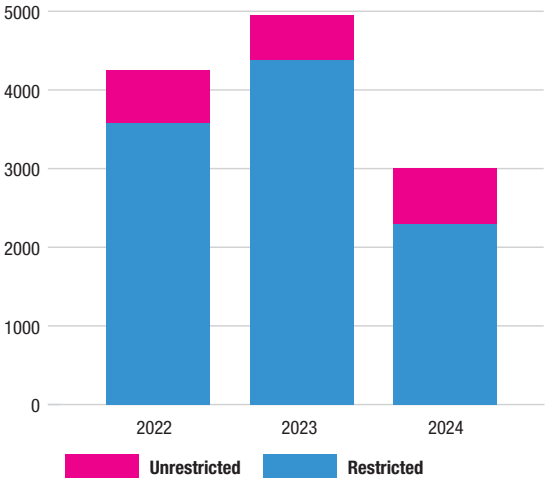
Of the income received to March 2024, £2,376,000 (2022/23 £4,386,000) was restricted for specific programmes and projects, largely made up of grant income. The remaining income of £709,000 (2022/23 £569,000) was unrestricted (where the funds can be spent at the discretion of the Charity), comprising grants, donations and TI-UK membership income as well as revenue generated by the Business Integrity Programme through membership of the Business Integrity Forum (BIF). Unrestricted income remains more challenging to generate from donors including from individual giving and yet is invaluable to the financial sustainability of the charity.

Expenditure for the year increased by 2 per cent to £4,145,000 (2022/23 £4,047,000) with increased activities from the prior year in the UK and Defence & Security programmes. Global Health expenditure reduced in line with available donor funds. Grants to partners decreased significantly. They highlight the role that TI-UK plays in collaboration amongst movement chapters as well as with UK based organisations working in the anti-bribery and corruption landscape. The majority of expenditure, 98 per cent, went towards charitable activities and 2 per cent to raising funds.

Programme Expenditure (£'000)



Total Revenue (£'000)



The charity made a total deficit for the year of £1,138,000 (2022/23 £908,000 surplus). This comprised a deficit on restricted funds of £1,018,000 (2022/23 £1,114,000 surplus) as a significant amount of funds were received for work undertaken in the first half of the following year, and a deficit on unrestricted funds of £120,000 (2022/23 £206,000 deficit) due to reduced restricted funding in our international programmes, health in particular and to cover core overhead costs.

Reserves policy and going concern

The Trustees consider that the charity needs to hold unrestricted reserves for the following principal reasons:

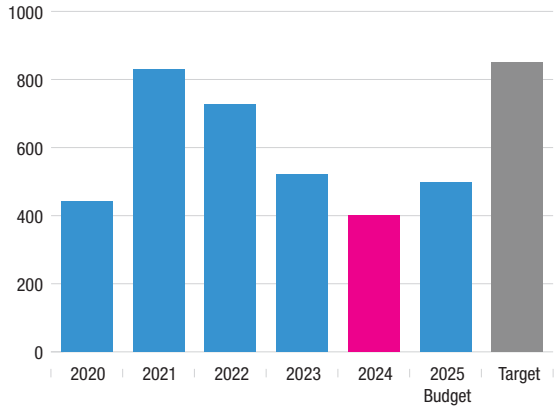
- to maintain sufficient working capital cash flow to cover delayed debtor receipts;
- to maintain programme delivery activities if delays in grant instalment payments from funders occur and to maintain the organisational structure including staffing in the short term where delays or gaps on the expiry of major grants occur, given dependence on a relatively small number of funders;
- to cover risks related to contract delivery in consortia arrangements where on-going activities have to be funded whilst delivery milestones, often outside of our direct control are demonstrated to the funding partner/ client;
- to cover risks related to failing to meet donor obligations resulting in claw back of funding for activities undertaken; and
- other income risks.

Total reserves at 31 March 2024 amounted to £2,604,000 (2022/23: £3,742,000) of which unrestricted reserves amounted to £400,000 (2022/23 £520,000) and restricted reserves amounted to £2,506,000 (2022/23 £3,222,000).

Based on a risk assessment including weighting of the risks referred to above, the Trustees are of the opinion

that the Charity needs to target an unrestricted reserve within a range of £800,000 to £850,000. The target is reviewed on a six-monthly basis, and future changes to the target will be dependent on shifts in the risk profile of the Charity, an ongoing assessment of the likelihood of major grant renewals and our ability to grow revenue. An unrestricted surplus budget was approved for 2024/25 and this reflected a restructure to reduce costs in the shared service functions undertaken at the end of the financial year. Further plans are being explored to generate increased unrestricted funding as well as restricted income overhead recoveries in order to achieve the target over the next 24-36 months. Cashflow projections are regularly updated and these do not indicate liquidity issues in the short term from the reserves being below target.

Unrestricted Reserve (£'000)



The key risk to reserves that could arise in the year ahead relates to securing funding for the Defence and Security and the Global Health programmes and impact on staffing and overhead recoveries. Plans are in place to secure required funds, monitor progress and to take action should this risk materialise. Budget risks include inflationary pressures.

The Trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern (see also Accounting Policies (Note 1)). The Trustees have reviewed the financial position, budgets and cash flows for the period to September 2025 and consider that the charity is in a position to meet its financial obligations as they fall due.

Grant making policy

TI-UK awards grants to other organisations as part of delivering our charitable and strategic objectives; this can include both Chapters within the TI network and other organisations working on anti-corruption and bribery agendas or engaged in research or advocacy in these fields. In 2023/24 TI-UK acted as a lead granter for selected members of the UK Anti-Corruption Coalition. Formal evaluation and due diligence of a partner is undertaken in advance of agreeing funding. All grants outlining key activities and deliverables are approved by the relevant Director prior to funds being disbursed.

Monitoring and evaluation of progress is undertaken to ensure that the grant is being managed according to the agreement, and where progress or implementation is deemed unsatisfactory, the grant will either be delayed or discontinued. Total grants to partner organisations were £481,000 (2022/23: £811,000) and for a full list, see note 6 to the accounts.

Future plans

Following reflection and consultation in February 2024 the Trustees approved the refreshed **Stopping Corruption Promoting Integrity** strategy to 2030. This also incorporated refreshed strategies for Global Health and Defence & Security.

The Trustees approved the 2024/2025 Annual Plan aligned to the new strategy.

The priorities are:

In the UK:

- It is vital that recent economic crime laws addressing money laundering and abuse of UK shell companies are implemented effectively, with the remaining loopholes closed. We will push for ambitious reform to the supervision of anti-money laundering measures in high risk sectors, transparency in Britain's Overseas Territories and accountable asset return.
- We will seek to build a new cohort of MP's promoting integrity in the Westminster Parliament; to translate manifesto commitments for increased transparency; and deliver greater accountability over the use of public resources, particularly during a crisis. We will continue to explore the extent to which integrity issues and undue influence arising from secretive lobbying connect with salient issues of the moment such as the climate, housing and healthcare.
- We will continue to support companies and investors in their efforts to promote integrity in business. New European sustainability reporting rules amplify our call for meaningful and accurate corporate anti-corruption disclosures. The new 'failure to prevent fraud' offence is an opportunity for companies to build on their existing anti-corruption and integrity measures. We will continue to strengthen our business integrity offer and build networks with companies, investors and multistakeholder groups to increase our outreach and impact.

Internationally:

We will continue to build on successful policy advancements and partnerships with chapters around the world as well as with governments, the private sector, think tanks and multilaterals as we strengthen our global centres of excellence on corruption in Global Health and Defence and Security.

In Global Health (subject to funding):

- We will leverage the increased recognition among global health stakeholders on the threat that corruption poses in the sector and influence the community and governments to better embed anti-corruption measures in their national health systems. This includes developing and deploying powerful evidence on the impact of corruption on key global health outcomes, as well as tools to better understand where losses are occurring. We will continue to raise our profile in the global health community, running webinars, and in-person events in conjunction with USAID and the World Health Organisation's Global Network on Anti-Corruption, Transparency and Accountability in Health.
- We will work to engage and influence bilateral donors and multilateral institutions to commit greater resources to tackle corruption in the heath sector.
- We will develop further partnerships with industry to unpick and address upstream supply chain vulnerabilities.
- In conjunction with chapters in Southern Africa, we will continue to strengthen governance and oversight mechanisms, and increase community accountability measures to allow victims of corruption to have a voice, and see restitution.
- Our existing artificial intelligence machine learning tool will be expanded to allow more journalists and civil society actors to investigate and report on corruption in the health sector.

In Defence and Security:

This year we will launch our global campaign to achieve a paradigm shift towards international recognition of and response to corruption as a security threat.

- We will push to translate our evidence into multilateral institutions, focusing on the incorporation of anti-corruption into EU and UN approaches to security sector reform and embedding of the use of the Government Defence Integrity Index.
- At the national level, we will help the US address the risk of corruption-enabled arms diversion, through the provision of research and technical guidance.
- Globally we will work with chapters to support informed and active citizens who are driving integrity in defence and security. In partnership with chapters in the North and West Africa and Sahel, we will respond to the continually developing security landscape in the region.
- We will lead a coordinated campaign with chapters to increase public awareness and engagement on the risks of defence companies undue influence on national security, defence and foreign policy decision-making.

Organisationally:

- Continue to work with colleagues in the TI-Secretariat in Berlin to strengthen the movement-wide value and leadership of TI-UK's accredited international programmes.
- Sustain our high level of influential media exposure and relationships with a focus on strategically important engagement with target audiences for all programmes, building the profile of our global programmes within the movement and maintaining our proflile as the leading voice in the fight against corruption in the UK via our website and other communication channels.
- Continue to diversify and strengthen our income pipeline, securing at least £3.3m funding in-year, with refreshed multi-year targets developed to support refreshed programme strategies.
- Continue to promote and develop a high trust culture where new strategic opportunities and adaptability are key to delivering a collaborative, engaging and learning culture with a focus on knowledge sharing throughout the employment journey. All colleagues will have access to the tools that support a Speak Up culture. We continue to challenge our programmatic and organisational assumptions, particularly in relation to gender, race and privilege as part of fostering a diverse and inclusive workspace.

Public Benefit

Charity trustees have a duty to develop strategic plans to ensure that they provide public benefit and achieve the objectives as set out in the governing document. The Trustees have had due regard to the Charity Commission guidance in relation to public benefit.

TI-UK's primary objective is the relief of poverty, suffering and distress caused directly or indirectly by corruption and the promotion for the public benefit of ethical standards and compliance with the law by the public and private sectors. The Trustees are satisfied that the Charity's activities continue to further these aims and meet the public benefit (as defined by the Charity Commission).

The Trustees consider that those who benefit from the activities of TI-UK include:

- those at risk of harm caused directly or indirectly by corruption in the UK and overseas;
- all those in societies who benefit from strong and transparent institutional structures that help deter and defend against corruption; and
- those in economies whose development is enhanced through reducing corruption.

TI-UK considers that there are clear public benefits arising from:

- promoting the enforcement of the UK Bribery Act and other anti-corruption legislation;
- highlighting the threat of corruption in specific sectors of the UK;
- building integrity and preventing corruption in the defence & security and health sectors;
- ensuring the UK effectively enforces international anti-corruption conventions;
- helping companies and NGOs to raise their anti-corruption standards; and
- increasing public awareness of corruption issues.

The Board monitor the activities of TI-UK to ensure they continue to meet the public benefit (as defined by the Charity Commission).

Risk Management

The Trustees and Senior Leadership Team review regularly the principal risks faced by the Charity. These include risks related to our strategy, people, security, finance and funding, legal and donor compliance and external relationships.

Board of Trustees	• Responsible for management & control of the Charity • Sets overall risk management and appetite • Approves risk register annually with bi-annual review
Finance, Risk and Audit Committee/All Committees	• Advises on financial control & risk management • Reviews and monitors risk register including deep dives into risk areas • Considers whether risks identified through other committees have organisational impact
Senior Leadership Team	• Monitors & maintains internal control environment ensuring day-to-day operations have adequate systems and procedures in place. • Reviews & monitors the risk register on quarterly basis to ensure new or emerging risks are profiled as well as to ensure timely follow up of mitigating actions to reduce risks to manageable levels.

How we are managing our principal risks

Key Organisational Risks	How we are mitigating the risk
Strategic	
Strategic: the failure to deliver on the ambition outlined in the newly refreshed strategic goals including the political and economic external landscape, resource constraints and / or hindrances to multi-country cooperation across the movement.	• TI-UK and global programmes strategies aligned to the TI movement strategy • Annual Plan & Budget aligned to refreshed strategy with quarterly SLT/Board updates • Focus on measuring outcomes and impact • Recruitment of vacant Board members and advisors • Strategy Fundraising Taskforce to review and prioritise opportunities aligned to strategy delivery • On-going engagement with movement collaboration models to identify new opportunities/ sustain effectiveness of hosted models.
Security	
Increased levels of political uncertainty in many countries, pandemics and erratic weather conditions means that international travel places many of our travellers at higher levels of risk and disruption including being affected by protests, strikes, terrorism, flooding and cyclones. The safety of Chapters/ researchers is a key risk in some countries/ areas of work and must be prioritised.	• Safety & Security Risk Framework, policies and procedures with updated materials for Chapter/ research risks • Safety and Security Focal Points in each team with refresher training • Crisis management plans • Insurance cover including overseas assistance
Cyber, with the conflict in Ukraine and programmes looking at Russian Dirty Money and defence and security there is heightened exposure for those involved in research and advocacy intelligence sharing.	• Various IT security measures and awareness raising across the organisation. • Access to experienced IT recovery partners.
Finance	
Failure to achieve adequate **cost recovery** on restricted grants prevents an effective level of shared services to be funded. Where programmes are not fully funded there can be an unequal share of recoveries across the organisation.	• Budgetary templates and internal reporting • Formal approval process for funding bids • Regular review of overhead charges across programmes

Key Organisational Risks	How we are mitigating the risk
Funding	
With a financial model based on high levels of restricted income and limited unrestricted income opportunities, the external funding environment is one of increased competition and with ODA assistance targeted at partners from global south.	• Strategy Fundraising Taskforce with focus on 2025/26 opportunities. • Engaging a broader range of large institutional donors and Trusts and Foundations in multi-year funding. • Fundraising Pipeline utilising CRM regularly reviewed by SLT/FRAC • Ongoing engagement with TI-Secretariat, TI-US and national chapters to overcome barriers and enhance collaboration. • On-going development of Business Integrity products and offer including membership, thought leadership and benchmark • Flexible fundraising resource through consultant expert pool to support bid developments
People	
Cost of living, changing employee expectations, lack of career progression, funding uncertainties can all lead to increased turnover and/or difficulties with recruitment. This then manifests itself in our ability to complete existing contractual obligations (workload issues) and continuity of sector and TI knowledge and expertise.	• Employee engagement forums including monthly 'One Team' meetings, quarterly in-person meetings with focus on strategic delivery and organisational developments. Regular Listen into Action surveys • Quarterly reporting on Annual Plan delivery • Annual and six monthly appraisals to discuss career plans with team learning and development plans monitored • Ensuring our salary & benefits package remains comparable with the sector • Digital recruitment platform (Be Applied) that is attractive to applicants, delivers capacity to better assess high volume applications and reduces recruitment administrative workload • Blended working guidance focused on promoting collaboration supported with a flexible and engaging workspace offer.
Safeguarding *(duty to protect from harm):* there is a risk that our people do not deliver positive safeguarding through norms, values, attitudes and behaviours which are as important as policies and procedures. The risks of ensuring safeguarding takes place across funding partners that vary in size and context and have limited resources makes us vulnerable to financial, donor and reputational risk.	• Safeguarding & Whistleblowing Policies & Codes of Conduct • Mandatory training • Partner guidance/ toolkits • Annual Safeguarding Report • TI Chapter and Secretariat safeguarding and security framework • Participation in sector Speaking Up initiative to reduce the barriers for reporting concerns • Gender review to enhance and ensure policies and procedures remain accessible and effective
Legal	
Aggressive litigation ("SLAPP suits") require TI-UK to balance producing impactful evidence informed research that can be publicly defended with the major legal costs and time that legal action can require.	• Documented content creation process to ensure legal risk is considered prior to publication with training to all colleagues working on research and communications • Access to well-equipped range of legal advice to respond robustly and defend possible litigation • Insurance products
Grant management / delivery procedures insufficient to meet increasing donor requirements (commercial contracting, supply chain, downstream partners leading to income loss).	• Shared services function provides programme support across teams covering grant management, compliance, partner due diligence, procurement and administration & logistics.

Key Organisational Risks	How we are mitigating the risk
External	
The ability to **effectively engage donors and the wider public** will be at risk if we are not designing projects to deliver impactful results and / or we are unable to provide robust programme evidence of that impact.	• Annual Impact Report designed for donors/ fundraising prospects • Impact and evaluation framework for all programmes that feeds into proposal design, log frame developments and organisational strategy • Evidence and Impact expertise in international programmes informing development of a learning culture across the organistion.

Governance

The Charity is a company limited by guarantee and was set up by a Memorandum of Association on 1 March 1994 (last amended 12 January 2006). It was registered in England and Wales as a charity on 27 January 2006. The Articles of Association were last amended on 8 December 2016.

Transparency International (UK) is a national chapter of the global movement, Transparency International (TI), incorporated in Berlin. National chapters lead the work of TI in their country and participate in TI's regional and international work. The membership base of each TI national chapter differs in type and size from country to country. TI-UK's members are an important part of the chapter's governance in that they are able to vote at the AGM and approve appointments to the Board. The number of members at 31 March 2024 was 91 (2023:90).

The Transparency International secretariat based in Berlin leads global advocacy and international initiatives, supports national chapters and coordinates regional work. The relationship of mutual support reflects the sharing of insight and research undertaken by the chapter to complement global research tools with the secretariat supporting efforts to obtain the necessary resources to tackle corruption. TI-UK operates under a national chapter accreditation agreement which was renewed for a further three years in June 2021 with the next assessment in autumn 2024.

Whilst operating as integral parts of the structure of the host chapter, Global Thematic Networks (GTNs) are globally focused programmes shaped by their innovative approaches and ambition to deliver global impact in their defined thematic areas. Bringing together and working with other TI Chapters they allow collaboration focused on knowledge exchange, research and advocacy. TI-UK operates two of these on behalf of the movement in Defence & Security and Global Health, last re-accredited in July 2022.

With increased activities in Scotland, the Trustees confirmed with the Office of the Scottish Charity Regulator that registration as a cross-border charity was not required at the present time.

Trustee & Board members

TI-UK is governed by a Board of Trustees, elected by the members of TI-UK or co-opted subject to election.

The Board meets regularly during each financial year (normally four half days along with a Strategy Away Day) to provide strategic guidance, discuss and agree policy issues, review expenditure, approve budgets and review progress in implementing programmes. The Board's decisions are implemented by the employees of the Charity, led by the Chief Executive. Board committees meet depending on needs but generally three or four times a year. A Scheme of Delegation is in place and regularly reviewed to ensure that the roles and responsibilities of the Board and the Executive are outlined.

The Trustees undertook a formal evaluation of the effectiveness of the Board in June 2021 and the Governance Framework is regularly reviewed with input from the Senior Leadership Team. Changes to reporting templates were incorporated to assist trustees undertake their assurance role more effectively. Each Committee undertakes an annual review of their effectiveness together with the terms of reference and these are discussed by the Board. The Chair has annual objectives agreed with the Board and these are reviewed with the opportunity for the SLT to contribute. A contingency plan is in place for non- availability of the Chair & Chief Executive for a prolonged period.

The following Trustees held office in 2023/24:

Trustee	Date of Appointment/ Resignation	Committees	Board Attendance 2023/2024
Cat Evans	5 October 2022	G, R	5 of 5
James Ford	4 January 2022	F, R,N	5 of 5
Prof Paul Heywood	12 October 2015	G, R (Chair)	4 of 5
Natasha Houseman	16 May 2015	F (Chair), N	4 of 5
Dominic Martin	26 February 2019- 20 October 2023	F, R, P (Chair)	3 of 3
Mike Millward (Chair)	16 November 2023	N (Chair)	2 of 2
Val Monk	4 January 2022	G, P (Chair)	4 of 5
Eddie Rich	14 May 2019	G (Chair), P	4 of 5
Fiona Thompson (Chair)	16 May 2015 – 31 January 2024	N (Chair)	4 of 4
Xenia Wickett	5 October 2022	G, P	5 of 5
Anne Zaki	5 October 2022	F, R	4 of 5

G: Global Thematic Networks F: Finance, Risk & Audit N: Nominations & Governance P: Private Sector Engagement R: Research

Two trustees resigned during the year. Dominic Martin following his selection as a prospective Westminster parliamentary candidate and Fiona Thompson having completed a six year maximum eligible term as Chair. The Board greatly appreciated their considerable contributions to TI-UK.

The procedures for appointing Trustees and their terms of office are set out in TI-UK's Articles of Association and a Trustee Recruitment policy that seeks to promote as diverse a range of candidates as possible to apply for vacancies. A skills matrix and board succession plan are in place to help facilitate recruitment. Trustees are appointed to the Board until the next Annual General Meeting at which time they stand for appointment by the membership.

Following an open recruitment process, the new Chair, Mike Millward was selected and appointed in November 2023 to allow for a period of handover and induction with the retiring chair.

New Trustees participate in a minimum half-day induction and are given a comprehensive induction pack. Additional training for Trustees is arranged as and when it is considered necessary.

Plans for recruiting the position of the next Chair of the Finance, Risk and Audit Committee/ Treasurer were agreed during the year to allow for transition when Natasha Houseman steps down as a Trustee in Spring 2024. Hilda Cheong was appointed in June 2024.

The Charity has an Advisory Council that allows the Board to draw on its members' varied expertise and experience. An Ethics Advisory Panel is in place for the purpose of providing advice to the Board on ethical questions including conflicts of interest.

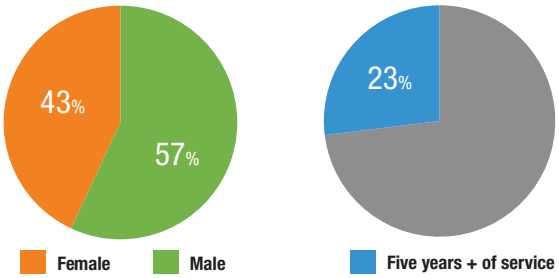
TI-UK's reputation is of paramount importance. The Charity has internal policies and procedures to ensure that the Board of Trustees and employees preserve their independence, safeguard their integrity and express opinions based on an impartial assessment of facts.

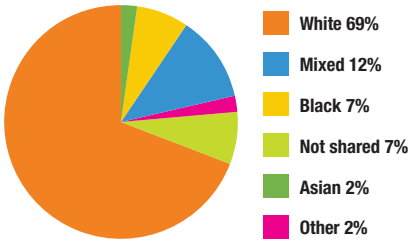
All Trustees and Senior Employees complete conflict of interest forms (annually updated) and these are published on the Charity website. Every meeting notes any potential conflicts of interest. Professional Indemnity, Trustees Indemnity and Employment Practices insurance cover are in place.

People

The skilled, committed, independent and often courageous colleagues who deliver TI-UK's strategy remain our most important resource. The values and behaviours that we consider most critical are acting with integrity; valuing and respecting differences; working collaboratively; and having the courage to demand better of ourselves and others.

This year the TI-UK team represented:





The views of colleagues are captured through quarterly Listen into Action surveys and the results are reviewed by the SLT and shared as part of the Annual People Report to the Board. With blended working these provide helpful monitoring in terms of satisfaction at work, support and resources to perform roles, life/work balance, awareness of organisational ethical guidance and procedures and confidence in management's commitment to a Speak Up culture. The last year saw an increase of in-person office space usage and collaboration activities as TI-UK continues to learn and adapt to ensure it gets the best out of blended working and that office space and commuting is environmentally sustainable.

A new Social Media policy was introduced in line with Charity Commission guidance and best practice.

A Salary and Benefits system is in place to ensure fairness and transparency. Management provide an annual report to the Finance Risk and Audit Committee on implementation of the policy.

The wellbeing of employees remains critical. The Employee Assistance Programme is promoted and available to support with advice, counselling and guidance on personal and professional challenges for them and also immediate family members. In May 2023 Mental Wellbeing was promoted through podcasts, books and other learning materials. Quarterly in-person team days include personal development training and this year included a focus on positive TI values and behaviors.

Remuneration policy

TI-UK's policy is to provide remuneration sufficient to attract, retain and motivate the kind of capable and dedicated people we need to enable us to fulfil our mission. Salaries are benchmarked periodically against comparable organisations, and in determining individual salary level and progression internal comparisons and the financial circumstances of the organisation are taken into account. A benchmarking exercise was last completed in early 2023 and upward adjustments made to the starting salaries on specific bands from April 2023. For details of key management remuneration, see note 10 to the accounts.

The Nominations & Governance Committee is responsible for setting the remuneration of the Chief Executive. The Chief Executive sets the remuneration of members of the senior leadership team in consultation with the Finance, Risk and Audit Committee who also consider changes to the overall reward policy.

Diversity & Inclusion

Having become a member of the Business in the Community Race at Work Charter in 2020, an action plan was developed in conjunction with a newly formed anti-racism forum open for all employees to participate in. This multi-year plan aims to help ensure that that we play our part in tackling barriers that national minority people face in recruitment and progression and that TI-UK, including the senior leadership and Board, is representative of British society today.

Progress with the plan included a review of the salary progression of current employees based on their time with TI-UK and their ethnicity and gender. This identified no disparity either on an overall basis or within teams indicating that policies are being applied equally. Since June 2022 we have utilised a recruitment platform designed to help remove bias (Be Applied). This has been used for all vacancies with candidates reporting very high levels of satisfaction and confidence in the application process. The system allows candidates to complete questions tailored to the job role and whilst CVs can be reviewed later, candidates are selected for interview after being independently assessed by three colleagues without access to any personal details. We hope over time that these steps will help colleagues address their own biases and that we shall experience even greater diversity and the benefits that provides to our work.

Safeguarding

TI-UK voluntarily publishes a Safeguarding Report annually (latest February 2024). This Board-reviewed report provides transparency on the safeguarding (duty

to protect from harm) framework in place, summarises matters that were reported and investigated, and details how evolving sector best practice is being considered. In the year to December 2023 there were no safeguarding matters reported concerning sexual abuse / harassment/ exploitation. We received three employee related concerns and investigated these in line with policy and the outcome requested. We continued to ensure that negative retaliation by anyone reporting concerns was avoided.

The report outlines the TI-UK Code of Conduct that everyone working with us must agree to uphold. There are details of the values and behaviors expected in the workplace, pre-employment checks that are undertaken, relevant policies together with the learning and training resources and how incidents can be reported.

We continued to participate in the charity sector network promoting a Speak Up culture and utilising sector developments from BOND. We updated our safeguarding and associated policies to reflect best practice from an independent gender/safeguarding expert and issued guidance on responding to incidents whilst at conferences and external events. We regularly survey colleagues on awareness of policies, confidence that management will investigate and perceptions on retaliation.

Future plans include:

- Continuing engagement with colleagues to ensure our culture of integrity and trust is promoted and understood. This will include Listen into Action survey results and induction/refresher training on safeguarding, whistleblowing and anti-bullying and harassment. We shall also at the Board level provide female and male safeguarding reporting routes.
- Programme design and delivery learning in relation to gender with insights from the Defence and Security team helping inform discussions on future planning across different TI-UK programmes.
- Continued engagement with the sector on developments including BOND and the Charity Speak Up Network.

Environmental

The significant measurable carbon emissions arising from TI-UK activities relates to business travel and our office use. With travel restrictions removed, and switching to in-person or hybrid events the demand for business travel is increasing but still below pre-pandemic levels. Geography, infrastructure and safety remain considerations in determining international air travel and participation is limited to those who will gain most and contribute from being present in person. Travel by train rather than air to key European capitals is encouraged.

Our preferred travel agent captures organisational carbon footprint data and has tools that integrate carbon reduction into their booking plans (including hotels) and travel decisions.

In hosting events, the value of in-person collaboration remains important. Where possible, hybrid options are made available to reduce the carbon footprint of those travelling outside of London. Our co-working space ensures that environmental footprint remains a key consideration ensuring that the impact of vacant desk space is minimised whilst also providing a central London location for best use of walking, bus, tube and train links and with no car parking being provided. Other co-working space locations from our serviced office provider are also available to help reduce travel times. The calculation of emissions is approximate and based on the area of space rented within the overall building location. An employee 'Cycle to Work' bike scheme is in place along with bike storage and changing facilities.

	2023/24	2022/23
Tonnes CO_2e from work related flights	56.7	33.9
Tonnes CO_2e from energy use in office	1.2	1.2
Total measured emissions (tonnes CO_2e)	**57.9**	**35.1**

The routine printing of publications ended three years ago and these are only made available in printed form where justified. Office use actively discourages printing of documents in an attempt to ensure behaviour change is implemented.

Ethics

TI-UK continues to be a supportive member of the UN Global Compact and reports activities undertaken to deliver on the commitments of their anti-corruption programmes. This recognises the role played in promoting good governance from being essential to the rule of law, to social inclusion and management of natural resources.

TI-UK follows the Charity Governance Code that sets out best practice advice on leadership, equality and inclusion and ensuring the Charity demonstrates social impact.

The Governance Framework published on the web-site provides full transparency on this. The Ethics Advisory Panel provides access to guidance on ethical issues that can arise.

As an organisation committed to transparency, the web-site provides details of the annual Plan and Budget, annual Declaration of Interests of the Senior Leadership Team and Trustees, Policies, Gifts and Hospitality Register, Advocacy Transparency Disclosure, Anti-Bribery & Corruption Risks and KPIs and annual Safeguarding Report.

How we ensure we fundraise responsibly

Responsibility for raising programme funding is shared between Programme Directors and those with fundraising expertise with overall co-ordination from the Chief Executive. The majority of funding comes in the form of restricted funds from a small number of large government donors, together with trusts and foundations (UK and

US based). This carries two risks: that the programmes become over-reliant on a small number of donors, and that the programmes may seem to be too close to the governments that we are aiming to hold to account.

In order to mitigate the perception that our mission may be compromised by our donors, Transparency International globally has clear guidelines that we adhere to on the circumstances in which funds can be accepted, relationships with donors, and transparency around funders. We ensure our fundraising strategy that is revised annually reflects these risks. The majority of unrestricted funding is generated by the Business Integrity Programme.

The fundraising strategy, over and above generating the revenues necessary to support TI-UK's mission, aims to diversify our donor base, both type and number, and to seek more unrestricted funding. This is principally so as to enable programme colleagues to plan for the longer term, to innovate and test approaches and to be responsive to advocacy opportunities - both of which underpin our ability to deliver change. We also aim to ensure we have funding to allocate to areas of our work that are important or emerging but may be less immediately attractive to conventional funders. This enables us to maintain our independence by being willing to turn away money when we feel the circumstances require. In order to deliver the fundraising strategy, we have increased the commitment to investing in raising funds from institutions, trusts and foundations and individual donors. The intention is to maintain our approach of directing as much financial support as possible towards the programmes while ensuring our core support team is adequately resourced.

We are committed to maintaining the highest standards in fundraising, including the codes and norms for the sector as well as GDPR compliance. We undertake little to no mass fundraising from the wider public and do not use third parties, external fundraisers (either volunteer or professional) or contract out our fundraising, so our exposure in areas particularly highlighted by the codes is not high. We are registered with the Fundraising Regulator and have committed to follow the regulator's Code of Fundraising Practice and the Fundraising Promise. We have not received any complaints about our fundraising practices during the year.

Trustee responsibilities regarding the financial statements

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP and FRS102;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company, and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

The Trustees have taken all the necessary steps to make themselves aware of any information needed by the Charity auditors for the purpose of their audit and establish that the auditors are aware of that information. The Trustees are not aware of any relevant audit information of which the auditor is unaware.

In preparing this report, the Trustees have taken advantage of the small companies exemptions provided by Part 15 of the Companies Act 2006.

Approved by the Board of Trustees and signed on their behalf by:

Mike Millward
Chair
29 July 2024

Independent Auditor's Report to the Members of Transparency International (UK)

Opinion

We have audited the financial statements of Transparency International (UK) for the year ended 31 March 2024 which comprise the Statement of Financial Activities, the Balance Sheet, Cash Flow Statement 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 charitable company's affairs as at 31 March 2024 and of the 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 charity 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 trustees' 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 charitable company'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 trustees 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 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 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 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 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 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 50, 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 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 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 charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to charity, company and employment law applicable in England and Wales 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 Companies Act 2006 and the Charities Act 2011, and consider other factors such as payroll tax and sales tax.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the improper recognition of revenue and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- 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;
- Identifying and testing journals; and
- Challenging assumptions and judgements made by management in their critical accounting estimates.

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: **ww.frc.org.uk/auditorsresponsibilities**. This description forms part of our auditor's report.

Use of this 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.

Tracey Young
(Senior Statutory Auditor)

For and on behalf of Haysmacintyre LLP, Statutory Auditors,
10 Queen Street Place, London, EC4R 1AG

Date: 23 August 2024

Transparency International UK

STATEMENT OF FINANCIAL ACTIVITIES

(incorporating income and expenditure account) for the year ended 31 March 2024

	Notes	Restricted Funds 2023/24 £'000	Unrestricted Funds 2023/24 £'000	Total Funds 2023/24 £'000	Restricted Funds 2022/23 £'000	Unrestricted Funds 2022/23 £'000	Total Funds 2022/23 £'000
Income from:							
Donations	2	-	57	57	-	34	34
Charitable activities	3	2,299	609	2,908	4,386	526	4,912
Investments (bank interest)		-	45	45	-	9	9
Total Income		**2,299**	**711**	**3,010**	**4,386**	**569**	**4,955**
Expenditure on:							
Raising funds		-	103	103	-	102	102
Charitable activities							
Programmes:							
UK		1,671	462	2,133	1,193	446	1,639
International:							
Defence & Security		1,580	80	1,660	1,464	93	1,557
Global Health		114	9	123	620	26	646
Other activities:							
Communication		-	129	129	-	103	103
Total charitable activities	5	**3,365**	**680**	**4,045**	**3,277**	**668**	**3,945**
Total Expenditure		**3,365**	**783**	**4,148**	**3,277**	**770**	**4,047**
Net (Expenditure)/Income		(1,066)	(72)	(1,138)	1,109	(201)	908
Transfers between funds	14	48	(48)	-	5	(5)	-
Net movement in funds		**(1,018)**	**(120)**	**(1,138)**	**1,114**	**(206)**	**908**
Reconciliation of funds **Funds brought forward 1 April**		3,222	520	3,742	2,108	726	2,834
Funds carried forward 31 March	15	**2,204**	**400**	**2,604**	**3,222**	**520**	**3,742**

The Statement of Financial Activities includes all gains and losses recognised in the year and are from continuing activities. The notes on pages 57 to 67 form part of these financial statements.

Transparency International UK
BALANCE SHEET
as at 31 March 2024
Company Registration 02903386

	Note	2023/24		2022/23	
		£'000	£'000	£'000	£'000
Fixed Assets					
Tangible fixed assets	11		-		1
Current Assets					
Debtors	12	382		321	
Cash at bank		2,506		3,746	
			2,888		4,067
Creditors: amounts falling due within one year	13		(284)		(326)
Net Current Assets			2,604		3,741
Net Assets	15		**2,604**		**3,742**
The Funds of the charity					
Restricted income funds	14		2,204		3,222
Unrestricted funds	14		400		520
Total charity Funds			**2,604**		**3,742**

The financial statements were approved and authorised for issue by the Board of Trustees on 29 July 2024 and were signed below on its behalf by:

Mike Millward
Chair

The notes on pages 57 to 67 form part of the financial statements.

Transparency International UK
CASHFLOW STATEMENT
for the year ended 31 March 2024

	2023/24	2022/23
	£'000	£'000
Cash flows from operating activities:		
Net cash provided by operating activities	(1,240)	593
Cash flows from investing activities:		
Purchase of fixed assets	(-)	(1)
Change in cash and cash equivalents in the reporting period	**(1,240)**	**592**
Cash and cash equivalents at the beginning of the reporting period	3,746	3,154
Cash and cash equivalents at the end of the reporting period	**2,506**	**3,746**
All amounts relate to continuing activities.		
Reconciliation of net movement in funds to net cash flow from operating activities		
Net movement in funds for the period (as per the Statement of Financial Activities)	(1,138)	909
Adjustments for:- Depreciation charges	1	1
(Increase)/Decrease in debtors	(61)	69
Decrease in creditors	(42)	(386)
Net cash (used in)/provided by operating activities	**(1,240)**	**593**
Analysis of cash and cash equivalents		
Cash in bank & at hand	2,506	3,746
Total cash and cash equivalents	**2,506**	**3,746**

A net debt reconciliation note has not been presented as the charity has no debt. The notes on pages 57 to 67 form part of these financial statements.

Notes to the Financial Statements

1. Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

Accounting basis

Transparency International (UK) is a registered charity in England and Wales (charity number 1112842) and a company limited by guarantee (number 02903386).

The financial statements have been prepared in accordance with the Charities Statement of Recommended Practice (SORP) FRS 102 – 'Accounting and Reporting by Charities (2019)' Second Edition, effective 1 January 2019, the Charities Act 2011 and applicable accounting standards.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Going concern

The financial statements have been prepared on a going concern basis. The Trustees have reviewed the financial position, budgets and cash flows for the period to September 2025 and consider that the charity is in a position to meet its financial obligations as they fall due.

The Trustees formally review financial performance together with financial projections on a quarterly basis based on current income and expenditure, future levels of secured and unsecured revenue and stress tested cash flow forecasts over an 18 month period.

The Trustees consider that there are no material uncertainties which cast doubt on the charity's ability to continue as a going concern.

Company status

The charity is a company limited by guarantee (registered number 02903386) which is incorporated and domiciled in the UK. The address of the registered office is 10 Queen Street Place, London EC4R 1AG. The charity meets the definition of a public benefit entity under FRS 102. More detail on how the Trustees have satisfied themselves that TI-UK has met the public benefit requirements is given in the Trustees' Report. The members of the company are subscribers to the Memorandum of Association and the persons listed in the Register of Full Members of the company. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

Critical accounting estimates and judgements

In accordance with FRS 102, the Trustees are required to make certain estimates and judgements that have an impact on the policies and amounts reported in the financial statements. These estimates and judgements are based on historical experience and other factors including expectations of future events that are believed to be reasonable at the time such estimates and judgements are made.

Estimates and judgements are continually evaluated. Revisions to accounting estimates are recognised in the period(s) they impact.

The significant estimates and judgements are:

- Accrued income (see Income policy below)
- Accruals: costs not yet invoiced (see Expenditure policy below)
- Allocation of support costs (see Expenditure policy below)

In the view of the Trustees, as at the balance sheet date there are no estimates or judgements that would materially impact the carrying value of assets and liabilities in the next financial year.

Income

All income is included in the Statement of Financial Activities (SOFA) when the charity is legally entitled to the income, receipt is probable and the amount can be quantified with reasonable accuracy, and the amount can be measured reliably. Where contracts for advisory services cover a period of time spanning the financial year end the proportion of revenue recognised in the year reflects an assessment of the fair value of services provided to the reporting date. Gifts in kind and donated services are recorded at the value to the charity at the date of receipt. No amount has been included in the financial statements for services donated by volunteers. Income from BIP membership is recognised when invoiced.

Gift Aid receivable is included in income when the donation is made and where there is a valid Gift Aid declaration from the donor.

Expenditure

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources. Overheads have been allocated on the basis of employee costs (head count).

At the year-end, employee emoluments include paid annual leave where this has not been taken at the rate of pay applicable at that date. Termination benefits are accounted for on an accruals basis.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the company and include general management, payroll, administration, budgeting, and accounting, technology, and human resources.

Foreign currency

Foreign currency transactions are translated at the rate applicable on the transaction date. Foreign currency balances are translated at the exchange rate prevailing at the balance sheet date. Gains and losses on translation are included in the SOFA.

Tangible fixed assets

Tangible fixed assets are stated at cost net of depreciation. All fixed assets costing more than £1,000 are capitalised. Depreciation is provided on equipment and fixtures over three years straight line.

Pension costs

The charity provides a defined contribution scheme, which is available to all employees. The funds are independently held from those of the charity. The pension costs comprise the costs of the charity's contribution to its employees' pension schemes.

Taxation

The charity falls with the meaning of Part 1, Schedule 6 of the Finance Act 2010. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains within categories covered by Chapter 3 of Part 11 of the Corporation Tax Act 2010 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. No tax charges arose in the period.

Irrecoverable VAT is not separately analysed and is charged to the SOFA when the expenditure to which it relates is incurred, and is allocated as part of the expenditure to which it relates.

Financial instruments

The charity has financial assets and liabilities of a kind that qualify as basic financial instruments. Financial assets comprise cash at bank and in hand, trade and other debtors. Financial liabilities include trade and other creditors. Basic financial instruments are recognised at transaction value. Details of these financial assets and liabilities and their carrying value are given in the notes to the accounts.

Funds

Restricted funds are funds that are to be used in accordance with specific restrictions imposed by donors. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

General reserves are unrestricted funds which 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.

2. Donation Income

	Restricted Funds 2023/24	Unrestricted Funds 2023/24	Total Funds 2023/24	Restricted Funds 2022/23	Unrestricted Funds 2022/23	Total Funds 2022/23
	£'000	£'000	£'000	£'000	£'000	£'000
Grants	-	4	4	-	2	2
Donations	-	53	53	-	41	41
Total	**-**	**57**	**57**	**-**	**43**	**43**

Unrestricted grants include funding from the following trusts and foundations:-

The Beale Trust	Nil	(2022/23: £1,700)
PF Charitable Trust	£4,050	(2022/23: £Nil)

3. Income from Charitable Activities

	Restricted Funds 2023/24	Unrestricted Funds 2023/24	Total Funds 2023/24	Restricted Funds 2022/23	Unrestricted Funds 2022/23	Total Funds 2022/23
	£'000	£'000	£'000	£'000	£'000	£'000
Grants receivable (Note 4)	2,209	45	2,254	4,186	5	4,191
Business Integrity:						
- Bronze Membership	-	272	272	-	199	199
- Gold Membership	-	175	175	-	260	260
- Standalone Benchmark	-	105	105	-	50	50
- Thought Leadership & other income	90	12	102	200	12	212
Total	**2,299**	**609**	**2,908**	**4,386**	**526**	**4,912**

A list of Business Integrity Forum members is found on page 68.

Thought Leadership includes income from British International Investment, £40,000, Novartis, £40,000 and PwC, £10,000.

4. Grants Receivable

	Notes	Total Funds 2023/24 £'000	Total Funds 2022/23 £'000
UK			
Joffe CharitableTrust		110	33
Luminate:The Omidyar Group		-	308
Montpelier Foundation		30	30
Open Society Foundations		447	753
David and Elaine Potter Foundation (unrestricted - designated for UK programme)		45	5
Julia & Hans Rausing Trust		150	150
Sigrid Rausing Trust		250	250
Joseph Rowntree Charitable Trust		30	36
Transparency International-Secretariat		9	1
Trust for London		14	28
	14	**1,085**	**1,594**
International: Defence & Security			
Carnegie Corporation		65	234
CMI (U4)		10	-
Netherlands Ministry of Foreign Affairs		923	1,914
NATO		10	-
United Nations Democracy Fund (UNDEF)		56	72
	14	**1,064**	**2,220**
International: Global Health			
GlaxoSmithKline		6	2
CMI (U4)		6	-
Global Affairs Canada (Department of Foreign Affairs, Trade and Development)		93	72
Swedish Ministry of Foreign Affairs		-	303
	14	**105**	**377**
Total	14	**2,254**	**4,191**

5. Charitable Activities Expenditure

	Total Funds 2023/24	Total Funds 2022/23
	£'000	£'000
Direct charitable costs	691	688
Employee costs (see note 10)	2,625	2,129
Grants payable (see note 6)	481	811
Support costs (see note 7)	248	317
Total	**4,045**	**3,945**

6. Charitable Expenditure: Grants Payable

	Total Grants 2023/24	Total Grants 2022/23
	£'000	£'000
Association CRI 2002 Mali (TI Chapter)	22	69
Center TIR 2 (TI Chapter)	105	50
CISLAC Nigeria (TI Chapter)	50	105
I-Watch Tunisia (TI Chapter)	100	108
Open Contracting Partnership (UK Anti-Corruption Coalition member)	-	62
Open Ownership (UK Anti-Corruption Coalition member)	20	38
Open Democracy	5	-
Spotlight on Corruption (UK Anti-Corruption Coalition member)	-	25
University of Sussex – Centre for the Study of Corruption (UK Anti-Corruption Coalition member)	-	42
Tax Watch (UK Anti-Corruption Coalition member)	64	95
Transparency International Niger	100	105
Transparency International Sweden	15	(31)
Transparency International Uganda	-	66
Transparency International Zambia	-	77
Total	**481**	**811**

7. Charitable Activities Expenditure: Support Costs

	Charitable Activities 2023/24	Fundraising 2023/24	Total 2023/24	Charitable Activities 2022/23	Fundraising 2022/23	Total 2022/23
	£'000	£'000	£'000	£'000	£'000	£'000
Governance	26	-	26	38	-	38
Employees/Consultancy	157	-	157	183	-	183
Other	65	-	65	96	-	96
Total	**248**	**-**	**248**	**317**	**-**	**317**

Support costs have been allocated as above based on the proportion of employee time spent on each activity. Due to the way in which the teams work, it is not possible to split support costs between grants payable and direct charitable costs.

8. Net (Expenditure)/Income

This is stated after charging:

	2023/24	2022/23
	£'000	£'000
Depreciation	1	1
Auditor's remuneration – statutory audit services	12	13
Auditor's remuneration – donor certificate audit services/company administration	-	6
Pension costs	93	76

9. Board of Trustee Remuneration, Expenses & Donations

No Trustees received remuneration or benefits in kind during 2023/24 (2022/23: Nil). Travel expenses reimbursed £917 (2022/23 £182).

The cost incurred by the charity for Trustee indemnity insurance was £2,798 (2022/23: £2,127).

During the year eight Trustees (2022/23: six Trustees) donated, in aggregate, £2,080 (2022/23: £2,740) to the Charity.

10. Employee Numbers and Emoluments

The average number of employees during the year was:

	2023/24	2022/23
	£'000	£'000
Charitable activities	28	24
Fundraising	2	3
Support	10	11
Total	**40**	**38**

Employee emoluments were as follows:

	2023/24	2022/23
	£'000	£'000
Wages and salaries	2,273	1,836
Social security costs	259	217
Pension costs	93	76
Total	**2,625**	**2,129**

The total amount of benefits received by key management personnel includes gross salaries, employer pension contributions and employer NI, was:

	2023/24	2022/23
	£'000	£'000
Chief Executive	136	126
Chief Operating Officer	111	96
Director of International Engagement	99	86
Director of Development, Communications & Impact (until September 2023)	40	86
Director of Policy & Programmes	102	88
Director of Strategic Partnerships (maternity leave 2022)	134	48
Total including gross salaries, employer pension contributions	**622**	**530**
Total including gross salaries, employer pension contributions and employer National Insurance Contributions	**695**	**596**

Total pension contributions in 2024/25 for key management personnel amounted to £27,507 (2022/23 £24,458).

Number of employees who earned from:		
£60,001 – £70,000	6	2
£70,001 – £80,000	1	-
£80,001 – £90,000	1	3
£90,001 – £100,000	3	1
£100,001 – £110,000	1	-
£110,001 – £120,000	-	-
£120,001 – £130,000	2	1
	14	**7**

The remuneration above includes gross salaries only.

Four termination payments were made for £115,424 (2022/23: £35,877), inclusive of pay in lieu of notice and holiday not taken.

The lowest paid employee, with the exception of interns who are paid the London Living Wage, was paid an annual equivalent gross salary of £34,000 per annum (2022/23: £28,000 per annum). The highest paid employee received 3.81 times (2022/23: 4.29 times) the salary of the lowest paid employee.

11. Tangible Fixed Assets

	Equipment & Fitting
	£'000
Cost	
At 1 April 2023	65
Additions	-
Disposals	-
At 31 March 2024	**65**
Depreciation	
At 1 April 2023	64
Charge for year	1
Depreciation on disposals	-
At 31 March 2024	**64**
Net book value	
At 31 March 2024	**-**
At 31 March 2023	**1**

12. Debtors

	2023/24	2022/23
	£'000	£'000
Trade debtors	205	233
Prepayments	25	-
Accrued income	122	69
Rent deposit	30	19
Total	**382**	**321**

13. Creditors

	2023/24	2022/23
	£'000	£'000
Trade creditors	37	66
Accruals	62	131
Social security and other taxes	113	125
Deferred income and other creditors	72	4
Total	**284**	**326**

14. Total Funds

2023/2024	Brought forward	Income	Expenditure	Transfer	Carried forward
	£'000	£'000	£'000	£'000	£'000
Restricted & Designated income funds					
UK	1,554	1,130	(1,671)	48	1,061
International: Defence & Security Programme	1,659	1,064	(1,580)	-	1,143
International: Global Health Programme	9	105	(114)	-	-
	3,222	2,299	(3,365)	48	2,204
Unrestricted funds	520	711	(783)	(48)	400
Total funds	**3,742**	**3,010**	**(4,148)**	**-**	**2,604**

2022/2023	Brought forward	Income	Expenditure	Transfer	Carried forward
	£'000	£'000	£'000	£'000	£'000
Restricted & Designated income funds					
UK	952	1,790	(1,193)	5	1,554
International: Defence & Security Programme	904	2,219	(1,464)	-	1,659
International: Global Health Programme	252	377	(620)	-	9
	2,108	4,386	(3,277)	5	3,222
Unrestricted funds	726	569	(770)	(5)	520
Total funds	**2,834**	**4,955**	**(4,047)**	**-**	**3,742**

Restricted funds are held for the following purposes:

The UK Programme funds aim to challenge Britain's role in facilitating global corruption, the need to safeguard public services, politics and the private sector in the UK against corruption.

The funds are for projects that include:

- Stopping the flow of Dirty Money: a programme of research and advocacy seeking to address where corrupt wealth is laundered into the UK economy and financial system. Ensuring that illicit assets are recovered by law enforcement agencies both in the UK and territories where it has influence (brought forward £1,182,000, carried forward £836,000).
- Securing integrity in politics: putting integrity and accountability into the heart of UK politics with evidence-informed policy solutions to remove the corrupting influence of big money, campaign financing, lobbying or the use of the 'revolving door' (brought forward £1,376,000, carried forward £1,046,000).
- Protecting the public's resources: ensuring best practice in access to information, managing conflicts of interest and open public contracting.
- Business integrity: drive improvements in impact investor efforts to mainstream business integrity and leveraging anti-bribery and corruption within business ESG strategies (brought forward £177,000, carried forward £13,000).

Unrestricted designated funding is utilised to match funding on expenditure within the programme £45,000 (2022/23: £5,000).

The Defence & Security International Programme aims to reduce corruption risks in the global defence and security sector by conducting research and by influencing policy recognising that it is a factor contributing to conflict, insecurity and crises. It seeks to improve the integrity of private sector defence and security actors. Funding also allows for on-going advocacy in relation to global indices (Government Defence Integrity Index and Defence Companies Index on Anti-Corruption and Corporate Transparency).

The Global Health International Programme aims to ensure effective, accountable and transparent health systems which leave no room for corruption and which deliver Universal Health Coverage. The programme focuses on three key areas of the health value chain most prone to corruption: research and development, procurement and service delivery. If mitigated these could reap enormous impact and better investments in strengthening health system resilience and delivering equitable health outcomes.

Restricted & Designated Funds detail

2023/2024	Brought forward	Income	Expenditure	Carried forward
	£'000	£'000	£'000	£'000
Ajahma Charitable Trust	230	-	2	228
ESG Reporting (Novartis, the Very Group & PwC)	40	50	80	10
Impact Investing Reporting (British International Investment, Swedfund)	137	40	173	4
Joffe CharitableTrust	-	110	75	35
Luminate:The Omidyar Group	310	-	310	-
Montpelier Foundation	21	30	51	-
Open Society Foundations	405	446	476	375
David and Elaine Potter Foundation (unrestricted - designated for UK programme)	-	48	48	-
Julia & Hans RausingTrust	129	150	190	89
Sigrid Rausing Trust	216	250	227	239
Joseph Rowntree Charitable Trust	39	30	-	69
Transparency International Secretariat	3	10	1	12
Trust for London	24	14	38	-
UK Programme	**1,554**	**1,178**	**1,671**	**1,061**

2023/2024	Brought forward	Income	Expenditure	Carried forward
	£'000	£'000	£'000	£'000
Carnegie Corporation of New York	130	65	181	14
CMI (U4)	-	10	10	-
NATO	-	10	10	-
Netherlands Ministry of Foreign Affairs (2022-26 Grant)	1,529	923	1,323	1,129
United Nations Democracy Fund (UNDEF)	-	56	56	-
International: Defence & Security Programme	**1,659**	**1,064**	**1,580**	**1,143**
GlaxoSmithKline	9	6	15	-
CMI (U4)	-	6	6	-
Global Affairs Canada (Department of Foreign Affairs, Trade and Development)	-	93	93	-
International: Global Health Programme	**9**	**105**	**114**	**-**
Total	**3,222**	**2,344**	**3,361**	**2,204**

15. Analysis of Net Assets Between Funds

	Restricted Funds 2023/24	Unrestricted Funds 2023/24	Total Funds 2023/24	Restricted Funds 2022/23	Unrestricted Funds 2022/23	Total Funds 2022/23
	£'000	£'000	£'000	£'000	£'000	£'000
Fixed assets	-	-	-	-	1	1
Debtors	-	382	382	-	321	321
Cash	2,204	302	2,506	3,222	524	3,746
Creditors due within one year	-	(284)	(284)	-	(326)	(326)
Total	**2,204**	**400**	**2,604**	**3,222**	**520**	**3,742**

16. Related Party Transactions

In 2023/24 there were no related party transactions (2022/23: £Nil). There was no debtor balance at the year-end (2022/23: £Nil).

We would like to thank:

Our **donors and funders** including: Global Affairs Canada, the Netherlands Ministry of Foreign Affairs, the Swedish Ministry of Foreign Affairs, UNDEF, Carnegie Corporation of New York, GlaxoSmithKline, Julia and Hans Rausing Trust, Joffe Charitable Trust, Joseph Rowntree Charitable Trust, Luminate, Open Society Foundations, Montpelier Foundation, David and Elaine Potter Foundation, Sigrid Rausing Trust, Trust for London, Jane Thurnell-Read, University of Sussex and individual supporters.

Our **Business Integrity Forum members** through the last year: ABRDN, Anglo American, Barclays, BHP, British International Investment, Brunel International, Clifford Chance, Control Risks, Crown Agents, Exiger, FTI Consulting, Genel Energy, GSK, Grant Thornton UK, HSBC, IHG, Johnson & Johnson, Kroll, LexisNexis, Lloyds Bank, Nardello & Co, National Grid, Natwest, Norton Rose Fulbright, Orange UK, Oxford University Press, PwC, Reckitt, RPC, Santander UK, Shell International, Siemens, Subsea 7, Tullow Oil, Unilever, The Very Group and Vodafone Group.

We thank British International Investment, Novartis, Swedfund and The Very Group for their contribution to our Thought Leadership programme, and AB InBev, BT, Binance, Energian and Huawei UK for their standalone participation in our Corporate Anti-Corruption Benchmark.

Our **Advisory Council members**: David Nussbaum, (President), the Lord Anderson of Ipswich KBE KC, Edward Bickham, Laurence Cockcroft, Jane Ellison, Phil Mason OBE, and The Rt Hon. the Lord Wills. We thank the Baroness Sugg CBE for her contribution as she stepped down during the year.

Statutory Information

Transparency International (UK)
(a company limited by guarantee)

Registered Address:
10 Queen Street Place, London EC4R 1AG
Registered Charity Number: 1112842
Registered Company Number: 02903386

External advisors

Auditors:

Haysmacintyre LLP
10 Queen Street Place, London, EC4R 1AG

Bankers:

HSBC Plc
PO Box 41, High Street, Uxbridge, Middlesex, UX8 1BY

Solicitors:

Bates Wells
10 Queen Street, London, EC4R 1BE

Egality Law
International House, 36-38 Cornhill, London, EC3V 3NG

Senior Leadership Team (July 2024)

Daniel Bruce: *Chief Executive*

Colin Munro: *Chief Operating Officer / Company Secretary*

Sara Bandali: *Director of International Engagement*

Duncan Hames: *Director of Policy & Programmes*

Photo credits

Shutterstock:

Cover, *UN Flag* – Alexandros Michailidis, *Soldier* – Katja Tsvetkova. Page 4 – William Barton. Page 12 – Jeanette Teare. Page 20 – Fitria Ramli. Page 24 – Mamunur Rashid. Page 25 – Dennis Wegewijs.

TRANSPARENCY INTERNATIONAL UK
fighting corruption worldwide

Transparency International UK

10 Queen Street Place,
London,
EC4R 1BE

15 Calton Road,
Edinburgh,
EH8 8DL

www.transparency.org.uk
x.com/transparencyuk
instagram.com/transparencyuk

Registered charity number 1112842

Company number 2903386

TRANSPARENCY INTERNATIONAL UK

England & Wales - Charity number 1112842

Accounts

TRANSPARENCY
INTERNATIONAL UK
fighting corruption worldwide
ANNUAL IMPACT REPORT
AND ACCOUNTS
2022-2023

Transparency International is a global movement sharing one vision: a world in which government politics, business and the daily lives of people are free of corruption.

Transparency International UK is the UK national chapter of this movement.

We work with the UK and devolved governments, parliamentarians, civil society and the private sector to tackle corruption at home, addressing the UK's global corruption footprint and helping multinational companies prevent corruption by operating with integrity.

We are also home to two major global programmes tackling corruption in the Defence and Security sector and Global Health on behalf of the wider Transparency International movement.

> **TI UK is one of the most expert organisations working on corruption and economic crime in the UK. Their work has been instrumental in uncovering egregious cases of corruption and money laundering, whilst providing effective advocacy and evidenced-based policy solutions to influence legislative and policy change.**
>
> *Dame Margaret Hodge MP, Chair of the All Party Parliamentary Group on Anti-Corruption and Responsible Tax.*

Our Vision

is a world in which government, business, civil society, and the daily lives of people are free from corruption.

Our Mission

is to stop corruption, promote integrity and, to that end, hold power to account for the common good.

WE ADVANCE POLICY

Our research, evidence and advocacy drives the use and improvement of law, regulations, systems and policy to deter and pursue corruption.

22-23 HIGHLIGHTS

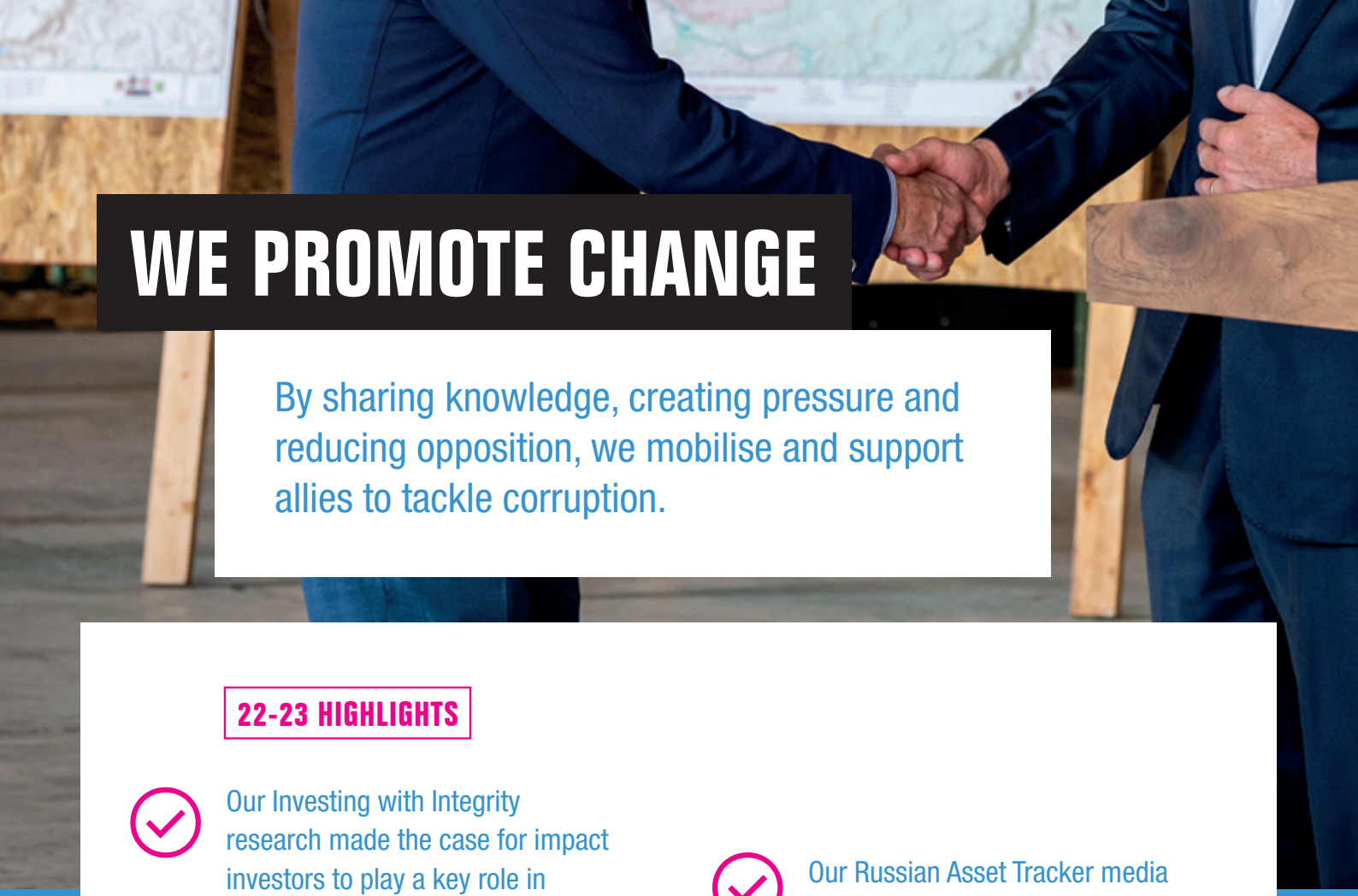
- Following our seven-year-long campaign, the UK Government created the Register of Overseas Entities recognising the critical need for transparency over who owns overseas companies that hold UK property.
- The Government tabled the Economic Crime and Corporate Transparency Bill which includes our recommendation to give Companies House powers to check the information it receives. If implemented, it will help end the use of UK firms in corruption and money laundering.
- Our UK team gave in-person and written evidence to two parliamentary committees on the Economic Crime and Corporate Transparency Bill as it passed through Parliament.
- The World Health Organisation's proposed Pandemic Preparedness Accord now includes transparency and equity as key tenets and recommendations on data sharing and contract transparency following advocacy by our Global Health team.
- The framework being developed by the UN to regulate Private Military Security Companies like the Wagner Group now includes key anti-corruption wording thanks to advocacy by our Defence and Security team.

WE IMPROVE PRACTICE

By driving the public and private sectors to change behaviour, attitudes and stop corruption.

22-23 HIGHLIGHTS

- A new code of conduct for MPs (banning politicians from accepting cash for lobbying services) came into effect – the goal of a TI-UK campaign to prevent UK public policy being influenced by private interests.
- 47 per cent of companies which used our Corporate Anti-Corruption Benchmark reported an increase in their score as they enhanced their anti-corruption programmes.
- We provided guidance to the US State Department on ways to improve transparency in US arms transfers and strengthen transparency language in the new US Conventional Arms Transfer policy.
- Our Global Anti-Bribery Guidance portal, which provides guidance on corporate anti-corruption best practice, received almost 33,000 visits from around the globe.
- We were invited to contribute to risk assessment measures and monitoring and evaluation guidelines being developed by the European Union's diplomatic service, the European External Action Service.



WE PROMOTE CHANGE

By sharing knowledge, creating pressure and reducing opposition, we mobilise and support allies to tackle corruption.

22-23 HIGHLIGHTS

- Our Investing with Integrity research made the case for impact investors to play a key role in preventing corruption by linking risk management with environmental and social processes.
- Our Global Health work with fellow Transparency International Chapters in Uganda and Zambia to increase equity and transparency in the roll out of the COVID-19 vaccine increased the vaccination rate from 22 per cent to 41 per cent in Uganda and from 12 per cent to 55 per cent in Zambia in 2022.
- Our Russian Asset Tracker media collaboration won the European Press Award for Innovation, raising awareness of the urgent need for transparency to uncover the hidden assets of those close to the Kremlin.

CONTENTS

Our Vision and Mission 4
Message from the Chair and Chief Executive 8
2022 Corruption Perceptions Index 10
Our Objectives 11
UK Programmes 12
Stopping the Flow of Dirty Money 13
Protecting the Public's Resources 15
Securing Integrity in Politics 16
Driving Integrity in Business 18
Global Programmes 20
Transparency International Defence and Security 21
Transparency International Global Health 25
The Year in Events 28
Global Engagement – New Relationships 29
Transparency International UK Annual Event 30
Other Event Highlights 31
Media Outreach 33
Social Media 34
Lessons Learnt This Year 35
Going Forward 36
Thank you 37
Annual Accounts 38

FROM THE CHAIR AND THE CHIEF EXECUTIVE

The devastation that corruption leaves in its wake has been plain for all to see this year. At the time of writing, tens of thousands have been killed and many more forced to flee their homes as Russia's full-scale invasion of Ukraine passed the one-year mark. The sanctions imposed on President Putin, his administration and oligarchs close to the Kremlin are a stark reminder that this is a war made possible by individuals' abuse of power and their plundering of Russia's resources.

Here in the UK, in a clear indictment of standards in UK government and controls over the use of taxpayer money, this was also the year that Britain's score in Transparency International's Corruption Perception Index fell sharply to its lowest level since 2012. Only four other countries saw their scores drop by the same amount or more - Azerbaijan, Myanmar, Oman and Qatar. Of course, this by no means equates with what's going on in Ukraine. But it does send a message: business executives around the world increasingly view corruption and bribery as a real issue in Britain, putting at risk the UK's reputation as a trusted world player and a good place to do business.

These grim events leave no doubt that our work to stop corruption is more important than ever. So, we are pleased to report that this last year has seen Transparency International UK achieve key successes that are already helping to strengthen the fight against corruption here in the UK and where Britain has influence.

Our seven-year long campaign for transparency over the ownership of overseas companies that hold UK property finally bore fruit. The Register of Overseas Entities (ROE) came into effect in January 2023. It has already begun to reveal invaluable information about who really owns the anonymous companies behind high-end UK property. It raises important questions about dirty money, and how it affects the housing market and the lives of UK citizens. The register will also play a critical role in ensuring that sanctions imposed on those close to the Kremlin leadership are effective.

Inevitably, there remain loopholes for those determined and with the means to keep under the radar. We have been working this year to build pressure to close those gaps with our **Partners in Crime report** and in evidence we gave to two UK Parliamentary committees.

Daniel Bruce
Chief Executive

Fiona Thompson
Trustee Chair

Daniel Bruce on highlights of the year

Meanwhile, with the continuing drip of political integrity scandals regularly dominating the headlines, we are thrilled at the success of another long-time Transparency International UK campaign. A new code of conduct for MPs, which delivers on some of our calls for tighter controls on second jobs came into force in March 2023. It bans politicians from accepting cash for lobbying services – a major source of conflict between their public and private roles. It is a significant step in preventing UK public policy being hijacked by vested interests and essential to protect our fragile democracy.

Our work exposing a fast-track lane for the politically connected to tender for COVID-19 response contracts continued this year. We submitted evidence to the government's Public Accounts Committee's inquiry into the awarding of lucrative contracts to the testing company, Randox Laboratories. The Committee adopted a number of our recommendations in its **final report** on improving transparency in lobbying.

Driving Integrity in Business

2023 marks ten years of our Business Integrity Forum which brings together companies committed to driving integrity in business and improving their internal anti-corruption process.

Our **Investing with Integrity** report made the case for impact investors to play a key role in preventing corruption

by linking risk management with environment and social processes. It has been so well received, a follow-up laying out guidance for investors has already been commissioned.

Global Work

With the war in Ukraine dominating news, a string of coups in West Africa and the lasting global impact of the pandemic, we focused on ensuring fighting corruption is embedded in critical multilateral frameworks and tools.

Defence and Security

Our Defence and Security programme has played a key role in building consensus for the need for stronger regulation of Private Military and Security Companies (PMSCs).

Notorious outfits like the Wagner Group are increasingly replacing regular armies and security forces in Ukraine and parts of Africa with deadly consequences. Our advocacy has resulted in key anti-corruption wording being included in the framework being developed by the UN to regulate PMSCs.

Global Health

As the world slowly begins to recover from the COVID-19 pandemic, our Global Health programme has been contributing to international planning for the next major health emergency, focusing on transparency and equity in the financing and distribution of vaccines.

As a result of their advocacy, transparency and equity have now been included as key tenets in the World Health Organisation's proposed Pandemic Preparedness Accord, and our recommendations on data sharing and contract transparency have also been adopted.

Advocacy and Engagement

The imposition of sanctions on those close to the Kremlin and the stream of UK political scandals threw the spotlight on dirty money and the code of conduct for MPs as never before. Over the last year, we have used our networks to place key questions in the House of Commons, given oral and written evidence to parliamentary committees and put pressure on the Government to appoint the new Independent Adviser on Ministers' Interests.

Globally the International Anti-Corruption Conference in Washington DC last December was one of the year's big moments, giving us a platform to showcase our expertise to government leaders, the private sector and civil society from around the world. We organised and participated in high-level panels discussing those who help launder dirty money, impact investing and key global health, defence and security themes.

Another strong year for media coverage of our work reinforced our advocacy. We participated in over a dozen media collaborations, providing data and expertise exposing the role of the UK as an enabler of global corruption. This included a major project with The Guardian and the Organised Crime and Corruption Reporting Project (OCCRP) cataloguing the vast wealth held outside Russia by oligarchs and key figures close to Russian President Putin. It was awarded the European Press Prize for Innovation. Law enforcement has used this data to bring cases to court. Alongside these collaborations we continued to receive significant high profile media coverage across our key campaigns.

We would not have achieved the significant breakthroughs highlighted in this report without your support for our campaigns and research that can often take years to come to fruition.

Thank you. We hope you will continue to back us in the year ahead.

2022 CORRUPTION PERCEPTIONS INDEX

Britain slumped to its lowest score since 2012 in this year's Transparency International Corruption Perceptions Index (CPI). The UK's score fell sharply to 73 resulting in a seven place tumble from 11th to 18th in the global rankings.

The CPI uses impartial surveys from experts and business leaders to score and rank countries by the perceived level of corruption in their public sectors. It uses a scale of zero (perceived as highly corrupt) to 100 (perceived as very clean).
Whilst the UK continues to have a relatively high score, only Azerbaijan, Myanmar, Oman and Qatar's scores fell by as much or more than the UK's. The clear message is that global business executives and the experts whose views contribute to the index increasingly view corruption and bribery as an issue in Britain, corroding our reputation as a good place to do business.

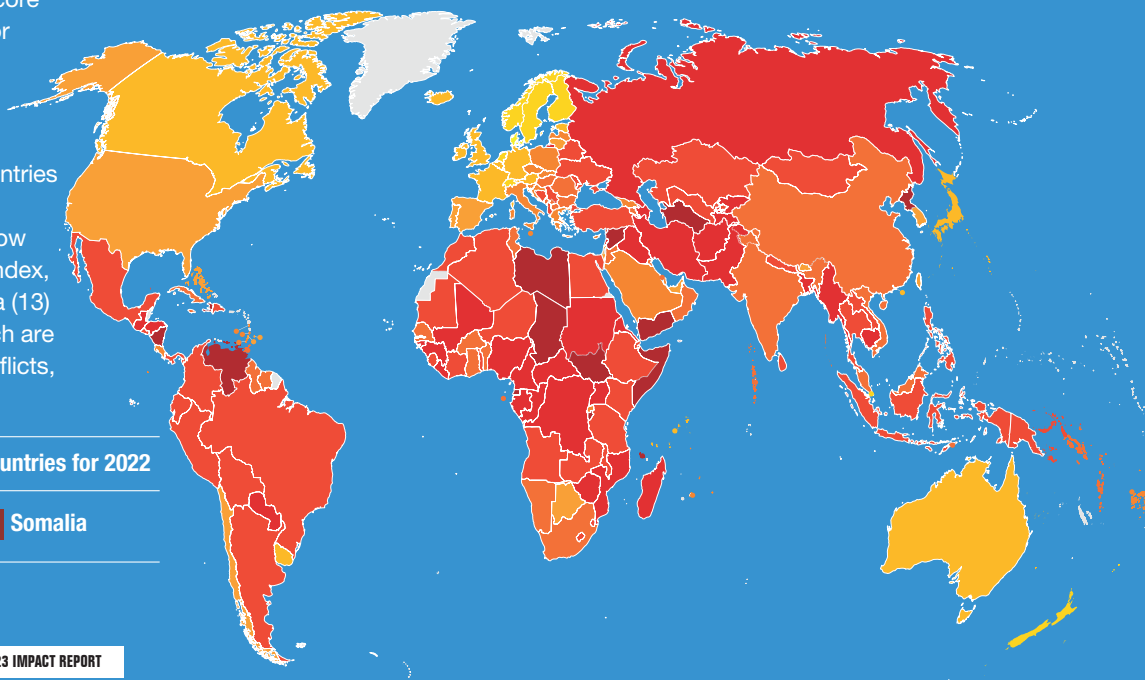
Daniel Bruce responds to the UK's score in the Corruption Perception's Index

UK results since 2012

Year	2022										2012
Score (out of 100)	73	78	77	77	80	82	81	81	78	76	74
Rank (1 is highest)	18	11	11	12	11	8	10	11	14	14	17

Globally, the CPI average score remains unchanged at 43 for the eleventh year in a row although some country rankings have changed.

More than two-thirds of countries still have a serious problem with corruption, scoring below 50. Denmark (90) tops the index, with South Sudan (13), Syria (13) and Somalia (12), all of which are embroiled in protracted conflicts, remaining at the bottom.



Highest and lowest ranking countries for 2022

90 ▲ Denmark 12 ▼ Somalia

OUR OBJECTIVES

1. Stop the Flow of Dirty Money
2. Protect the Public's Resources
3. Secure Integrity in Politics
4. Drive Integrity in Business
5. Incubate New Projects and Partnerships to Tackle Corruption

UK PROGRAMMES

> Because of the system of secrecy here in the UK and in relation to the Overseas Dependencies it's really easy for people to hide their assets and their funds in the UK and not even the police necessarily have sight of where those assets are.
>
> *Rachel Davies Teka, Director of Advocacy, BBC News, April 2022.*

STOPPING THE FLOW OF DIRTY MONEY

President Putin's full-scale invasion of Ukraine in 2022 followed swiftly by sanctions on those closely linked to the Kremlin put the global spotlight on dirty money in the UK. With Britain notorious as the safe haven of choice for Russian illicit finance, our longstanding calls for transparency over property ownership and a strengthened company registry took on new urgency.

The Property Register

After our seven-year-long campaign, the government finally accepted the need for transparency over who owns overseas companies that hold UK property, creating the Register of Overseas Entities (ROE) in January 2023. Our research has found opaque companies based in secretive financial centres, like the British Virgin Islands, are used regularly to buy property here with corrupt wealth. The new register has already provided valuable insights including the revelation that the son of a senior Azerbaijani official is the true owner of an offshore company that owns a £17 million flat in one of London's most expensive areas.

Our analysis of how the register is working, **Through the Keyhole**, highlights the inevitable remaining loopholes. Our findings were presented and scrutinised in the House of Commons. We are continuing to work to close those loopholes.

Duncan Hames, Director of Policy, giving evidence to Parliament's Economic Crime and Corporate Transparency Public Bill Committee.

Companies House

After years of advocacy to reform Companies House, the UK Government tabled the Economic Crime and Corporate Transparency Bill in Autumn 2022. It includes many of our recommendations, such as giving Companies House powers to check the information it receives. If implemented, these changes will help end the use of UK firms for corruption and money laundering. We are now working with MPs on all sides of the house to put forward amendments to address the remaining vulnerabilities on shareholder data and opaque corporate partnerships.

The UK's latest Economic Crime Plan was published in March 2023. We worked closely with partners including Spotlight on Corruption and the Royal United Services Institute (RUSI), to feed into its development. Meanwhile, we continue to work to improve the Economic Crime and Corporate Transparency Bill as it passes through Parliament. We have supported parliamentarians in tabling key amendments calling for reforms to close transparency loopholes, in addition to submitting written evidence while our Director of Policy and the Head of Advocacy gave oral evidence to parliamentary committees.

> **Following the money is critical to making financial sanctions bite. Those who are targeted by sanctions may have shared their wealth among family, friends and associates.**
>
> *Ben Cowdock, Investigations Lead, The Guardian, May 2022.*

DOWNLOAD REPORT

PARTNERS IN CRIME

In October 2022 we published '*Partners in Crime*' which used data from Companies House and more than 50 corruption and money laundering cases, to set out the likely scale of abuse of Limited Liability Partnerships (LLPs) in high-level white-collar crime to support our calls for reform.

Our analysis of nearly 147,000 LLPs incorporated between April 2001 and September 2021 revealed that 14 per cent (more than 21,000) had three or more red flags for corruption. The report is the first to expose the scale of abuse of this type of entity, with a conservative estimate putting the economic damage caused in the hundreds of billions of pounds, much of this flowing out of Russia.

Rachel Davies Teka, Director of Advocacy, giving evidence to the Business, Energy and Industrial Strategy Committee.

PROTECTING THE PUBLIC'S RESOURCES

Building transparency into public procurement has also remained a high priority. We have continued working with partners in the UK Anti-Corruption Coalition to secure improvements to the Procurement Bill to enable better scrutiny of public finances. Work is also underway to feed into the independent UK COVID-19 Inquiry following our revelation of VIP fast track lanes for the politically connected tendering for lucrative COVID-19 response contracts.

We submitted evidence to the Public Accounts Committee's **inquiry into contracts awarded to the testing company, Randox Laboratories**. The Committee adopted a number of our recommendations in its **final report** on improving transparency over lobbying and strengthening safeguards against abuse of conflicts of interest.

Investigative Collaborations

In the last year we have participated in a number of collaborations with respected investigative media organisations to expose the corrupt still hiding in the shadows, how they operate and the UK professional services which help them. Our Russian Asset Tracker investigation – a partnership with our Russian colleagues and the Organised Crime and Corruption Reporting Project (OCCRP) and others was awarded the European Press Prize for Innovation.

SECURING INTEGRITY IN POLITICS

After another year of political scandals, we are making headway on reforms to deliver stronger safeguards against misconduct in Westminster. Our new research revealed that over the last five years 40 potential breaches of the Ministerial Code, the rules which guide the behaviour of Ministers, had not been investigated. Using high-level advocacy combined with media collaborations, we have focused our efforts on securing changes that would make ministers and parliamentarians' conduct more open and accountable.

The House of Commons agreed to **a new code of conduct** that delivers some of our long-standing calls for tighter controls on MPs' second jobs and improved transparency over their financial interests. The updated rules came into effect in March 2023 and ban politicians from accepting cash for lobbying services – a major conflict between their public and private roles. This should help prevent the distortion of public policy in favour of vested interests and prevent further damage to public confidence in our democratic institutions. It follows our long-running campaign to reveal how many MPs hold outside roles that present serious conflicts of interest.

MPs are also considering changes that would help prevent **all-party parliamentary groups (APPGs)** being used as a backdoor for foreign influence and clandestine corporate lobbying. Following our 2018 report **In Whose Interest**, we have supported these efforts for reform, and will continue to press for their adoption.

In Scotland, recent events have provided an opening for us to engage Holyrood on the need to make both the government and wider public sector more accountable. This is beginning to yield results.

Finally, after a long delay and our repeated calls, the Prime Minister finally appointed a new ethics advisor, the Independent Advisor on Ministers' Interests, who is tasked with assisting those in government to act with probity. However, much remains to do to reform the safeguards of integrity and standards at the highest levels of government.

> **Recent events have demonstrated how long-standing conventions around ethical standards in public life are no longer observed as a matter of course, and provide a poor check against misconduct by those in power. This slipping of standards risks fuelling inequality, holding back our economy, and undermining responses to crises.**
>
> *Daniel Bruce, Chief Executive, Reuters, June 2022.*

> Britain's revolving door watchdog has proved powerless to stop former ministers and officials cashing in on the contacts they made in public service… Tighter controls on lobbying for private interests and replacing the present Advisory Board with a statutory body that can effectively police the revolving door would better protect the public from it being so abused.
>
> *Duncan Hames, Director of Policy, March 2023.*

MANAGING REVOLVING DOOR RISKS IN WESTMINSTER

Our research highlighted the potential for former ministers and officials to take advantage of the contacts made while in public service.

Nearly a third of all new jobs taken by former ministers and senior officials had a significant overlap with their previous brief, raising serious questions over how potential conflicts of interest are managed. Data from the Advisory Committee on Business Appointments (ACOBA) which regulates movement between the public and private sector, revealed 604 post-government roles were taken up by 217 high-ranking civil servants, special advisers and ministers between January 2017 and June 2022.

Of these 604 roles, 177 (29 per cent) had an overlap with the minister's or official's former policy area. This overlap was most common in the defence sector, with 81 per cent of post-public roles (39 out of 48) overlapping with former officeholders' previous briefs. We have been campaigning for tighter rules on lobbying for private interests and to create a statutory body to police the revolving door and protect the public.

Duncan Hames, Director of Policy talking about Revolving Door Conflict of Interest

DRIVING INTEGRITY IN BUSINESS

The £280 million fine for bribery handed to commodity trading firm Glencore Energy UK Ltd at the end of 2022 clearly illustrated that grand corruption in business remains a concern. The firm was convicted of ***actively bribing*** officials in five African countries in return for preferential access to oil.

It was a glaring reminder of the links between company culture and effective compliance – the focus of a key piece of our research in the last year. Meanwhile, our Business Integrity Forum continues to expand, while reforms to economic crime legislation and unprecedented sanctions regimes have focused company attention on the importance of rigorous internal compliance.

> **Businesses should be on high alert when dealing with wealthy clients from places where bribery and abuse of power are rife, and report any suspicious activity to the National Crime Agency.**
>
> *Rachel Davies Teka, Director of Advocacy, Daily Telegraph, July 2022.*

Promoting Change

Our **Values Added** guidance explores the emerging area of values-based compliance. Many companies rely on a purely rules-based approach, using codes of conduct and procedures to curb corruption risk. However, there is growing recognition that employees must also be motivated to act ethically if compliance measures are to be effective. Our report offers insights for companies looking to enhance their anti-corruption approach by creating an ethical corporate culture.

UK Anti-Corruption Strategy

The private sector is, of course, a key partner in implementing an effective anti-corruption framework. This year we supported the development of the government's latest Anti-Corruption Strategy mobilising our Business Integrity Forum members to contribute their insights.

Improving Business Practice

In 2023 we marked the tenth anniversary of our **Business Integrity Forum** which convenes UK companies committed to improving their anti-corruption measures and to driving integrity. We welcomed three new members this year. Events were led by expert speakers, including anti-corruption campaigner Bill Browder, and covered topics such as whistleblowing, our annual Corruption Perceptions Index briefing, and sanctions compliance.

Our **Corporate Anti-Corruption Benchmark** continues to drive improvements with 47 per cent of participants seeing an increase in their score as they enhanced their anti-corruption programmes.

Training

Our **Global Anti-Bribery Guidance** portal, which provides guidance on corporate anti-corruption best practice, received almost 33,000 visits from around the globe.

Our leading Doing Business Without Bribery free online training received 10,174 visits with four companies paying to customise the course for their own businesses.

> Many impact investors too narrowly approach business integrity as a compliance threshold to be crossed. In this framing, business integrity matters because it helps the investor avoid negative reputational, financial, legal and regulatory consequences. However, they should not be the only goal, nor the end goal, of business integrity risk management.
>
> *Tom Shipley and Rory Donaldson, Investing with Integrity, July 2022.*

A NEW ROLE FOR INVESTORS

Our *Investing with Integrity* report set out the key role investors can play in preventing corruption by linking risk management with environmental and social processes. Our research revealed that impact investors tend to focus on compliance due diligence at the pre-investment stage and when issues arise, missing opportunities for development impact.

Our report sets the agenda for impact investors to raise the bar and will be followed up with guidance on practical steps to take. We presented the findings alongside British International Investment (BII) and their partners at the International Anti-Corruption Conference in December 2022.

GLOBAL PROGRAMMES

TRANSPARENCY INTERNATIONAL DEFENCE AND SECURITY

The risk of corruption in defence has never been greater. Global military expenditure is at an all-time high. With much of the world's attention focused on Ukraine, a string of coups in West Africa has left a trail of instability, along with the departure of international peacekeeping forces from Mali.

Josie Stewart, Programme Director, Transparency International Defence and Security.

Violence from terrorist groups continues to take a massive toll on the Sahel while virtually unregulated private military and security companies (PMSCs) are an increasing presence globally. This year we focused on influencing global approaches to building accountability and transparency in the sector and on reinforcing our global and national networks so that we can better share our expertise about how to effectively rein in corruption.

Private Military and Security Companies

National security around the world is increasingly outsourced to profit-making private companies. Yet regulatory oversight is failing to keep pace, leading to risks of fraud, corruption and violence. Over the past year, Transparency International Defence and Security has been advocating for better regulation of PMSCs.

Using our new **Hidden Costs** research, our advocacy focused on embedding language on anti-corruption in the UN Open-Ended Inter Governmental Working Group's (OEIGWG) development of an instrument to regulate PMSCs. This included working with the legal team drafting the instrument and participating in the informal and then formal consultation in Geneva in April 2023. Our suggestions including references to state owned enterprises, beneficial ownership transparency, the need to include whistleblowing protection systems and heightened oversight were accepted. We also worked with the US and other governments on shaping their response, resulting in the inclusion of a reference to the United Nations Convention on Corruption (UNCAC) and the United Nations Convention against Transnational Organised Crime (UNTOC) in the draft text.

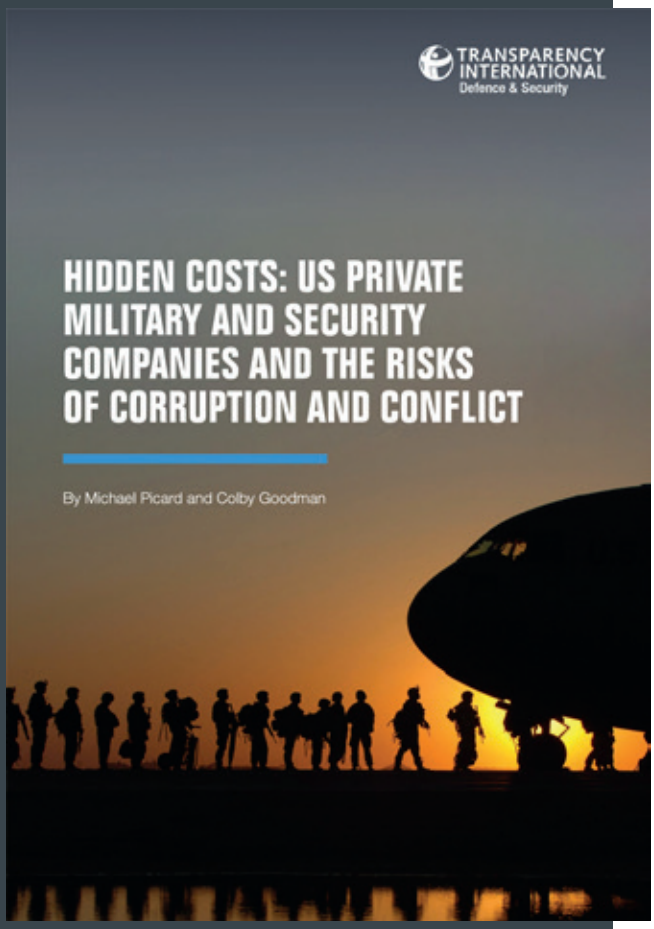
Security Sector Reform

Our work on security sector reform has continued to make an impact. We were invited to contribute to risk assessment measures and monitoring and evaluation guidelines that the European Union's diplomatic service, the European External Action Service is developing. At NATO's Building Integrity Conference in December 2022, the UN highlighted the role of our Government Defence Integrity Index (GDI) as a risk assessment and analytical tool.

Arms Trade Treaty

We provided guidance to the US State Department on ways to improve transparency in US arms transfers and strengthen transparency language in the new US Conventional Arms Transfer policy. The US State Department has also asked us to contribute to new US arms transfer guidelines.

> **The U.S. Government is at risk of undermining its own Strategy on Countering Corruption by failing to ensure that U.S. arms sales do not inadvertently support corrupt actors and facilitate bribery, foreign lobbying, and money laundering.**
>
> *Colby Goodman, Senior Researcher, Responsible Statecraft, February 2023.*



DOWNLOAD REPORT

HIDDEN COSTS

Hidden Costs underscores the corruption and conflict risks caused by leaving the privatisation of national security to grow and operate without proper regulation. The private military and security sector has swelled to be worth *US$224 billion* in 2022/2023.

That figure is expected to double by 2030. Currently the non-legally binding Montreux Document is the only guidance in place but lacks teeth. International rules and robust code of conduct standards are urgently needed to regulate and ensure mandatory reporting of Private Military and Security Company (PMSC) activities. We presented our findings at the Forum on the Arms Trade in February 2023 and to the UN Intergovernmental Working Group on PMSCs.

Dr. Jelena Aparac, UN Working Group on the Use of Mercenaries, speaking at Transparency International Defence and Security event.

NIGER: REDUCING VIOLENCE WITH CIVIL MILITARY COMMITTEES

Conflict and instability are a constant threat for people in the border regions of Niger. We worked with the country's Transparency International chapter to create civil military committees to reduce tensions.

These Citizen Vigilance and Community Watch Committees (C2VC) meet monthly, enabling government and citizen representatives to talk – a first step to ensuring civilians are safe. Through these committees, local communities and defence and security forces have established direct communication with each other and mutual trust and support is building. This is more important than ever in light of the July 2023 coup d'état.

INCREASING AWARENESS OF DEFENCE AND SECURITY CORRUPTION IN NIGERIA

Media coverage of corruption in defence and security is key to building pressure for change. We have been supporting CISLAC, the Transparency International chapter in Nigeria, to improve understanding of the risks of corruption in the sector and build momentum for transparency and accountability.

Media workshops and retreats for investigative journalists were held across the country. The result: 24 published stories on defence corruption in Nigeria on topics ranging from military commercial ventures, defence budget allocations and small arms trafficking, and five investigative reports. The project has also reinforced CISLAC's reputation and traction with government officials.

TRANSPARENCY INTERNATIONAL GLOBAL HEALTH

The World Health Organisation (WHO) declared the COVID-19 pandemic over in May 2023. However, it continued to dominate global health and the work of Transparency International Global Health throughout the last year.

Our focus was twofold: working to make the continued COVID-19 vaccine roll out transparent and equitable in the least well served parts of the world and to prevent corruption undermining efforts to protect the public during the next global health crisis.

Sara Bandali, Director of International Engagement.

COVID-19 vaccine rollout

With the World Health Organisation (WHO) aiming to vaccinate 70 per cent of people around the world in 2022, we continued to work with Transparency International chapters in Uganda and Zambia to prevent corruption and build transparency in the roll-out.

Our colleagues in Zambia and Uganda supported district officials, village health teams, and community organisations to tailor programmes to the population to increase uptake, monitoring the rollout for bribery attempts. Overall vaccination rates increased in 2022 in Zambia from 12 per cent to 55 per cent and in Uganda from 22 per cent to 41 per cent.

> **Corruption has too often been tolerated as a cost of doing business, particularly in humanitarian situations. Especially where there is a perceived trade-off between urgency and due diligence. But preventing corruption is the only way to ensure an effective and efficient response, even more so in times of emergency.**
>
> *Reuben Lifuka, Vice Chair Transparency International and Peter Wandera, Executive Director Transparency International Uganda, News 24 South Africa, November 2022.*

Preparing for Future Pandemics

As the pandemic drew to an end, we focused on research into the critical but overlooked area of transparency and equity in the financing and distribution of COVID-19 vaccines to shape planning and preparations for future pandemics.

In Uganda and Zambia this included making policy recommendations to the Ministries of Health, recommending safeguards to mitigate the corruption and opacity seen during the pandemic.

Globally, we submitted evidence and policy recommendations to the German G7 presidency, and the World Health Organisation's (WHO) review of Global Architecture for Health Emergency Preparedness, Response and Resilience (HEPR), and the EU's new Global Health strategy.

The proposed WHO Pandemic Preparedness Accord, and World Bank hosted Pandemic Fund are also key opportunities to ensure countries are better prepared. Our advocacy for greater inclusion of transparency and anti-corruption measures included a series of policy briefs and an event in Washington DC during December's International Anti-Corruption Conference. At the time of writing, the latest draft of the Accord now recognises transparency and equity as key tenets. Some of our other recommendations for data sharing and contractual transparency have also been included.

> **There also need to be efforts to ensure greater procurement transparency to avoid pricing inequities and facilitate access. That means disclosure of contracting information, which we haven't seen throughout the pandemic. It's an incredibly opaque process.**
>
> *Jonathan Cushing, Programme Director, Transparency International Global Health, Devex January 2023.*

Health System Strengthening

With corruption and fraud siphoning off an estimated $560 billion from health budgets globally every year, there continues to be a need to build anti-corruption, transparency and accountability measures into mechanisms to strengthen health systems.

We have been working with the WHO, the London School of Hygiene and Tropical Medicine and the civil society organisation U4, to initiate a commission with the UK medical journal The Lancet on corruption. We will also be playing a key role in the WHO's new Global Network on Anti-Corruption, Transparency and Accountability which aims to embed anti-corruption approaches into health sector policies and practices.

BRINGING EQUITY AND TRANSPARENCY TO UGANDA'S VACCINE ROLL OUT

With high rates of bribery to access COVID-19 vaccines reported in some districts of Uganda, we worked with the country's Transparency International chapter to put in place measures, including corruption reporting hotlines to mitigate bribery attempts.

In one instance, a caller reported being asked to pay a significant sum for a printed vaccination certificate which should have been free. The caller was told that public health facilities should not charge. Equipped with the information he returned to the health facility and raised the issue with the manager who cautioned his workers and ordered that the certificate be processed for no charge.

2022-2023
THE YEAR IN EVENTS

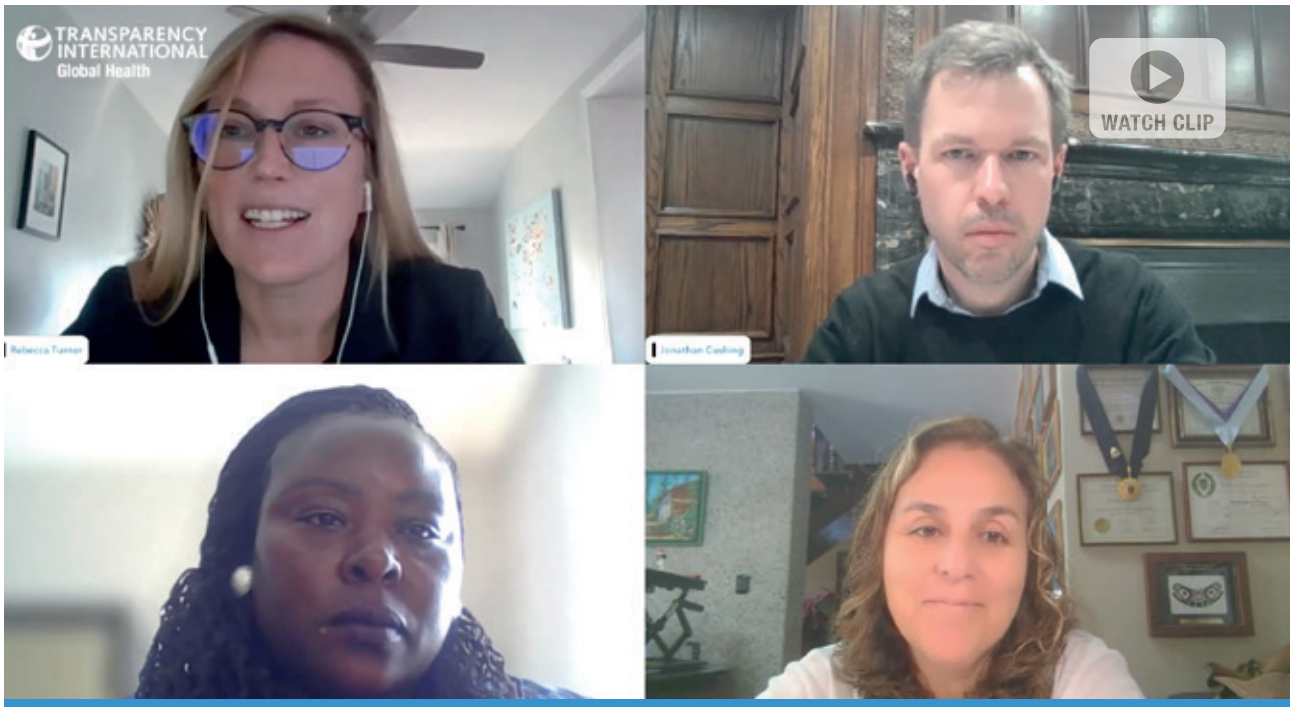
GLOBAL ENGAGEMENT – NEW RELATIONSHIPS

Fostering new global partnerships and raising the profile of our work internationally has been a key goal this year. Highlights were the International Anti-Corruption Conference (IACC) in Washington DC in December 2022 and the Mo Ibrahim Governance Weekend in Nairobi in April 2023.

The IACC brings together global leaders, businesses, government and civil society to tackle corruption. We organised and participated in high level panels on the professional services which make it possible for dirty money to flow across borders, and on Private Military and Security Companies and Corruption.

We also held events focusing on key aspects of our global health and defence and security work. This has resulted in a collaboration with the US Agency for International Development (USAID) on a webinar series over the next year raising the profile of corruption in global health.

The Mo Ibrahim Governance Weekend convenes prominent African political and business leaders, representatives from civil society, global and regional institutions as well as Africa's major international partners. Transparency International UK and Transparency International Kenya led a session showcasing the effectiveness of cross border working in creating effective solutions to illicit financial flows.



Corruption: A Public Health Emergency?

TRANSPARENCY INTERNATIONAL UK ANNUAL EVENT

Lawsuits brought by oligarchs trying to bully journalists and authors into silence and the views of a former MI6 chief on transparency and security were just some of the topics explored by our events programme this year.

The Role of Media in Exposing Corruption: Are We Losing the Battle?

An increasingly common form of litigation used to stifle free speech known as Strategic Lawsuits Against Public Participation (SLAPPs) was the subject of our Annual Event in November 2022. Catherine Belton, the author of Putin's People, an account of the emergence of the Putin regime and the threats posed by Russian money and influence, was one of the panellists. She was subject to a terrifying campaign of litigation. The solicitor Caroline Kean who successfully defended her and the Anti-SLAPPs Campaigner Susan Coughtrie were also speakers.

The panellists talked about their experience of fighting this kind of litigation and the need for it to be banned. To listen to the lecture press the button above.

Meanwhile, in a private event for some of our supporters, the former MI6 Chief Sir Alex Younger was interviewed by the Sky News Defence and Security Editor, Deborah Haynes.

OTHER EVENT HIGHLIGHTS

UK PROGRAMMES

SEP '22 Cambridge Symposium on Economic Crime

Labour Party conference: Illicit Finance Working Group event 'Ending the UK's Dirty Money Problem'

Labour Party conference: Institute for Government event 'Do We Need to Rewire The System of Standards in Public Life?'

Conservative Party conference: Institute for Government 'After the Johnson Era, How Can the Government Rebuild Trust?'

OCT '22 All-Party Parliamentary Group Anti-Corruption & Responsible Tax and All-Party Parliamentary Group Fair Business Banking parliamentary reception.

NOV '22 Anthropy – Panel on COVID-19 procurement

Business Integrity Forum with Bill Browder, European Commission, NRF, the Sanctions Directorate

DEC '22 International Anti-Corruption Conference – Panel on Enablers

International Anti-Corruption Conference – Panel on Impact Investing

Parliamentary launch of the Lobbying for Good Lobbying campaign

MAR '23 UK Finance's Economic Crime Congress on progress and challenges in bringing transparency to company beneficial ownership.

Daniel Bruce speaking at Institute for Government event at Conservative Party Conference. *Photo courtesy of Institute For Government.*

DEFENCE AND SECURITY

AUG '22 Arms Trade Treaty 8th Conference of States Parties in Geneva, co-hosted a side-event with Saferworld on corruption and arms exports risk assessments

OCT '22 Defence and Security Conference, Chatham House

UN Intergovernmental Working Group on PMSCs

NOV '22 Roundtable with civil society on the European Peace Facility (EPF) Safeguards, Monitoring and Human Rights organized by the Dutch Permanent Representative in the EU

DEC '22 International Anti-Corruption Conference – Workshop on PMSCs

International Anti-Corruption Conference – Round table on corruption and defence

APR '23 UN Intergovernmental Working Group on PMSCs

GLOBAL HEALTH

DEC '22 UN Development Progamme, Promoting integrity in the health sector in Europe and Central Asia Region

International Anti-Corruption Conference – Panel on FIF on the Fifth: Governance and Accountability of the Pandemic Fund

International Anti-Corruption Conference – Panel on Corruption: A Public Health Emergency?

Joint USAID/WHO Global Network on Anti-Corruption, Accountability and Transparency (GNACTA) meeting

MAR '23 University of Toronto/TI Funding of Patient Organisations in the United Kingdom: A Retrospective Study of Commercial Determinants, Funding Concentration and Disease Prevalence

MAR '23 Swedish EU presidency Tackling Corruption as an Obstacle to Development Europe

Global Network on Anti-Corruption, Transparency and Accountability (GNACTA) Tackling Corruption in the Health Sector

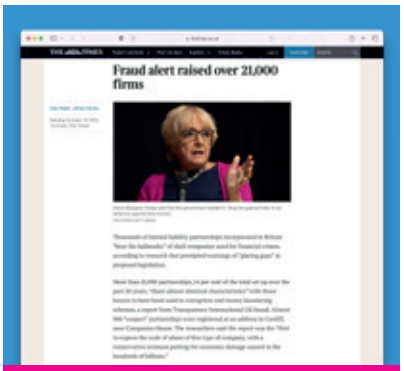
'22/'23 CSO dialogue sessions, COVAX ACT-A, German G7 presidency, WHO

FIF on the Fifth: Government and Accountability of the Pandemic Fund

MEDIA OUTREACH

This year we increased our media collaborations aimed at raising awareness of the UK's role as an enabler of corruption, reinforcing our advocacy for new laws and the closing of loopholes.

BBC News Website



The Times

The Guardian

We have supported over a dozen media partnerships. This includes a major project with The Guardian and the Organised Crime and Corruption Reporting Project (OCCRP) cataloguing the vast wealth held outside Russia by oligarchs and those close to President Vladimir Putin – winning a major investigative journalism award. In another collaboration with Russian colleagues and the media outlets Meduza and Novaya Gazeta, we also exposed a Russian 'bottle laundromat' used to launder dirty money.

We achieved more than 2,000 pieces of media coverage in the last year with stories and mentions in leading outlets. These include Radio 4's Today programme, Sky News, the Economist, an opinion piece from our Director of Policy in the Guardian and regular high-profile pieces across respected outlets like The Times, Financial Times and POLITICO. We continued to increase our visibility on broadcast outlets with regular appearances on LBC, Channel 4 News, BBC News and Talk TV. Globally we also continue to build awareness of our Global Health and Defence and Security Work with interviews in the Economist, BBC World and an opinion piece in a leading South African outlet working with colleagues in Uganda and Transparency International's Deputy Chair.

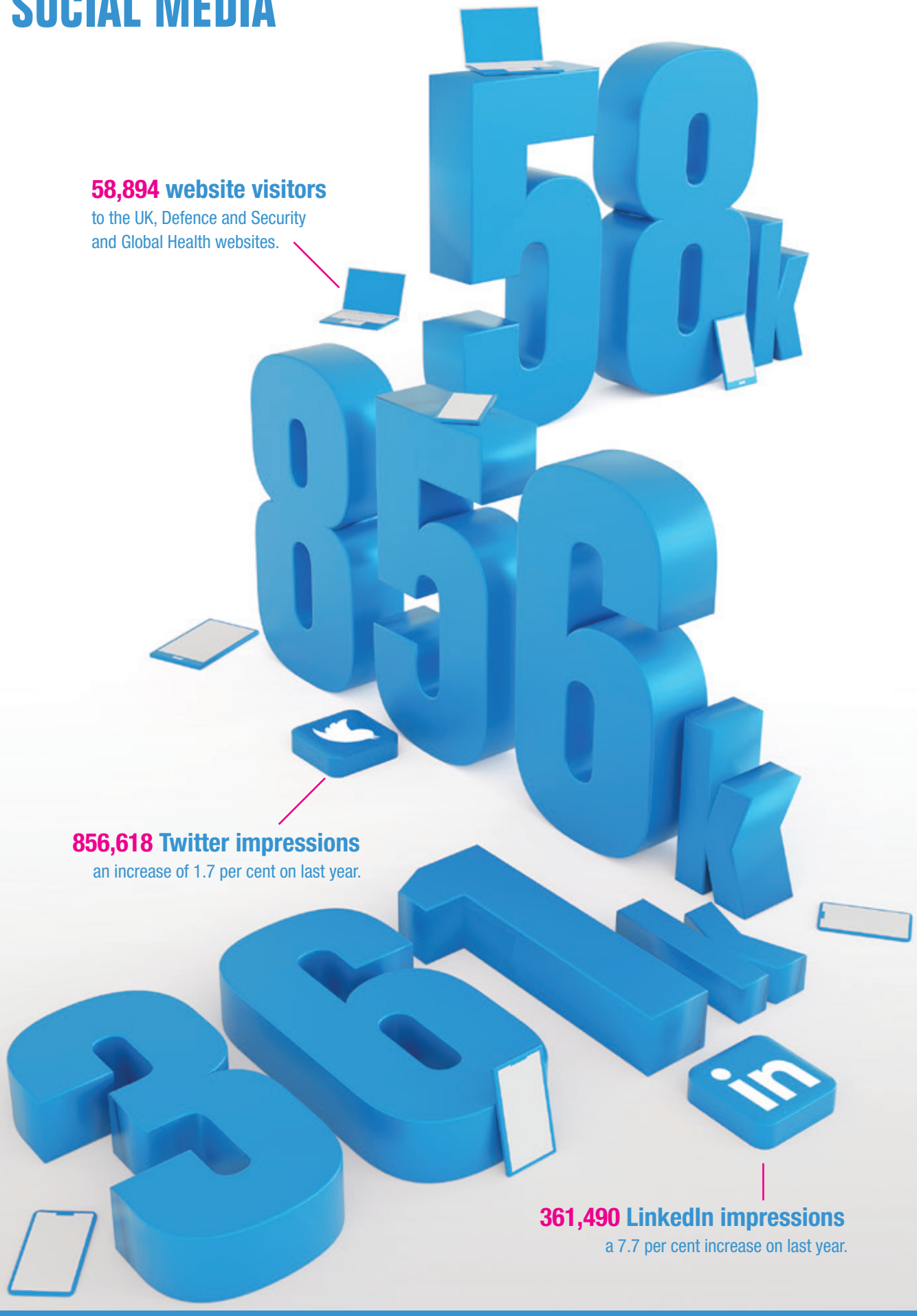
Times Radio

Sky News

Channel 4 News

SOCIAL MEDIA

58,894 website visitors
to the UK, Defence and Security and Global Health websites.



856,618 Twitter impressions
an increase of 1.7 per cent on last year.

361,490 LinkedIn impressions
a 7.7 per cent increase on last year.

LESSONS LEARNT THIS YEAR

It has been said it takes a village. In our case, the last twelve months have reminded us of the power of collaboration. We are already part of the global Transparency International movement, but this year has been testament to the power of many different voices speaking in unison.

The newly formed Illicit Finance Working Group made up of like-minded UK civil society organisations from RUSI to the Joffe Trust has strengthened our advocacy and parliamentary networks in the fight for legislation against dirty money.

Meanwhile, globally our partnerships with respected investigative journalists around the world has helped us expose not just the hidden assets of the corrupt but the professional services facilitating them, providing vital information for the UK's National Crime Agency.

Our closer working relationships with other national Transparency International chapters have also proved effective, helping to maximise global media coverage for our global health work and to showcase the dangers of corruption in defence and security.

Less positively, we were reminded of the challenge of trying to tackle a complex long-term issue like corruption, marrying that with the short time horizons of some donors. This has affected some multi-year fundraising for our programmes, encouraging us to ensure that our narrative underscores that effective systemic change takes time.

Meanwhile with the pace of technological developments, including recent advances in Artificial Intelligence, there will be new opportunities for the corrupt. It is increasingly clear that the scope of our work must address this new world if we are to tackle corruption.

GOING FORWARD

We will roll out the next wave of our strategy in 2024, building on this year's significant successes fighting dirty money and reinforcing political integrity and working to increase transparency in global health and defence and security.

- Closing the remaining loopholes enabling dirty money to enter the UK will remain a priority as will supporting calls for more resources to tackle illicit finance. We will continue to work to ensure new legislation is implemented and will monitor its effectiveness. There also remains much work to do to prevent damaging conflicts of interest between government and business and to ensure those donating to political parties do not have undue influence.
- Looking towards the next general election, we will be working to engage political parties as they draft their manifestos and we will reach out to prospective MPs to ensure that fighting dirty money and building integrity in politics is on their agenda. We will also be looking at local government audit systems. As part of our new work in Scotland, we will focusing on improving governance in the wake of the Ferguson Marine ferry saga.
- In the coming year, our business integrity programme will continue to work with the private sector to improve transparency and integrity. Deepening our work with Impact Investors and Development Finance Institutions will be one area of focus. We will also support the private sector to manage bribery and corruption risk within a holistic Environment, Social and Governance (ESG) strategy, and work with business to prepare for incoming economic crime legislation.
- Strengthening integrity in defence governance will continue to be a key theme for our Defence and Security programme. We will leverage our respected Government Defence Integrity index to work with Transparency International partners in other countries and to influence the agendas of key multilateral organisations. The deadly role of corruption in the arms trade will also be a priority.
- Our Global Health programme will focus on corruption in health service delivery, working with Transparency International chapters around the world. New research will look at the impact of corruption on major global health priorities including malaria, HIV, maternal health and anti-microbial resistance.

Daniel Bruce on Transparency International UK priorities for 2023-4.

The corrupt are always looking for new ways to abuse power for private gain.

The new legislation that we campaigned for in the UK, described in this report, combined with the continuing high regard for our expertise in our UK, global health and defence and security work are making it harder for those trying to play the system.

However, world events have made clear much remains to be done to tackle graft and its corrosive consequences and we need your continued support to carry on the fight against corruption.

THANK YOU

Your invaluable backing has enabled us to come this far. We hope you will continue to work with us on our journey to create a world free from corruption.

ANNUAL ACCOUNTS

2022-2023

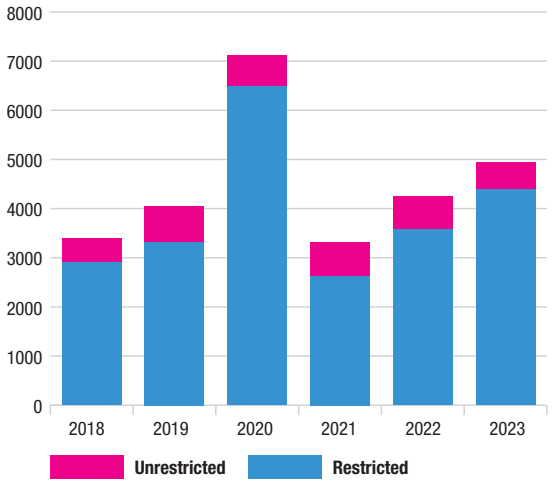
The Trustees report (which includes the Directors report required by Company Law), comprises the contents of the Impact Report and the section of the Annual Review and Accounts between pages 39 and 67.

Financial Review

Income from all sources was £4,955,000 in the year to 31 March 2023 (2021/22: £4,253,000) representing an increase of 16.5 per cent on the previous year. The five-year graphs show significant variations in the restricted income received (where the funds can only be used for specific purposes, agreed with donors) and associated expenditure, particularly where sums are received late in the financial year but the activities and their expenditure occur in the subsequent year.

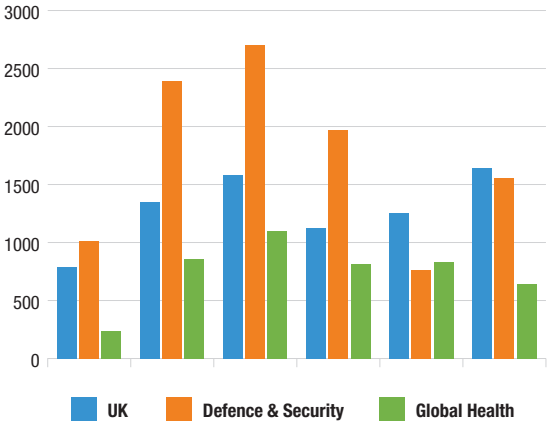
The multi-year activities associated with publishing of the Government Defence Integrity Index and the Defence Companies Index are reflected in the higher revenues and expenditure between 2019-2021.Of the income received to March 2023, £4,386,000 (2021/22 £3,623,000) was restricted for specific programmes and projects, largely made up of grant income. The remaining income of £569,000 (2021/22 £630,000) was unrestricted (where the funds can be spent at the discretion of the Charity), comprising grants, donations and TI-UK membership income as well as revenue generated by the Business Integrity Programme through membership of the Business Integrity Forum (BIF). Unrestricted income remains more challenging to generate from donors including from individual giving and yet is invaluable to the financial sustainability of the charity.

Total Revenue (£'000)



Expenditure for the year increased by 31 per cent to £4,047,000 (2021/22 £3,079,000) with increased activities from the prior year in the UK and Defence & Security programmes. Global Health expenditure reduced in line with available donor funds. Grants to partners increased significantly and represent 25 per cent of restricted expenditure, highlighting the role that TI-UK plays in collaboration amongst movement chapters as well as with UK based organisations working in the anti-bribery and corruption landscape. The majority of expenditure, 97 per cent, went towards charitable activities and three per cent to raising funds.

Programme Expenditure (£'000)



The charity made a total surplus for the year of £908,000 (2021/22 £1,174,000 surplus). This comprised a surplus on restricted funds of £1,114,000 (2021/22 £1,277,000 surplus) as a significant amount of funds were received for work undertaken in the first half of the following year, and a deficit on unrestricted funds of £206,000 (2021/22 £103,000 deficit) due to reduced unrestricted grant funding and a short term gap in funding being available to cover research costs in our Business Integrity Programme.

Reserves policy and going concern

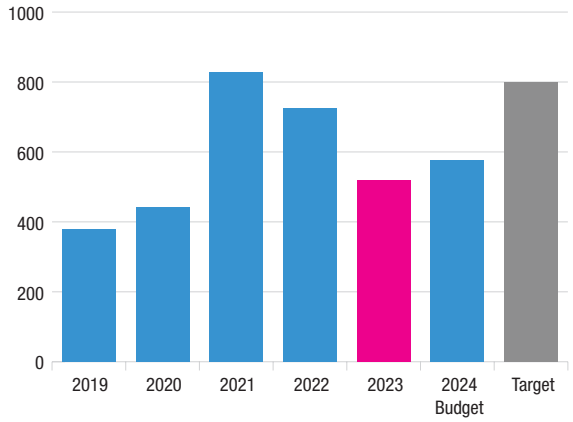
The Trustees consider that the charity needs to hold unrestricted reserves for the following principal reasons:

- to maintain sufficient working capital cash flow to cover delayed debtor receipts;
- to maintain programme delivery activities if delays in grant instalment payments from funders occur and to maintain the organisational structure including staffing in the short term where delays or gaps on the expiry of major grants occur, given dependence on a relatively small number of funders;
- to cover risks related to failing to meet donor obligations resulting in claw back of funding for activities undertaken; and
- other income risks.

Total reserves at 31 March 2023 amounted to £3,742,000 (2021/22: £2,834,000) of which unrestricted reserves amounted to £520,000 (2021/22 £726,000) and restricted reserves amounted to £3,222,000 (2021/22 £2,108,000).

Based on a risk assessment including weighting of the risks referred to above, the Trustees are of the opinion that the Charity needs to target an unrestricted reserve within a range of £800,000 to £850,000. The target is reviewed on a six-monthly basis, and future changes to the target will be dependent on shifts in the risk profile of the Charity, an ongoing assessment of the likelihood of major grant renewals and our ability to grow revenue. An unrestricted surplus budget was approved for 2023/24 and plans are being explored to generate increased unrestricted funding in order to achieve the target over the next 18-24 months. Cashflow projections are regularly updated and these do not indicate liquidity issues in the short term from the reserves being below target.

Unrestricted Reserve (£'000)



The key risk to reserves that could arise in the year ahead relates to funding for the Global Health programme and matched funding for the next iteration of the Government Defence Integrity Index. Plans are in place to secure required funds, monitor progress and to take action should this risk materialise. Budget risks include inflationary pressures.

The Trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern (see also Accounting Policies (Note 1)). The Trustees have reviewed the financial position, budgets and cash flows for the period to September 2024 and consider that the charity is in a position to meet its financial obligations as they fall due.

Grant making policy

TI-UK awards grants to other organisations as part of delivering our charitable and strategic objectives; this can include both Chapters within the TI network and other organisations working on anti-corruption and bribery agendas or engaged in research or advocacy in these fields. In 2022/23 TI-UK acted as a lead granter for selected members of the UK Anti-Corruption Coalition. Formal evaluation and due diligence of a partner is undertaken in advance of agreeing funding. All grants outlining key activities and deliverables are approved by the relevant Director prior to funds being disbursed. Monitoring and evaluation of progress is undertaken to ensure that the grant is being managed according to the agreement, and where progress or implementation is deemed unsatisfactory, the grant will either be delayed or discontinued. Total grants to partner organisations were £811,000 (2021/22: £550,000) and for a full list, see note 6 to the accounts.

Future plans

The Trustees approved the 2023/2024 Annual Plan that is aligned to the **Stopping Corruption Promoting Integrity 2021-2030** strategy.

The priorities are:

In the UK:

- Focussing efforts on remaining gaps in Britain's Dirty Money defences whilst ensuring the effectiveness of new measures triggered by the conflict in Ukraine: Improving supervision of anti-money laundering defences, corporate transparency in British Overseas Territories and Crown Dependencies, and effective implementation of existing transparency measures such as the UK's new register of overseas entities.
- Responding to the integrity failings in Westminster and elsewhere by seeking to strengthen the institutional defences against corruption risks in public life, including greater transparency over lobbying, addressing abuse of the revolving door between public and private sectors, and more meaningful oversight of ethical standards. The development and launch of the next UK Anti-Corruption Strategy will be a priority. We will also make submissions to the UK COVID-19 public inquiry to aid the learning of important lessons from the practice of public procurement during the pandemic.
- Enhancing practice in corporate anti-corruption programmes, developing guidance for investors seeking to prevent corruption undermining their objectives for wider impact, and understanding the interplay of corruption with Environmental, Social and Governance (ESG) risks, including a focus on Human Rights. We will continue to support companies to provide meaningful and accurate anti-corruption data and take a proactive approach to business integrity through engagement in our leading forums and improvement tools. We will seek to grow the number of companies engaged in this work through a reviewed and strengthened offer to business.
- Building TI-UK's presence and activity in the devolved nations, with a particular focus on Scotland. We will also

be scoping opportunities to expand our open access tool to devolved level of government. Providing subject matter expertise in illicit financial flows in support of new bilateral partnerships across Transparency International's worldwide movement to stem the flow of dirty money that is the proceeds of corruption.

Internationally:

In Global Health (subject to funding):

- Consolidating learning from reducing corruption risk in the deployment and distribution of COVID-19 vaccines, and use this to influence greater transparency and accountability measures to be integrated into the Global Pandemic Accord and related financing mechanisms including the World Bank's Pandemic Fund.
- Embedding anti-corruption into national health systems, working with global partners on academic research, advocacy and convening events with practitioners. In conjunction with USAID, hosting a series of webinars looking at what works in addressing corruption in the health sector across different country contexts. Findings from our research, lessons from our current global health work and the broader TI movement on addressing corruption in the health sector will encourage action through different fora including the World Health Organization's Global Network on Anti-Corruption, Transparency and Accountability (GNACTA).
- Engaging media and civil society to deepen awareness of the impact of corruption in health sector procurement to facilitate better holding of power to account.
- Together with chapters in sub-Saharan Africa, we will work to address the drivers of corruption at the point of service delivery in the health and education sectors. We will use findings from corruption risk assessments and work with other TI chapters to design and implement interventions to tackle the systemic drivers of corruption that hamper access to services, such as legislative loopholes, or shortages of medicines.
- Better pinpoint and cost where corruption occurs within health systems, how it affects health outcomes and work with stakeholders to roll out solutions to combat high corruption risk within the health system.
- Identify opportunities to expand geographic reach and explore new frontiers of work such as health financing, sub-standard and falsified medicines, gender and technology. Our machine learning tool that currently collates relevant media articles on Covid vaccines will be expanded to cover a wider range of corruption risk areas across the health sector and will be extended globally.

In Defence and Security:

- Deepening the knowledge base and filling gaps in understanding of the role corruption plays in the diversion of arms to unauthorised users. As defence spending and arms transfers increase globally, better policy tools are needed to mitigate the risk of diversion. Our research will provide relevant UN and state actors with a more comprehensive understanding of the corruption risks that lead to arms diversion, and our advocacy will focus on influencing the Arms Trade Treaty and other key mechanisms to respond to this understanding.
- As the prevalence of private military and security companies continues to build, continue to advocate for the regulation of their activities from an anti-corruption perspective. We will mobilise and support the TI Movement to engage on this issue, and we will input directly to the UN intergovernmental working group seeking to establish an international regulatory framework relating to the activities of private military and security companies.
- Creating and using global and regional level opportunities to embed anti-corruption through defence governance into approaches to conflict and security sector reform. We will leverage the knowledge and evidence base we have established through the Government Defence Integrity Index (GDI), research and develop policy recommendations on specificities of defence governance in fragile and conflict affected states, and develop and deliver a focused advocacy strategy targeted at embedding anti-corruption in a number of regional instruments on security sector reform.
- In partnership with TI Chapters in North and West Africa and the Sahel, respond to the continually developing security landscape in the region through supporting the capacity and ability of national actors to push for defence sector anti-corruption reforms. We will also build, support, and enable an active community of practice with a wider range of Transparency International chapters in support of global efforts to increase civil society engagement with and oversight of defence and security sectors.
- We will define the next generation of work as it relates to the private sector more broadly, including the development of a strategically aligned approach to delivery of the learnings from the Defence Companies Index (DCI).

Organisationally:

- Continue to work with colleagues in the TI-Secretariat in Berlin to strengthen the movement-wide value and leadership of TI-UK's accredited international programmes.
- Sustain our high level of media exposure and relationships with a focus on strategically important engagement for programmes, building the profile of our

global programmes within the movement and externally, and building the profile of TI-UK as a whole.

- Continue to embed a consistent cross-organisational approach to Monitoring, Evaluation and Learning, supporting our people to identify what works in delivering impact, and building TI-UK's knowledge management.
- Continue to diversify and strengthen our income pipeline, securing at least £4.2m in multi-year fundraised income for programmes – with a focus on Global Health and Defence & Security. Secure or establish the pipeline for £2.4m private sector income. For future years, conduct a market review of different opportunities and resource allocation required to generate more unrestricted income.
- Continue to promote and develop a high trust culture where new strategic opportunities and adaptability are key to delivering a collaborative, engaging and learning culture with a focus on knowledge sharing throughout the employment journey. All colleagues will have access to the tools to Speak Up and our approach to diversity and inclusion challenges our programmatic and organisational assumptions, particularly on gender and ethnicity.

Public Benefit

Charity trustees have a duty to develop strategic plans to ensure that they provide public benefit and achieve the objectives as set out in the governing document. The Trustees have had due regard to the Charity Commission guidance in relation to public benefit.

TI-UK's primary objective is the relief of poverty, suffering and distress caused directly or indirectly by corruption and the promotion for the public benefit of ethical standards and compliance with the law by the public and private sectors. The Trustees are satisfied that the Charity's activities continue to further these aims and meet the public benefit (as defined by the Charity Commission).

The Trustees consider that those who benefit from the activities of TI-UK include:

- those at risk of harm caused directly or indirectly by corruption in the UK and overseas;
- all those in societies who benefit from strong and transparent institutional structures that help deter and defend against corruption; and
- those in economies whose development is enhanced through reducing corruption.

TI-UK considers that there are clear public benefits arising from:

- promoting the enforcement of the UK Bribery Act and other anti-corruption legislation;
- highlighting the threat of corruption in specific sectors of the UK;
- building integrity and preventing corruption in the defence & security and health sectors;
- ensuring the UK effectively enforces international anti-corruption conventions;
- helping companies and NGOs to raise their anti-corruption standards; and
- Increasing public awareness of corruption issues.

The Board monitor the activities of TI-UK to ensure they continue to meet the public benefit (as defined by the Charity Commission).

Risk Management

The Trustees and Senior Leadership Team review regularly the principal risks faced by the Charity. These include risks related to our strategy, people, security, finance and funding, legal and donor compliance and external relationships.

Board of Trustees	• Responsible for management & control of the Charity • Sets overall risk management and appetite • Approves risk register annually with bi-annual review
Finance, Risk and Audit Committee/All Committees	• Advises on financial control & risk management • Reviews and monitors risk register including deep dives into risk areas • Considers whether risks identified through other committees have organisational impact
Senior Leadership Team	• Monitors & maintains internal control environment ensuring day-to-day operations have adequate systems and procedures in place. • Reviews & monitors the risk register on quarterly basis to ensure new or emerging risks are profiled as well as to ensure timely follow up of mitigating actions to reduce risks to manageable levels.

How we are managing our principal risks

Key Organisational Risks	How we are mitigating the risk
Strategic	
Strategic: the failure to deliver on the ambition outlined in the new strategic goals.	• TI-UK and global programmes strategies aligned to the TI Movement strategy • Annual Plan & Budget aligned to new strategy with board cycle to review strategic opportunities and challenges across all programme areas • Organisational structure aligned to assist delivery with SLT focused on new partnerships and incubation of ideas • Focus on measuring outcomes and impact • Recruitment of Board members and advisors
Strategic: focus in the short term is diverted from programme outcomes and impact to navigating current TI movement governance reforms if these are not agreed in a timely and effective manner.	• Roadmap for future possible outcomes, identifying the opportunities and any upside arising from the review as well as the risks to the existing Defence & Security and Global Health programmes and TI-UK more widely • Engagement with Chapters and the Secretariat on the reforms consultation process
Security	
Increased levels of political uncertainty in many countries, pandemics and erratic weather conditions means that **international travel** places many of our travellers at higher levels of risk and disruption including being affected by protests, strikes, terrorism, flooding and cyclones. The safety of Chapters/ researchers is a key risk in some countries/ areas of work and must be prioritised.	• Safety & Security Risk Framework, policies and procedures with updated materials for Chapter/ research risks • Safety and Security Focal Points in each team with refresher training as international travel recommences following the pandemic • Crisis management plans • Insurance cover & overseas assistance scheme
Finance	
Failure to achieve adequate **cost recovery** on restricted grants prevents an effective level of shared services to be funded. Where programmes are not fully funded there can be an unequal share of recoveries across the organisation.	• Budgetary templates and internal reporting • Formal approval process for funding bids • Regular review of overhead charges across programmes

Key Organisational Risks	How we are mitigating the risk
Funding	
Opportunities to increase **unrestricted income** requires targeted interventions specific to the programme area if we are to meet revenue contribution/ fundraising targets. These are dependent upon sufficient time to build credible pipelines as well as addressing skill gaps through training / recruitment/ backfilling. Ensuring the Business Integrity offer remains engaging to members as they move from a controls based approach to one integrating culture/ ethics interventions.	• Fundraising team with dedicated support for institutional funding and individual donor giving • Regular monitoring of revenue pipelines across programmes • Developing fundraising-related messaging and marketing via digital media, events etc. • Review of Business Integrity products including membership, thought leadership and benchmark
Increased competition, matched funding, reduced/stretched ODA funding and gaps in the international programme finances place short term pressure on maintaining strategic priorities.	• On-going dialogue with existing donors to ensure strategic alignment between TI-UK and their funding priorities • Investment in institutional fundraising capacity to increase and diversify revenue growth particularly for the international work • Engagement with TI-Secretariat and national chapters to overcome barriers to funding channels and enhance collaboration • Diversifying funding opportunities across programmes with aim of broader range of multi-year funding partnerships including as sub-contractors
People	
High levels of **employee turnover**. uncertainty with regards to the future structure and location of the global programmes and the impact of this on the wider organisation could lead to increased turnover and/or difficulties with recruitment. Exacerbated by institutional funding and/or the failure of the organisaiton to evolve and meet changing employee expectations including blended working. These factors are heightened by the cost of living crisis. This then manifests itself in our ability to complete existing contractual obligations (workload issues) and continuity of TI knowledge and expertise. Potential for career progression can be limited.	• Employee engagement forums including monthly 'One Team' meetings, quarterly in-person meetings with focus on strategic delivery and organisational developments. Regular Listen into Action surveys • Quarterly reporting on Annual Plan delivery • Annual and six monthly appraisals to discuss career plans with team learning and development plans monitored • Salary and Benefits review completed and implemented • Ensuring our salary & benefits package remains comparable with the sector • Digital recruitment platform (Be Applied) that is attractive to applicants, delivers capacity to better assess high volume applications and reduces recruitment administrative workload • Managing the move to blended working, aligning to sector developments with focus events to create a stronger sense of community post pandemic
Safeguarding (*duty to protect from harm*): there is a risk that our culture does not recognise that all our people are responsible for safeguarding and that norms, values, attitudes and behaviours are as important as policies and procedures. The risks of ensuring this takes place across funding partners that vary in size and context and have limited resources makes us vulnerable to financial, donor and reputational risk.	• Safeguarding & Whistleblowing Policies & Codes of Conduct • Mandatory training • Partner guidance/ toolkits • Annual Safeguarding Report • TI Chapter and Secretariat safeguarding and security framework • Participation in sector Speaking Up initiative to reduce the barriers for reporting concerns • Gender review to enhance and ensure policies and procedures remain accessible and effective
Legal	
Aggressive litigation ("SLAPP suits") require TI-UK to balance producing impactful evidence informed research that can be publicly defended with the major legal costs and time that legal action can require.	• Documented content creation process to ensure legal risk is considered prior to publication with training to all colleagues working on research and communications • Access to well-equipped range of legal advice to respond robustly and defend possible litigation • Review of insurance coverage/ products

Key Organisational Risks	How we are mitigating the risk
Grant management procedures insufficient to meet increasing donor requirements, particularly monitoring large sub-grants to chapters leading to long term loss of restricted income.	• Shared services function provides programme support across teams covering grant management, compliance, partner due diligence, procurement and administration & logistics. • Knowledge management processes improved as part of Office 365 enhancements
External	
The ability to **effectively engage donors and the wider public** will be at risk if we are not designing projects to deliver impactful results and / or we are unable to provide robust programme evidence of that impact.	• Investment in Evidence and Impact capacity • Impact and Evaluation framework for all programmes that feeds into proposal design, log frame developments and organisational strategy • Development of a learning culture across the organisation

Governance

The Charity is a company limited by guarantee and was set up by a Memorandum of Association on 1 March 1994 (last amended 12 January 2006). It was registered in England and Wales as a charity on 27 January 2006. The Articles of Association were last amended on 8 December 2016.

Transparency International (UK) is a national chapter of the global movement, Transparency International (TI), incorporated in Berlin. National chapters lead the work of TI in their country and participate in TI's regional and international work. The membership base of each TI national chapter differs in type and size from country to country. TI-UK's members are an important part of the chapter's governance in that they are able to vote at the AGM and approve appointments to the Board. The number of members at 31 March 2023 was 90 (2022:88).

The Transparency International secretariat based in Berlin leads global advocacy and international initiatives, supports national chapters and coordinates regional work. The relationship of mutual support reflects the sharing of insight and research undertaken by the chapter to complement global research tools with the secretariat supporting efforts to obtain the necessary resources to tackle corruption. TI-UK operates under a national chapter accreditation agreement which was renewed for a further three years in June 2021.

Whilst operating as integral parts of the structure of the host chapter, Global Thematic Networks (GTNs) are globally focused programmes shaped by their innovative approaches and ambition to deliver global impact in their defined thematic areas. Bringing together and working with other TI Chapters they allow collaboration focused on knowledge exchange, research and advocacy. TI-UK operates two of these on behalf of the movement in Defence & Security and Global Health, last re-accredited in July 2022.

Trustee & Board members

TI-UK is governed by a Board of Trustees, elected by the members of TI-UK or co-opted subject to election. The Board meets regularly during each financial year (normally four half days along with a Strategy Away Day) to provide strategic guidance, discuss and agree policy issues, review expenditure, approve budgets and review progress in implementing programmes. The Board's decisions are implemented by the employees of the Charity, led by the Chief Executive. Board committees meet depending on needs but generally three or four times a year. A Scheme of Delegation is in place and regularly reviewed to ensure that the roles and responsibilities of the Board and the Executive are outlined.

The Trustees undertook a formal evaluation of the effectiveness of the Board in June 2021 and the Governance Framework is regularly reviewed with input from the Senior Leadership Team. Each Committee undertakes an annual review of their effectiveness together with the terms of reference and these are discussed by the Board. The Chair has annual objectives agreed with the Board and these are reviewed with the opportunity for the SLT to contribute. A contingency plan is in place for non-availability of the Chair & Chief Executive for a prolonged period. The sector lessons from the Charity Commission Kids Company Inquiry were considered in September 2022.

The following Trustees held office in 2022/23:

Trustee	Date of Appointment/ Resignation	Committees	Board Attendance 2022/2023
Graham Baxter	29 January 2014 -30 January 2023	G, N, P (Chair)	4 of 4
Michael Bowes KC	16 May 2015 – 18 August 2022	G (Chair), N	0 of 2
Cat Evans	5 October 2022	G, R	2 of 2
James Ford	4 January 2022	F, R,N	4 of 5
Prof Paul Heywood	12 October 2015	G, R (Chair)	5 of 5
Natasha Houseman	16 May 2015	F (Chair), N,	5 of 5
Dominic Martin	26 February 2019	F, R, P (Chair)	5 of 5
Val Monk	4 January 2022	G, P	5 of 5
Eddie Rich	14 May 2019	G, P	2 of 5
Fiona Thompson (Chair)	16 May 2015	N (Chair)	5 of 5
Xenia Wickett	5 October 2022	G, P	2 of 2
Anne Zaki	5 October 2022	F, R	2 of 2

G: Global Thematic Networks F: Finance, Risk & Audit N: Nominations & Governance P: Private Sector Engagement R: Research

Two trustees resigned during the year. Graham Baxter having completed nine years maximum eligible term, and Michael Bowes KC on being appointed as a Circuit Judge after eight years on the board. The Board greatly appreciates their considerable contribution to TI-UK.

The procedures for appointing Trustees and their terms of office are set out in TI-UK's Articles of Association and an updated Trustee Recruitment policy was put in place in June 2022. A skills matrix and board succession plan are in place to help facilitate recruitment. Following an open recruitment process supported by charity trustee recruiter Nurole, allowing the roles to be promoted to a diverse range of possible candidates, three new Trustees, Cat Evans, Xenia Wickett and Anne Zaki, were appointed following panel interviews. Trustees are appointed to the Board until the next Annual General Meeting at which time they stand for appointment by the membership. New Trustees participate in a minimum half-day induction and are given a comprehensive induction pack. Additional training for Trustees is arranged as and when it is considered necessary. Plans for recruiting the position of the next Chair were agreed during the year and a sub-committee put in place to oversee the arrangements.

The Charity has an Advisory Council that allows the Board to draw on its members' varied expertise and experience. An Ethics Advisory Panel is in place for the purpose of providing advice to the Board on ethical questions including conflicts of interest.

TI-UK's reputation is of paramount importance. The Charity has internal policies and procedures to ensure that the Board of Trustees and employees preserve their independence, safeguard their integrity and express opinions based on an impartial assessment of facts.

All Trustees and Senior Employees complete conflict of interest forms (annually updated) and these are published on the Charity website. Every meeting notes any potential conflicts of interest. Professional Indemnity, Trustees Indemnity and Employment Practices insurance cover are in place.

People

The skilled, committed, independent and often courageous colleagues who deliver TI-UK's strategy remain our most important resource. The values and behaviours that we consider most critical are acting with integrity; valuing and respecting differences; working collaboratively; and having the courage to demand better of ourselves and others.

This year the TI-UK team represented:

- 59 per cent female, 41 per cent male
- 73 per cent white ethnic groups, 27 per cent all other ethnic groups combined
- 30 per cent with over five years of service
- Colleagues distributed across all age ranges from 20-24 up to 65-69.

The views of colleagues are captured through quarterly Listen into Action surveys and the results are reviewed by the SLT and shared as part of the Annual People Report to the Board. With blended working these provide helpful monitoring in terms of satisfaction at work, support and resources to perform roles, life/work balance, awareness of organisational ethical guidance and procedures and confidence in management's commitment to a Speak Up culture. The last year also saw a return to in-person office space and collaboration activities as TI-UK continues to learn and adapt to ensure it gets the best out of blended working and that office space and commuting is environmentally sustainable.

A Salary and Benefits system is in place to ensure fairness and transparency. Management provide an annual report to the Finance Risk and Audit Committee on implementation of the policy.

The wellbeing of employees remains critical. The Employee Assistance Programme is promoted and available to support with advice, counselling and guidance on personal and professional challenges for them and also immediate family members. In May 2022 Mental Wellbeing was promoted through discussions, podcasts, books and other learning materials. Quarterly in-person team days include personal development training and this year included a focus on learning about each other strengths and how this can impact preferred ways of working.

Remuneration policy

TI-UK's policy is to provide remuneration sufficient to attract, retain and motivate the kind of capable and dedicated people we need to enable us to fulfil our mission. Salaries are benchmarked periodically against comparable organisations, and in determining individual salary level and progression internal comparisons and the financial circumstances of the organisation are taken into account. A benchmarking exercise was completed during 2022/23 and upward adjustments made to the starting salaries on specific bands from April 2023. For details of key management remuneration, see note 10 to the accounts.

The Nominations & Governance Committee is responsible for setting the remuneration of the Chief Executive. The Chief Executive sets the remuneration of members of the senior leadership team in consultation with the Finance, Risk and Audit Committee who also consider changes to the overall reward policy.

Diversity & Inclusion

Having become a member of the Business in the Community Race at Work Charter in 2020, an action plan was developed in conjunction with a newly formed anti-racism forum open for all employees to participate in. This multi-year plan aims to help ensure that that we play our part in tackling barriers that national minority people face in recruitment and progression and that TI-UK, including the senior leadership and Board, is representative of British society today.

Progress with the plan included a review of the salary progression of current employees based on their time with TI-UK and their ethnicity and gender. This identified no disparity either on an overall basis or within teams indicating that policies are being applied equally. In June 2022 we introduced a recruitment platform designed to help remove bias (Be Applied). This has been used for all vacancies since with candidates reporting very high levels of satisfaction and confidence in the application process. The system allows candidates to complete questions tailored to the job role and whilst CVs can be reviewed later, candidates are selected for interview after being independently assessed by three colleagues without access to any personal details. We hope over time that these steps will help colleagues address their own biases and that we shall experience even greater diversity and the benefits that provides to our work. In October, our quarterly in-person training explored how unconscious bias can impact decisions with exploration of how to help overcome these.

Safeguarding

TI-UK voluntarily publishes a Safeguarding Report annually (latest February 2023). This Board-reviewed report provides transparency on the safeguarding (duty to protect from harm) framework in place, summarises matters that were reported and investigated, and details how evolving sector best practice is being considered.
In the year to December 2022 there were no safeguarding matters reported concerning TI-UK directly. We are not complacent regarding zero reports and we continue to raise awareness of Whistleblowing and promoting a Speak Up culture so that people feel safe to report and confident that concerns will be acted upon. Two reports involving partners were followed up during the year - one related to potential wrongdoing in relation to bullying behaviours and the other was in relation to safety and security matters.

The report outlines the TI-UK Code of Conduct that everyone working with us must agree to uphold. There are details of the values and behaviors expected in the workplace, pre-employment checks that are undertaken, relevant policies together with the learning and training resources and how incidents can be reported.

We continued to participate in the charity sector network promoting a Speak Up culture and utilizing sectordevelopments from BOND. The Protect guidance on "Preventing Whistle-blower Victimisation" was internally disseminated to those who may be involved in supporting colleagues. In October, our quarterly in-person training explored how to Speak Up with confidence and the role that we all play to ensure colleagues do not face retaliation. We regularly survey colleagues on awareness of policies, confidence that management will investigate and perceptions on retaliation.

Future plans include:

- Continuing engagement with colleagues to ensure our culture of integrity and trust is promoted and understood. This will include Listen into Action survey results and induction/refresher training on safeguarding, whistleblowing and anti-bullying and harassment.
- Programme design and delivery learning in relation to gender with insights from the Defence and Security team helping inform discussions on future planning across different TI-UK programmes.
- Continued engagement with the sector on developments including BOND and the Charity Speak Up Network.

Environmental

The two key environmental impacts by TI-UK are in relation to business travel and office use and business travel.

Business travel makes up the other significant area of measurable carbon emissions. With travel restrictions removed, and switching to in-person or hybrid events the demand for business travel is increasing but still below post pandemic levels. Geography, infrastructure and safety remain considerations in determining international air travel and participation is limited to those who will gain most and contribute from being present in person. Travel by train rather than air to key European capitals is encouraged. Our preferred travel agent captures organisational carbon footprint data and has tools that integrate carbon reduction into their booking plans (including hotels) and travel decisions. In hosting events, the value of in-person collaboration remains important. Where possible, hybrid options are made available to reduce the carbon footprint of those travelling outside of London.

Office provision was re-secured post the pandemic in May 2022. Our environmental footprint was a key consideration in selecting this co-working space ensuring that the impact of vacant desk space was minimized whilst also identifying a central London location that allowed for best use of walking, bus, tube and train links and with no car parking being provided. Other co-working space locations from our serviced office provider are also available to help reduce travel times. The calculation of emissions is approximate and based on the area of space rented within the overall building location. An employee 'Cycle to Work' bike scheme is in place along with bike storage and changing facilities.

	2022/23
Tonnes CO_2e from work related flights	33.876
Tonnes CO_2e from energy use in office	0.039
Tonnes CO_2e from water use in office	0.027
Total measured emissions (tonnes CO_2e)	**33.942**

In the last two years the routine printing of publications ended and these are only made available in printed form where justified. Office use actively discourages printing of documents in an attempt to ensure behaviour change is implemented.

Ethics

TI-UK continues to be a supportive member of the UN Global Compact and reports activities undertaken to deliver on the commitments of their anti-corruption programmes. This recognises the role played in promoting good governance from being essential to the rule of law, to social inclusion and management of natural resources.

TI-UK follows the Charity Governance Code that sets out best practice advice on leadership, equality and inclusion and ensuring the Charity demonstrates social impact. The Governance Framework published on the web-site provides full transparency on this. The Ethics Advisory Panel provides access to guidance on ethical issues that can arise.

As an organisation committed to transparency, the web-site provides details of the annual Plan and Budget, annual Declaration of Interests of the Senior leadership Team and

Trustees, Policies, Gifts and Hospitality Register, Advocacy Transparency Disclosure, Anti-Bribery & Corruption Risks and KPIs and annual Safeguarding Report.

How we ensure we fundraise responsibly

The small central fundraising team, with additional involvement from the Chief Executive, concentrates on raising both restricted and unrestricted funds, as well as coordinating a cross-organisational approach to donors. Responsibility for raising programme funding is shared between Programme Directors and the fundraisers. The majority of funding comes in the form of restricted funds from a small number of large government donors, together with trusts and foundations (UK and US based). This carries two risks: that the programmes become over-reliant on a small number of donors, and that the programmes may seem to be too close to the governments that we are aiming to hold to account.

In order to mitigate the perception that our mission may be compromised by our donors, Transparency International globally has clear guidelines that we adhere to on the circumstances in which funds can be accepted, relationships with donors, and transparency around funders. We ensure our fundraising strategy that is revised annually reflects these risks. The majority of unrestricted funding is generated by the Business Integrity Programme.

The fundraising strategy, over and above generating the revenues necessary to support TI-UK's mission, aims to diversify our donor base, both type and number, and to seek more unrestricted funding. This is principally so as to enable programme colleagues to plan for the longer term, to innovate and test approaches and to be responsive to advocacy opportunities - both of which underpin our ability to deliver change. We also aim to ensure we have funding to allocate to areas of our work that are important or emerging but may be less immediately attractive to conventional funders. This enables us to maintain our independence by being willing to turn away money when we feel the circumstances require. In order to deliver the fundraising strategy, we have increased the commitment to investing in raising funds from institutions, trusts and foundations and individual donors. The intention is to maintain our approach of directing as much possible financial support towards the programmes while ensuring our core support team is adequately resourced. A senior leadership role also focuses on partnerships which deliver wider strategic objectives as well as financial commitments.

We are committed to maintaining the highest standards in fundraising, including the codes and norms for the sector as well as GDPR compliance. We undertake little or no mass fundraising from the wider public and do not use third parties, external fundraisers (either volunteer or professional) or contract out our fundraising, so our exposure in areas particularly highlighted by the codes is not high. We are registered with the Fundraising Regulator and have committed to follow the regulator's Code of Fundraising Practice and the Fundraising Promise. We have not received any complaints about our fundraising practices during the year.

Trustee responsibilities regarding the financial statements

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP and FRS102;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company, and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

The Trustees have taken all the necessary steps to make themselves aware of any information needed by the Charity auditors for the purpose of their audit and establish that the auditors are aware of that information. The Trustees are not aware of any relevant audit information of which the auditor is unaware.

In preparing this report, the Trustees have taken advantage of the small companies exemptions provided by Part 15 of the Companies Act 2006.

Approved by the Board of Trustees and signed on their behalf by:

Fiona Thompson

Chair

31 July 2023

Independent Auditor's Report to the Trustees of Transparency International – UK

Opinion

We have audited the financial statements of Transparency International (UK) for the year ended 31 March 2023 which comprise the Statement of Financial Activities, the Balance Sheet, Cash Flow Statement 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 charitable company's affairs as at 31 March 2023 and of the 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 charity 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 trustees' 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 charitable company'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 trustees 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 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 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 49, 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 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 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 charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to charity and company law applicable in England and Wales 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 Companies Act 2006 and the Charities Act 2011, and consider other factors such as income tax, payroll tax and sales tax.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the improper recognition of revenue and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- 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;
- Identifying and testing journals; and
- Challenging assumptions and judgements made by management in their critical accounting estimates.

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**. This description forms part of our auditor's report.

Use of this 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.

Vikram Sandhu
(Senior Statutory Auditor)

For and on behalf of Haysmacintyre LLP,
Statutory Auditors,
10 Queen Street Place, London, EC4R 1AG

Date: 14 August 2023

Transparency International UK
STATEMENT OF FINANCIAL ACTIVITIES
(incorporating income and expenditure account) for the year ended 31 March 2023

	Notes	Restricted Funds 2022/23 £'000	Unrestricted Funds 2022/23 £'000	Total Funds 2022/23 £'000	Restricted Funds 2021/22 £'000	Unrestricted Funds 2021/22 £'000	Total Funds 2021/22 £'000
Income from:							
Donations	2	-	43	43	-	98	98
Charitable activities	3	4,386	526	4,912	3,573	582	4,155
Total income		**4,386**	**569**	**4,955**	**3,573**	**680**	**4,253**
Expenditure on:							
Raising funds		-	102	102	-	94	94
Charitable activities							
Programmes:							
UK		1,193	446	1,639	830	420	1,250
International:							
Defence & Security		1,464	93	1,557	704	63	767
Global Health		620	26	646	812	21	833
Other activities:							
Communication		-	103	103	-	135	135
Total charitable activities	5	**3,277**	**668**	**3,945**	**2,346**	**639**	**2,985**
Total Expenditure		**3,277**	**770**	**4,047**	**2,346**	**733**	**3,079**
Net Income / (Expenditure)		1,109	(201)	908	1,227	(53)	1,174
Transfers between funds	14/15	5	(5)	-	50	(50)	-
Net movement in funds		**1,114**	**(206)**	**908**	**1,277**	**(103)**	**1,174**
Reconciliation of funds **Funds brought forward 1 April**		2,108	726	2,834	831	829	1,660
Funds carried forward 31 March	15	**3,222**	**520**	**3,742**	**2,108**	**726**	**2,834**

The Statement of Financial Activities includes all gains and losses recognised in the year and are from continuing activities. The notes on pages 57 to 67 form part of these financial statements.

Transparency International UK
BALANCE SHEET
as at 31 March 2023
Company Registration 02903386

	Note	2022/23 £'000	2022/23 £'000	2021/22 £'000	2021/22 £'000
Fixed Assets					
Tangible fixed assets	11		1		2
Current Assets					
Debtors	12	321		390	
Cash at bank		3,746		3,154	
			4,067		3,544
Creditors: amounts falling due within one year	13		(326)		(712)
Net Current Assets			3,741		2,832
Net Assets	15		**3,742**		**2,834**
The Funds of the charity					
Restricted income funds	15		3,222		2,108
Unrestricted funds	14		520		726
Total charity Funds			**3,742**		**2,834**

The financial statements were approved and authorised for issue by the Board of Trustees on 31 July 2023 and were signed below on its behalf by:

Fiona Thompson

Chair

The notes on pages 57 to 67 form part of the financial statements.

Transparency International UK
CASHFLOW STATEMENT
for the year ended 31 March 2023

	2022/23	2021/22
	£'000	£'000
Cash flows from operating activities:		
Net cash provided by operating activities	593	1,651
Cash flows from investing activities:		
Purchase of fixed assets	(1)	(2)
Change in cash and cash equivalent in the reporting period	**592**	**1,649**
Cash and cash equivalents at the beginning of the reporting period	3,154	1,505
Cash and cash equivalents at the end of the reporting period	**3,746**	**3,154**
All amounts relate to continuing activities.		
Reconciliation of net movement in funds to net cash flow from operating activities		
Net movement in funds for the period (as per the Statement of Financial Activities)	909	1,174
Adjustments for:- Depreciation charges	1	7
Decrease in debtors	69	122
(Decrease)/Increase in creditors	(386)	348
Net cash provided by operating activities	**593**	**1,651**
Analysis of cash and cash equivalents		
Cash in bank & at hand	3,746	3,154
Total cash and cash equivalents	**3,746**	**3,154**

A net debt reconciliation note has not been presented as the charity has no debt. The notes on pages 57 to 67 form part of these financial statements.

Notes to the Financial Statements

1. Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

Accounting basis

Transparency International (UK) is a registered charity in England and Wales (charity number 1112842) and a company limited by guarantee (number 02903386).

The financial statements have been prepared in accordance with the Charities Statement of Recommended Practice (SORP) FRS 102 – 'Accounting and Reporting by Charities (2019)' Second Edition, effective 1 January 2019, the Charities Act 2011 and applicable accounting standards.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Going concern

The financial statements have been prepared on a going concern basis. The Trustees have reviewed the financial position, budgets and cash flows for the period to September 2024 and consider that the charity is in a position to meet its financial obligations as they fall due.

The Trustees formally review financial performance together with financial projections on a quarterly basis based on current income and expenditure, future levels of secured and unsecured revenue and stress tested cash flow forecasts over an 18 month period.

Company status

The charity is a company limited by guarantee (registered number 02903386) which is incorporated and domiciled in the UK. The address of the registered office is 10 Queen Street Place, London EC4R 1AG. The charity meets the definition of a public benefit entity under FRS 102. More detail on how the Trustees have satisfied themselves that TI-UK has met the public benefit requirements is given in the Trustees' Report. The members of the company are subscribers to the Memorandum of Association and the persons listed in the Register of Full Members of the company. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

Critical accounting estimates and judgements

In accordance with FRS 102, the Trustees are required to make certain estimates and judgements that have an impact on the policies and amounts reported in the financial statements. These estimates and judgements are based on historical experience and other factors including expectations of future events that are believed to be reasonable at the time such estimates and judgements are made.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period on in the period of the revision and future periods if the revision affects the current and future periods.

The significant estimates and judgements are:

- Accrued income (see Income policy below)
- Accruals: costs not yet invoiced (see Expenditure policy below)
- Allocation of support costs (see Expenditure policy below)

In the view of the Trustees no assumptions concerning the future or estimation uncertainty affecting assets and liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

Income

All income is included in the Statement of Financial Activities (SOFA) when the charity is legally entitled to the income, receipt is probable and the amount can be quantified with reasonable accuracy, and the amount can be measured reliably. Where contracts for advisory services cover a period of time spanning the financial year end the proportion of revenue recognised in the year reflects an assessment of the fair value of services provided to the reporting date. Gifts in kind and donated services are recorded at the value to the charity at the date of receipt. No amount has been included in the financial statements for services donated by volunteers. Income from BIP membership is recognised when invoiced.

Gift Aid receivable is included in income when the donation is made and where there is a valid Gift Aid declaration from the donor.

Expenditure

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources. Overheads have been allocated on the basis of employee costs (head count).

At the year-end, employee emoluments include paid annual leave where this has not been taken at the rate of pay applicable at that date. Termination benefits are accounted for on an accruals basis.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the company and include general management, payroll, administration, budgeting, and accounting, technology, and human resources.

Foreign currency

Foreign currency transactions are translated at the rate applicable on the transaction date. Foreign currency balances are translated at the exchange rate prevailing at the balance sheet date. Gains and losses on translation are included in the SOFA.

Tangible fixed assets

Tangible fixed assets are stated at cost net of depreciation. All fixed assets costing more than £1,000 are capitalised. Depreciation is provided on equipment and fixtures over three years straight line.

Pension costs

The charity provides a defined contribution scheme, which is available to all employees. The funds are independently held from those of the charity. The pension costs comprise the costs of the charity's contribution to its employees' pension schemes.

Taxation

The charity falls with the meaning of Part 1, Schedule 6 of the Finance Act 2010. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains within categories covered by Chapter 3 of Part 11 of the Corporation Tax Act 2010 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. No tax charges arose in the period.

Irrecoverable VAT is not separately analysed and is charged to the SOFA when the expenditure to which it relates is incurred, and is allocated as part of the expenditure to which it relates.

Financial instruments

The charity has financial assets and liabilities of a kind that qualify as basic financial instruments. Financial assets comprise cash at bank and in hand, trade and other debtors. Financial liabilities include trade and other creditors. Basic financial instruments are recognised at transaction value. Details of these financial assets and liabilities and their carrying value are given in the notes to the accounts.

Funds

Restricted funds are funds that are to be used in accordance with specific restrictions imposed by donors. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

General reserves are unrestricted funds which 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.

2. Donation Income

	Restricted Funds 2022/23	Unrestricted Funds 2022/23	Total Funds 2022/23	Restricted Funds 2021/22	Unrestricted Funds 2021/22	Total Funds 2021/22
	£'000	£'000	£'000	£'000	£'000	£'000
Grants	-	2	2	-	53	53
Donations	-	41	41	-	45	45
Total	**-**	**43**	**43**	**-**	**98**	**98**

Unrestricted grants include funding from the following trusts and foundations:-

GSK	Nil	(2021/22 £40,000)
The Beale Trust	£1,700	(2021/22: Nil)
Luminate Foundation	Nil	(2021/22 £5,559)
PF Charitable Trust	Nil	(2021/22: £3,500)
Tinsley Charitable Trust	Nil	(2021/22: £2,500)
Marsh Trust	Nil	(2021/22: £500)

3. Income from Charitable Activities

	Restricted Funds 2022/23	Unrestricted Funds 2022/23	Total Funds 2022/23	Restricted Funds 2021/22	Unrestricted Funds 2021/22	Total Funds 2021/22
	£'000	£'000	£'000	£'000	£'000	£'000
Grants receivable (Note 4)	4,186	5	4,191	3,573	50	3,623
Business Integrity:						
- Bronze Membership	-	199	199	-	162	162
- Gold Membership	-	260	260	-	240	240
- Standalone Benchmark	-	50	50	-	37	37
- Thought Leadership & other income	200	12	212	-	93	93
Total	**4,386**	**526**	**4,912**	**3,573**	**582**	**4,155**

A list of Business Integrity Forum members is found on page 68.

The restricted Thought Leadership income includes donations from British International Investment, £80,000, Swedfund £80,000 and the Very Group, £40,000.

4. Grants Receivable

	Notes	Total Funds 2022/23 £'000	Total Funds 2021/22 £'000
UK			
Fairness Foundation		-	5
Joffe CharitableTrust		33	-
Luminate:The Omidyar Group		308	149
Montpelier Foundation		30	-
Open Society Foundations		753	463
David and Elaine Potter Foundation (unrestricted- designated for UK programme)		5	50
Julia & Hans Rausing Trust		150	200
Sigrid Rausing Trust		250	150
Joseph Rowntree Charitable Trust		36	30
University of Sussex		1	2
Trust for London		28	40
	14	**1,594**	**1,089**
International: Defence & Security			
The Beale Trust		-	2
Carnegie Corporation		234	-
Netherlands Ministry of Foreign Affairs		1,914	1,465
NATO		-	6
United Nations Democracy Fund (UNDEF)		72	-
United Nations Office for Project Services (UNOPS)		-	6
	14	**2,220**	**1,479**
International: Global Health			
Foreign, Commonwealth& Development Office– FAST– Open Contracting for Health		-	70
GlaxoSmithKline		2	90
Global Affairs Canada (Department of Foreign Affairs, Trade and Development)		72	-
Open Society Foundations		-	327
Swedish Ministry of Foreign Affairs		303	568
	14	**377**	**1,055**
Total	14	**4,191**	**3,623**

5. Charitable Activities Expenditure

	Total Funds 2022/23	Total Funds 2021/22
	£'000	£'000
Direct charitable costs	688	463
Employee costs (see note 10)	2,129	1,791
Grants payable (see note 6)	811	550
Support costs (see note 7)	317	181
Total	**3,945**	**2,985**

6. Charitable Expenditure: Grants Payable

	Total Grants 2022/23	Total Grants 2021/22
	£'000	£'000
Association CRI 2002 Mali (TI Chapter)	69	12
Center TIR 2 (TI Chapter)	50	-
CISLAC Nigeria (TI Chapter)	105	12
Intelligent Sanctuary	-	141
I-Watch Tunisia (TI Chapter)	108	11
Kings College London	-	5
Open Contracting Partnership (UK Anti-Corruption Coalition member)	62	59
Open Ownership (UK Anti-Corruption Coalition member)	38	-
Open Democracy	-	10
Spotlight on Corruption (UK Anti-Corruption Coalition member)	25	25
University of Sussex – Centre for the Study of Corruption (UK Anti-Corruption Coalition member)	42	-
Tax Watch (UK Anti-Corruption Coalition member)	95	-
Transparency International Bangladesh	-	40
Transparency International Nepal	-	6
Transparency International Niger	105	11
Transparency International Sweden	(31)	109
Transparency International Uganda	66	68
Transparency International Zambia	77	41
Total	**811**	**550**

7. Charitable Activities Expenditure: Support Costs

	Charitable Activities 2022/23	Fundraising 2022/23	Total 2022/23	Charitable Activities 2021/22	Fundraising 2021/22	Total 2021/22
	£'000	£'000	£'000	£'000	£'000	£'000
Governance	38	-	38	15	-	15
Employees/Consultancy	183	-	183	127	-	127
Other	96	-	96	39	-	39
Total	**317**	**-**	**317**	**181**	**-**	**181**

Support costs have been allocated as above based on the proportion of employee time spent on each activity. Due to the way in which the teams work, it is not possible to split support costs between grants payable and direct charitable costs. The increase in support costs in 2022/23 reflects investment in our international engagement activities with the TI Movement and outsourced trustee recruitment.

8. Net Income / (Expenditure)

This is stated after charging:

	2022/23	2021/22
	£'000	£'000
Depreciation	1	7
Auditor's remuneration – statutory audit services	13	12
Auditor's remuneration – donor certificate audit services/company administration	6	2
Pension costs	76	73

9. Board of Trustee Remuneration, Expenses & Donations

No Trustees received remuneration or benefits in kind during 2022/23 (2021/22: Nil). Travel expenses reimbursed £182 (2021/22 Nil).

The cost incurred by the charity for Trustee indemnity insurance was £2,127 (2021/22: £2,128).

During the year six Trustees (2021/22: four Trustees) donated, in aggregate, £2,740 (2021/22: £1,900) to the Charity.

10. Employee Numbers and Emoluments

The average number of employees during the year was:

	2022/23	2021/22
	£'000	£'000
Charitable activities	24	26
Fundraising	3	2
Support	11	9
Total	**38**	**37**

Employee emoluments were as follows:

	2022/23	2021/22
	£'000	£'000
Wages and salaries	1,836	1,544
Social security costs	217	174
Pension costs	76	73
Total	**2,129**	**1,791**

The total amount of benefits received by key management personnel includes gross salaries and employer pension contributions, was:

	2022/23	2021/22
	£'000	£'000
Chief Executive	126	117
Chief Operating Officer	96	93
Director of International Engagement (appointed April 2022)	86	-
Director of Development, Communications & Impact	86	72
Director of Policy & Programmes (part-time during 2021/22)	88	77
Director of Strategic Partnerships (maternity leave 2022)	48	64
Total including gross salaries, employer pension contributions	**530**	**423**
Total including gross salaries, employer pension contributions and employer National Insurance Contributions	**596**	**472**
Number of employees who earned from:		
£60,001 – £70,000	2	2
£70,001 – £80,000	-	2
£80,001 – £90,000	3	1
£90,001 – £100,000	1	-
£100,001 – £110,000	-	1
£120,001 – £130,000	1	-
	7	**6**

The remuneration above includes gross salaries only. Total pension contributions in 2022/23 for these employees amounted to £24,458 (2021/22: £19,541).

No employees received employee benefits (excluding employer pension costs) of more than £60,000. One termination payment was made £11,357 (2021/22: Nil).

The lowest paid employee, with the exception of interns who are paid the London Living Wage, was paid an annual equivalent gross salary of £28,000 per annum (2021/22: £26,574 per annum). The highest paid employee received 4.29 times (2021/22: 4.24 times) the salary of the lowest paid employee.

11. Tangible Fixed Assets

	Equipment & Fitting
	£'000
Cost	
At 1 April 2022	65
Additions	-
Disposals	-
At 31 March 2023	**65**
Depreciation	
At 1 April 2022	63
Charge for year	1
Depreciation on disposals	-
At 31 March 2023	**64**
Net book value	
At 31 March 2023	**1**
At 31 March 2022	**2**

12. Debtors

	2022/23	2021/22
	£'000	£'000
Trade debtors	233	259
Prepayments	-	5
Accrued income	69	126
Rent deposit	19	-
Total	**321**	**390**

13. Creditors

	2022/23	2021/22
	£'000	£'000
Trade creditors	66	101
Accruals	131	521
Social security and other taxes	125	89
Other creditors	4	1
Total	**326**	**712**

14. Total Funds

2022/2023	Brought forward	Income	Expenditure	Carried forward
	£'000	£'000	£'000	£'000
Restricted & Designated income funds				
UK	952	1,795	(1,193)	1,554
International: Defence & Security Programme	904	2,219	(1,464)	1,659
International: Global Health Programme	252	377	(620)	9
	2,108	4,391	(3,277)	3,222
Unrestricted funds	726	564	(770)	520
Total funds	**2,834**	**4,955**	**(4,047)**	**3,742**

2021/2022	Brought forward	Income	Expenditure	Carried forward
	£'000	£'000	£'000	£'000
Restricted & Designated income funds				
UK	693	1,089	(830)	952
International: Defence & Security Programme	129	1,479	(704)	904
International: Global Health Programme	9	1,055	(812)	252
	831	**3,623**	**(2,346)**	**2,108**
Unrestricted funds	**829**	**630**	**(733)**	**726**
Total funds	**1,660**	**4,253**	**(3,079)**	**2,834**

Restricted funds are held for the following purposes:

The UK Programme funds aim to challenge Britain's role in facilitating global corruption, the need to safeguard public services, politics and the private sector in the UK against corruption.

The funds are for projects that include:

- Stopping the flow of Dirty Money: a programme of research and advocacy seeking to address where corrupt wealth is laundered into the UK economy and financial system. Ensuring that illicit assets are recovered by law enforcement agencies both in the UK and territories where it has influence.
- Securing integrity in politics: putting integrity and accountability into the heart of UK politics with evidence-informed policy solutions to remove the corrupting influence of big money, campaign financing, lobbying or the use of the 'revolving door'.
- Protecting the public's resources: ensuring best practice in access to information, managing conflicts of interest and open public contracting.
- Business integrity: drive improvements in impact investor efforts to mainstream business integrity and leveraging anti-bribery and corruption within business ESG strategies.

Unrestricted designated funding is utilised to match funding on expenditure within the programme (2022/23 £5,000 (2021/22: £50,000)).

The Defence & Security International Programme aims to reduce corruption risks in the global defence and security sector by conducting research and by influencing policy recognising that it is a factor contributing to conflict, insecurity and crises. It seeks to improve the integrity of private sector defence and security actors. Funding also allows for on-going advocacy in relation to global indices (Government Defence Integrity Index and Defence Companies Index on Anti-Corruption and Corporate Transparency).

The Global Health International Programme aims to ensure effective, accountable and transparent health systems which leave no room for corruption and which deliver Universal Health Coverage. The programme focuses on three key areas of the health value chain most prone to corruption: research and development, procurement and service delivery. If mitigated these could reap enormous impact and better investments in strengthening health system resilience and delivering equitable health outcomes.

Restricted & Designated Funds detail

2022/2023	Brought forward	Income	Expenditure	Carried forward
	£'000	£'000	£'000	£'000
Ajahma Charitable Trust	230	-	-	230
ESG Reporting (the Very Group)	-	40	-	40
Impact Investing Reporting (British International Investment, Swedfund)	-	160	(23)	137
Joffe CharitableTrust	4	33	(37)	-
Luminate:The Omidyar Group	188	308	(186)	310
Montpelier Foundation	-	30	(9)	21
Open Society Foundations	212	753	(560)	405
David and Elaine Potter Foundation (unrestricted - designated for UK programme)	-	5	(5)	-
Julia & Hans RausingTrust	150	150	(171)	129
Sigrid Rausing Trust	140	250	(174)	216
Joseph Rowntree Charitable Trust	13	36	(10)	39
University of Sussex	2	2	(1)	3
Trust for London	13	28	(17)	24
UK Programme	**952**	**1,795**	**(1,193)**	**1,554**

2022/2023	Brought forward	Income	Expenditure	Carried forward
	£'000	£'000	£'000	£'000
Carnegie Corporation of New York	-	234	(104)	130
Netherlands Ministry of Foreign Affairs (2022-26 Grant)	904	1,913	(1,288)	1,529
United Nations Democracy Fund (UNDEF)	-	72	(72)	-
International: Defence & Security Programme	**904**	**2,219**	**(1,464)**	**1,659**
GlaxoSmithKline	46	2	(39)	9
Global Affairs Canada (Department of Foreign Affairs, Trade and Development)	-	72	(72)	-
Open Society Foundations	206	-	(206)	-
Swedish Ministry of Foreign Affairs (2023 Grant)	-	303	(303)	-
International: Global Health Programme	**252**	**377**	**(620)**	**9**
Total	**2,108**	**4,391**	**(3,277)**	**3,222**

15. Analysis of Net Assets Between Funds

	Restricted Funds 2022/23	Unrestricted Funds 2022/23	Total Funds 2022/23	Restricted Funds 2021/22	Unrestricted Funds 2021/22	Total Funds 2021/22
	£'000	£'000	£'000	£'000	£'000	£'000
Fixed assets	-	1	1	-	2	2
Debtors	-	321	321	-	390	390
Cash	3,222	524	3,746	2,108	1,046	3,154
Creditors due within one year	-	(326)	(326)	-	(712)	(712)
Total	**3,222**	**520**	**3,742**	**2,108**	**726**	**2,834**

16. Related Party Transactions

In 2022/23 there were no related party transactions (2021/22: £Nil). There was no debtor balance at the year-end (2021/22: £Nil).

We would like to thank:

Our **donors and funders** including: Global Affairs Canada, the Netherlands Ministry of Foreign Affairs, the Swedish Ministry of Foreign Affairs, UNDEF, Carnegie Corporation of New York, GlaxoSmithKline, Julia and Hans Rausing Trust, Joffe Charitable Trust, Joseph Rowntree Charitable Trust, Luminate, Open Society Foundations, Montpelier Foundation, David and Elaine Potter Foundation, Sigrid Rausing Trust, Trust for London, Jane Thurnell-Read, University of Sussex and individual supporters.

Our **Business Integrity Forum members** at 31 March 2023: ABRDN, Anglo American, Barclays, BHP Group, British International Investment, Brunel, Clifford Chance, Control Risk Group, Crown Agents, DLA Piper, FTI Consulting, Genel Energy, GlaxoSmithKline, Grant Thornton UK, HSBC, IHG, Kroll, LexisNexis, Lloyds Bank, Nardello & Co, National Grid, Natwest, Norton Rose Fulbright, Orange UK, Oxford University Press, PwC, RB Group, RPC, Santander, Shell International, Siemens, Subsea 7, Unilever, the Very Group and Vodafone Group

We thank British International Investment, GlaxoSmithKline, Swedfund and the Very Group for their contribution to the Thought Leadership programme, and Energian, Huawei UK, Johnson & Johnson and Serco for their standalone participation in our Corporate Anti-Corruption Benchmark

Our **Advisory Council members**: David Nussbaum, (President), the Lord Anderson of Ipswich KBE KC, Edward Bickham, Laurence Cockcroft, Jane Ellison, Phil Mason OBE, the Baroness Sugg CBE and The Rt Hon. the Lord Wills.

Statutory Information

Transparency International – UK
(a company limited by guarantee)

Registered Address:
10 Queen Street Place, London EC4R 1AG
Registered Charity Number: 1112842
Registered Company Number: 02903386

External advisors

Auditors:

Haysmacintyre LLP
10 Queen Street Place, London, EC4R 1AG

Bankers:

HSBC Plc
PO Box 41, High Street, Uxbridge, Middlesex, UX8 1BY

Solicitors:

Bates Wells
10 Queen Street, London, EC4R 1BE

Egality Law
International House, 36-38 Cornhill, London, EC3V 3NG

Senior Leadership Team (July 2023)

Daniel Bruce: *Chief Executive*

Colin Munro: *Chief Operating Officer / Company Secretary*

Sara Bandali: *Director of International Engagement*

Duncan Hames: *Director of Policy & Programmes*

Naomi Neiland: *Director of Development, Communications & Impact*

Sophie Ogilvy: *Director of Strategic Partnerships*

Transparency International UK

10 Queen Street Place,
London,
EC4R 1AG

transparency.org.uk

Twitter: @TransparencyUK

Transparency International UK
Registered charity number 1112842
Company number 2903386

TRANSPARENCY INTERNATIONAL UK

England & Wales - Charity number 1112842

Accounts

TRANSPARENCY INTERNATIONAL UK
fighting corruption worldwide

ANNUAL IMPACT REPORT AND ACCOUNTS

2021-2022

Transparency International is a global movement sharing one vision: a world in which government politics, business and the daily lives of people are free of corruption.

Transparency International UK is the UK national chapter of this movement.

We work with the British government, parliamentarians, civil society and the private sector to tackle corruption at home, addressing the UK's global corruption footprint and helping multinational companies prevent corruption by operating with integrity.

We are also home to two major global programmes tackling corruption in the Defence and Security sector and Global Health on behalf of the wider Transparency International movement.

Our Vision

is a world in which government, business, civil society, and the daily lives of people are free from corruption.

Our Mission

is to stop corruption, promote integrity and, to that end, hold power to account for the common good.

CONTENTS

Our Theory of Change 4
Impact Highlights 5
Letter from the Chair and Chief Executive 8
2021 Corruption Perceptions Index 10
Our Objectives 11
UK Programmes 12
Stopping the flow of dirty money 13
Protecting the public's resources 15
Securing Integrity in Politics 16
Driving Integrity In Business 18
Global Programmes 20
Transparency International Defence and Security 21
Global Health 25
The Year in Events 28
Media and Social Media 30
Public Engagement Highlights 33
Lessons Learnt This Year 35
Going Forward 36
Thank you 37
Annual Accounts 38

STOPPING CORRUPTION PROMOTING INTEGRITY

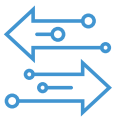
WE ADVANCE POLICY

Research, evidence and advocacy to drive the use and improvement of law, regulations, systems and policy to deter and pursue corruption.

WE IMPROVE PRACTICE

Drive the public and private sectors to change behaviours, attitudes and stop corruption.

WE PROMOTE CHANGE



Share knowledge, create pressure and reduce opposition, mobilise and support allies to tackle corruption.

WE ADVANCED POLICY:

UK Government passes new law to reveal the real owners of foreign companies that own UK property. We have campaigned for seven years for this key step in the fight against dirty money in the UK.

In Kenya our advocacy contributes to the President mandating the publication of all COVID contracts signed by the Kenyan Medical Supplies Agency.

New health procurement policies with greater transparency provisions drafted in South Africa and Zambia with our advocacy and input. In Zambia the Public Procurement Bill has since become law.

Companies House reform announced in Queen's Speech 2022 following our long-term advocacy to stop abuse of shell companies by the corrupt.

In Parliament, the House of Commons Standards Committee proposes measures that would deliver our recommendations to tighten rules on MP's second jobs and improve transparency over their financial interests.

UK government announces the end of tier 1 (Investor) visa programme or "golden visas". Our research showed more than 3,000 people from high-corruption risk countries entered the UK this way between 2008 and 2015 with few, if any, checks on the source of their wealth.

WE IMPROVED PRACTICE:

Make It Count provides a guide to how and why companies need to monitor the effectiveness of their anti-corruption processes.

Our online **Doing Business without Bribery** training accessed by almost 10,000 users in the last year.

Our **Global Anti-Bribery Guidance** portal provides guidance on corporate anti-corruption best practice and received over 17,500 visits from around the world.

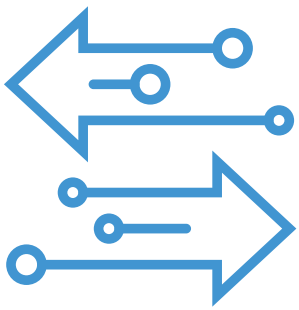
Ministries of Defence in Latvia, Norway, Tunisia and Kuwait acknowledge the completed **Government Defence Integrity Index** as an important tool in addressing corruption risks in defence institutions.

The Defence Companies Index, published recently, is a robust tool already being used by companies to improve their compliance and corporate transparency.

WE PROMOTED CHANGE:

The UK Standards in Public Life watchdog warns that many of the rules designed to ensure politicians' honesty and integrity need "significant reform". It calls on the Prime Minister to make changes to "restore public confidence" following TI-UK's evidence and recommendations.

42 per cent of participants in our Anti-Corruption Benchmark improved their overall score in the key risk areas of Joint Ventures and Consortia, Due Diligence, and HR Controls.



We support civil society in Zambia, Uganda, Kenya and Nepal to use procurement data to hold health officials to account. By July 2021, 100+ procurement deals/ construction works had been checked, and 60 per cent of problems found rectified.

The Government Defence Integrity Index reveals that 62 per cent of countries face a high to critical risk of corruption in their defence and security sectors, leading to briefings and positive engagement with NATO, and governments around the world.

FROM THE CHAIR AND THE CHIEF EXECUTIVE

In a year that saw war break out in Europe, the continued devastation caused by COVID-19 and a constant drip of UK political integrity scandals, there has been one clear common denominator: corruption. The abuse of entrusted power for private gain, the traditional definition of corruption, is unmissable, evidenced by the billions of pounds of oligarchs' dirty money laundered and invested in UK property, the egregious lobbying carried out by some UK politicians, and mounting concerns about how large numbers of COVID response contracts were awarded.

The litany of headlines combined with the ever more concerning challenges they present to democracy and the rule of law have put corruption well and truly centre stage. They have provided an exceptional opportunity this year for us to leverage our evidence and step up our advocacy to press for real progress.

In the first year of our new ten-year strategy, Stopping Corruption, Promoting Integrity, our campaigns to end the UK's role as a global hub for dirty money, to increase integrity in politics and public life and to protect the public purse have made dramatic headway.

Action on Dirty Money

After seven years of determined campaigning in the UK, the Government, responding to the Russian invasion of Ukraine, finally passed a law to reveal the true owners of foreign companies buying UK property. Until now the corrupt, kleptocrats and those close to the Kremlin, have hidden behind anonymous shell companies, allowing them to launder their dirty money and embed themselves into the British establishment.

The Government passed these measures in March 2022, part of the Economic Crime Act, in just two weeks thanks to the "oven ready" bill we had been advocating for which had been waiting in the wings in legislative no man's land. Once up and running, this will be a key tool in the fight against dirty money, making it harder for oligarchs to hide it in the UK.

Our evidence and advocacy have also been key to advancing long-needed changes to rules for ministerial conduct to bring an end to abuses of high office for private gain. In Parliament, the House of Commons Standards Committee has proposed measures that would deliver our long-standing recommendations to tighten the rules on MPs' second jobs and improve transparency over their financial interests. These critical measures are intended to prevent conflicts of interest between politicians' public and private responsibilities.

We are also heartened that the UK's official COVID inquiry announced that its terms of reference will include the so-called "VIP lane" used to fast-track Personal Protective Equipment (PPE) and other COVID-19 response contracts. We've been advocating for its inclusion following our 2021 **Track and Trace** report which revealed apparently systemic bias towards businesses with political access.

Daniel Bruce
Chief Executive

Fiona Thompson
Trustee Chair

WATCH » Daniel Bruce outlines Transparency International UK's achievements for 2021/22

Clamping down on Corruption in Business

Meanwhile, tackling bribery and corruption is a recognised and growing challenge for business in the UK. Nearly half of companies surveyed for a recent global economic crime survey reported experiencing fraud, corruption or other economic crimes in the last 24 months.

The private sector has to play a leading role in changing the direction of travel by promoting integrity but too many companies simply put processes in place to fulfil legal requirements without checking that they are working. Our report **Make it Count** focuses on monitoring anti-corruption systems to ensure they are working effectively and presents ways of doing this. It is already being used by companies to improve their approach.

Global Work

The role of corruption in defence and security and global health has been poorly recognised for too long.

The war in Ukraine, the international withdrawal from Afghanistan and the massive sums lost around the world to bogus or poor-quality protective heath care equipment during the pandemic have begun to reset the dial. Our work in the last year has proved more than ever how anti-corruption has to be a core element of all systems and processes if they are to deliver the security and safety that people deserve.

Defence and Security

Our multi-year assessment of corruption risks in defence establishments, the Government Defence Integrity Index 2020 (GDI), was published in November 2021 with the accompanying deep dive analysis in January 2022.

It reveals how defence forces around the world are being undermined by corruption risks in military operations, arms transfers and security sector assistance, hampering their ability to protect citizens, secure national borders and bring about peace. It sets out a roadmap for better governance. NATO and governments around the world committed to improving transparency and accountability have begun using it as a valuable tool to shape their planning.

Global Health

While the pandemic has continued to take a massive toll on lives around the world, our Global Health team has focused on partnering with other Transparency International chapters to ensure healthcare procurement is transparent and free from corruption. We also investigated transparency in COVID-19 contracts between pharmaceutical companies and governments.

Working closely with Transparency International Kenya, our advocacy resulted in the Kenyan President mandating the publication of COVID contracts. We were also heavily engaged, partnering with local chapters, in drafting new procurement policies with greater transparency provisions in South Africa and Zambia. We worked with local civil society organisations in Kenya, Uganda, Zambia, Nepal and Bangladesh to launch community-based procurement monitoring, checking that goods are received and of good quality. We also trained more than 500 government officials, giving them the ability to upload data to procurement systems and confidence to share information with the community.

With the ongoing debate over equitable COVID-19 vaccine distribution, **For Whose Benefit?** highlighted the lack of transparency in vaccine contracts between countries and pharmaceutical companies. We have been campaigning for greater transparency in the wake of the report's findings which revealed that few contracts are published, and those that are made available have significant redactions hiding key details of public interest, variable pricing and extensive indemnification clauses.

Advocacy and Media outreach

Our targeted advocacy and media outreach have been a key ingredient in our impact this year. We have engaged constructively with the UK Government and parties and politicians across the political spectrum (national and local), in addition to multilateral organisations like the World Health Organisation (WHO) and World Bank. We have worked with the private sector to push for business integrity and in collaboration with other civil society organisations in our anti-corruption mission.

This advocacy has been backed up with what can only be described as a breakthrough year for the organisation in high profile media coverage in UK and international print, broadcast and digital media. We achieved a 200 per cent growth in media coverage over the year. We've had high profile pieces based on our data on Russian property in the UK and regular quotes and mentions of our research in the Daily Mail, Financial Times, Guardian, Telegraph, Times and New York Times, with broadcast work across the BBC's networks, Sky News, ITV, Channel 4, LBC, Times Radio and many others. We are now firmly in people's contacts books as the experts on corruption in the UK.

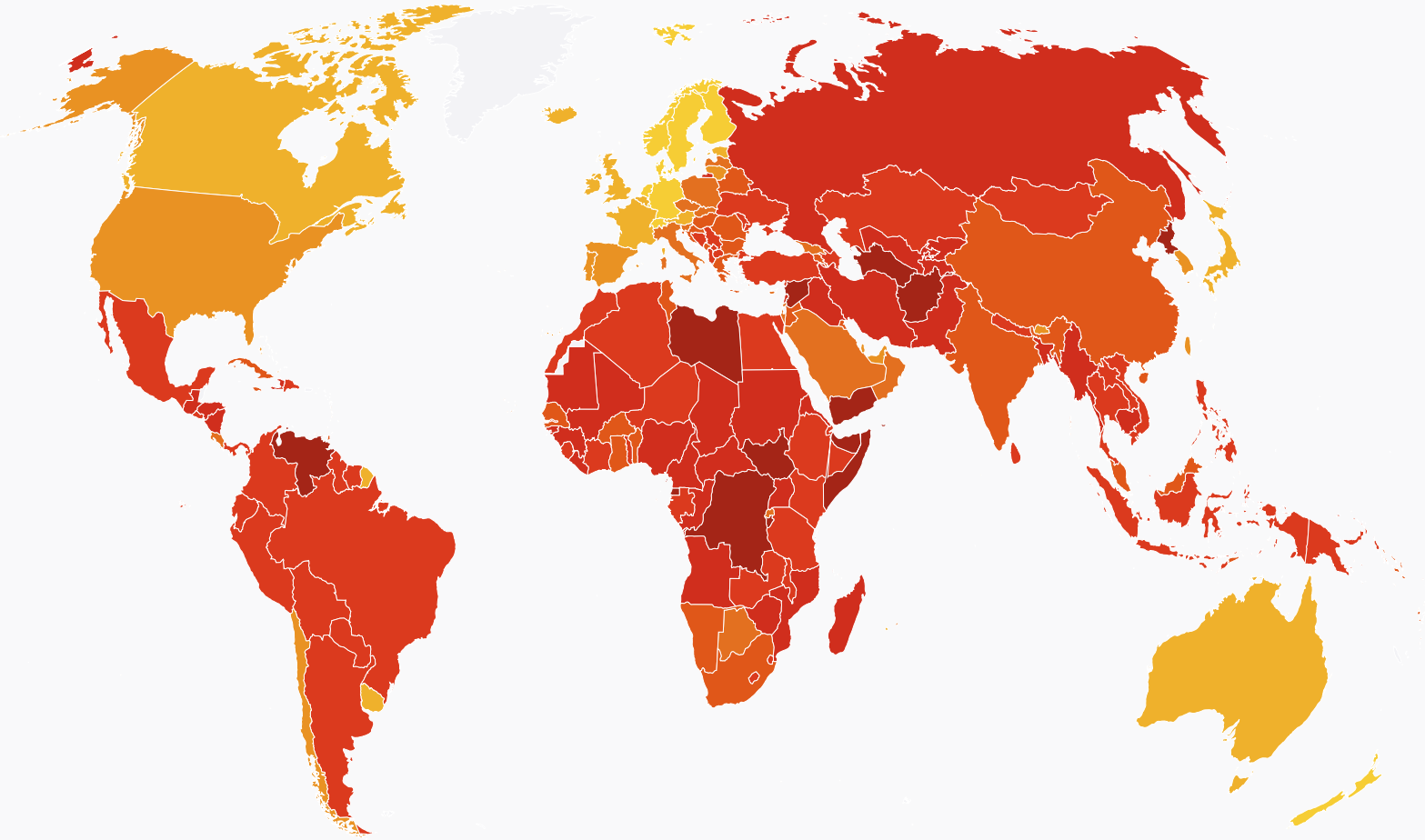
Our people continued to adapt to the challenges of collaborative working during the second year of the pandemic. In the months ahead, we will be returning to in-person collaboration and networking, incorporating the flexibility and benefits of blended working. Effective scenario planning ensured the organisation remained financially resilient and able to adapt to new opportunities.

There, of course, remains much to do. That work is already underway. We will be keeping up the pressure on the UK Government to fully close the loopholes on dirty money and to bolster the defences of integrity in public office. We will continue to work to influence the private sector with our groundbreaking research and change programmes. Globally we will be building on our work on equitable vaccine roll out and we will be looking at the role of mercenaries (private military security companies) in corruption in the defence sector.

Thank you again for your support.
Without you, our work would not be possible.

2021 CORRUPTION PERCEPTIONS INDEX

The **2021 Corruption Perceptions Index (CPI)** showed that corruption levels remain at a standstill worldwide. Eighty-six per cent of countries – including the UK – have made little to no progress in reducing public sector corruption according to experts and business leaders. The UK remains outside the top ten for the fourth consecutive year with a score of 78.



Highest and lowest ranking countries for 2021

88	=	Denmark	16	▲	Yemen
88	▲	Finland	14	▼	Venezuela
88	=	New Zealand	13	▲	Somalia
85	▲	Norway	13	▼	Syria
85	=	Singapore	11	▼	South Sudan

The CPI aggregates surveys from experts and business leaders to score and rank 180 countries and territories by their perceived levels of public sector corruption. It uses a scale of zero (highly corrupt) to 100 (very clean).

Bribery, the diversion of public funds or the use of public office for private gain are among the kinds of corruption levels the CPI assesses.

Denmark (88), Finland (88) and New Zealand (88) top the latest rankings, while Somalia (13), Syria (13) and South Sudan (11) remain at the bottom of the Index.

Twenty-three countries have significantly dropped in ranking in the last ten years. They include advanced economies such as Australia, Canada and the United States, the latter dropping out of the top 25 countries on the Index for the first time.

OUR OBJECTIVES

1. Stop the flow of Dirty Money
2. Protect the Public's Resources
3. Secure Integrity in Politics
4. Drive Integrity in Business
5. Incubate New Projects and Partnerships to Tackle Corruption

UK PROGRAMMES

STOPPING THE FLOW OF DIRTY MONEY

After our seven-year-long campaign, the UK government finally brought legislation before Parliament in March 2022 that introduces greater transparency over who owns offshore companies holding property in the UK. This new law is a significant achievement. We and our partners had to work hard to stop the Government dropping this Bill at the start of the year. The Economic Crime (Transparency and Enforcement) Act, which delivers this major reform, also introduces improvements to the use of the Unexplained Wealth Order, a tool that we originally championed. It allows officials to freeze assets suspected of having been purchased with the proceeds of corruption.

WATCH » Rachel Davies Teka highlights Transparency International UK's work on illicit finance

Our research has been central to our campaign's success. We have continued to uncover opaque companies based in secretive financial centres, like the British Virgin Islands, that are used regularly to buy property in the UK with corrupt wealth. Since 2016 Transparency International has been collating information on questionable funds from around the world being invested in UK property from sources including investigations by journalists, leaks of data and court cases. This figure now stands at £6.7 billion.

During the last 12 months, we have also supported over a dozen media collaborations exposing the role of the UK as an enabler of global corruption. This includes a major project with The Guardian and OCCRP (Organized Crime and Corruption Reporting Project) cataloguing the vast wealth held outside Russia by oligarchs and key figures close to Russian President Vladimir Putin. Our investigative work with global partners has also begun to bear fruit, with the National Crime Agency successfully pursuing £5.6 million of suspect wealth.

After years of our advocacy for reform to Companies House, the UK Government confirmed that it would table a Bill to deliver on this commitment in the 2022/23 parliamentary session. Its White Paper for reform includes many of our recommendations, such as giving Companies House the powers to check the accuracy of information it receives. Effective implementation of these changes will help end the use of UK companies in corruption and associated money laundering around the world.

RUSSIAN MONEY IN THE UK

In the wake of the invasion of Ukraine, we identified £1.5 billion worth of UK property bought by Russians accused of corruption or links to the Kremlin, many of whom are now subject to sanctions in the UK. We have identified almost 150 land titles ultimately owned by these individuals. More than £1 billion is held by companies based in secrecy havens.

The majority of these are in UK Crown dependencies and Overseas Territories like the British Virgin Islands and the Isle of Man. The ownership of these firms has only been revealed due to court cases, document leaks and investigations by journalists. This figure includes:

- £200m worth of property owned by Roman Abramovich
- £25m worth of property belonging to Victor Fedotov, a Russian-born oil tycoon whose firm has made huge donations to the Conservatives
- A £11.44 million apartment owned by former First Deputy Prime Minister of Russia, Igor Shuvalov
- A £25 million mansion belonging to the daughter of the former Mayor of Moscow - allegedly dismissed from his post for “an outrageous level of corruption”

This data contributed to pressure on the UK Government to pass much needed reforms to reveal the owners of offshore companies holding British real estate.

PROTECTING THE PUBLIC'S RESOURCES

Working with partners from the UK anti-corruption coalition, we secured government support and a commitment to implement our proposed reforms to the UK's procurement framework. These would increase transparency over the management of public money and reduce the risk of procurement corruption, which can result in substantial losses.

Alongside this, we have continued to push for greater accountability over pandemic related public spending. Both inside and outside Parliament, we have called for more information about the management of the 'VIP' lane triaging offers from PPE suppliers, and scrutiny of procurement for the UK's COVID response. We are pleased to hear that the official COVID inquiry now has these issues within the scope of its terms of reference.

SECURING INTEGRITY IN POLITICS

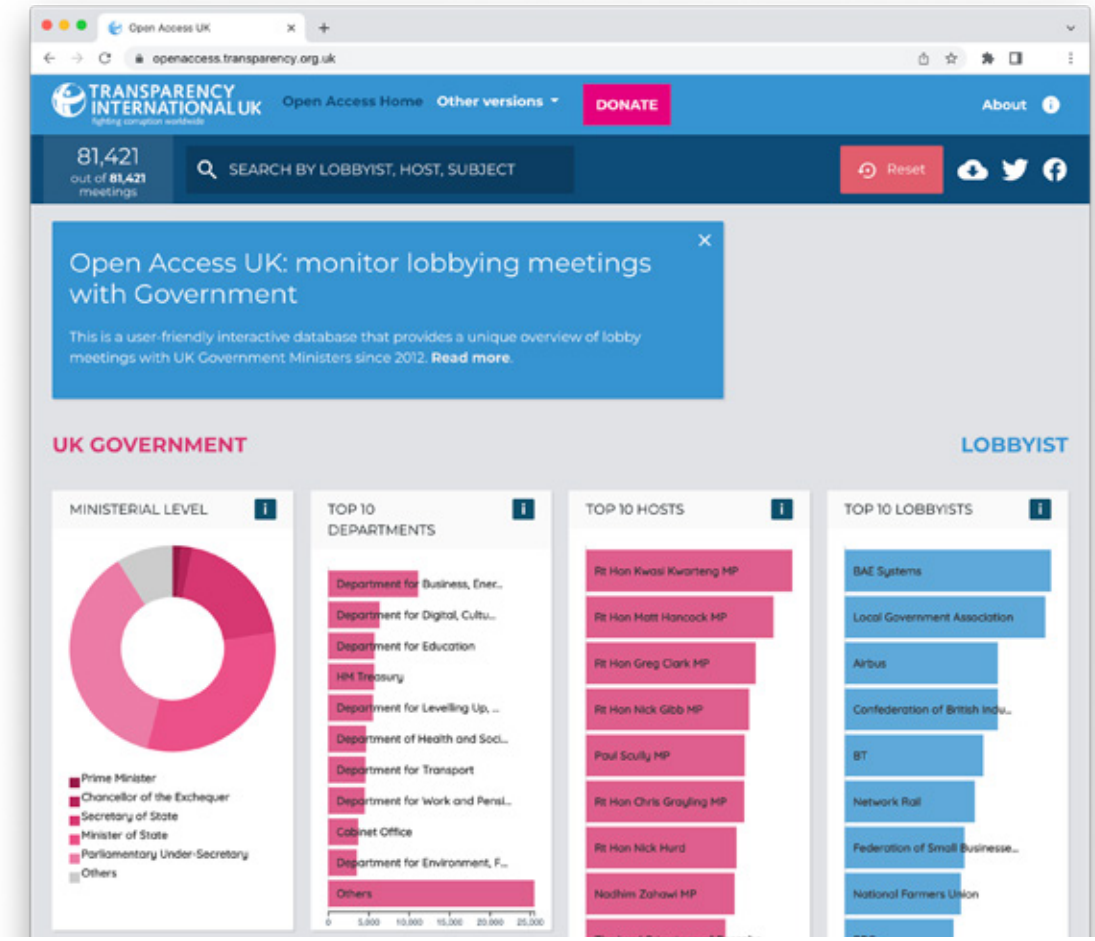
After another febrile year of impropriety and scandal, we are gaining traction on reforms to deliver stronger safeguards against misconduct across Westminster. Using high-level advocacy combined with extensive media outreach and collaborations, we have focussed our efforts on securing changes that would make ministers' and parliamentarians' conduct more open and accountable. These briefings, submissions and interventions have started to bear fruit.

WATCH » Duncan Hames on progress towards restoring integrity in British politics

The long-awaited report from the UK standards watchdog, the Committee on Standards in Public Life, was published in November 2021. It agreed with our assessment that the system for overseeing integrity and standards largely blased on convention was no longer fit for purpose and in need of urgent reform. The report warned that the government needs to take 'a more formal and professional approach to ethics rules' and supported our calls for improvements to departments' transparency disclosures. It contains 34 recommendations for reform in areas including lobbying, private sector jobs for former ministers and the public appointments process. Our Chief Executive Daniel Bruce gave extensive evidence to the review outlining our concerns and recommendations.

In Whitehall, the Prime Minister was under pressure from a range of quarters to make substantive improvements to the oversight of ministerial conduct, including our calls to make his independent advisor truly independent. The review he commissioned by Nigel Boardman into the Greensill saga also recommends many of the proposals we made to it that would deliver greater transparency over the lobbying of government. Recent events have thrown these issues into the spotlight, and created a once in a decade opportunity for significant reforms that can make politics more open and help end impunity for abuses of high office for private gain.

In Parliament, the House of Commons Standards Committee has just proposed measures that would deliver our long-standing recommendations to tighten the rules on MPs' second jobs and improve transparency over their financial interests. Since 2017, we have highlighted how many MPs hold outside roles that present serious conflicts of interest between their public and private responsibilities, and that this practice should end. Making Parliament's rules clear that MPs should not act as lobbyists – even in advisory roles – would be a major achievement.



OPEN ACCESS

The lack of transparency in the professional lobbying industry is a key challenge to improving political integrity. Lobbying is a key part of the democratic process but those seeking to influence policy, contracts and other big decisions should do so in the open.

Yet not all of the frequent meetings between professional lobbyists and ministers are transparent. Our free to use **Open Access** tool collates the information from UK Ministers' diaries published by Government departments. In the last six months we added 10,000 new meetings to the tool. It was pivotal in uncovering a scoop about a potential **breach of the ministerial code**.

DRIVING INTEGRITY IN BUSINESS

UK businesses are still dealing with the economic consequences of the pandemic, with many facing internal reorganisations where anti-corruption professionals must fight for a seat at the table.

At the same time, regulators continue to insist that businesses demonstrate that their approach to anti-corruption works in practice. Businesses' trade and operations are also still affected by the UK's exit from the European Union, with many encouraged to seek export arrangements with less familiar jurisdictions outside of Europe where anti-corruption standards are not as established, creating greater risk and need for guidance. In this context, over the last year we have concentrated on embedding the importance and value of effective anti-corruption processes and company culture from the top down.

Improving Business Practice: Online Training and Guidance for Businesses Online

During this period of extended remote working, our freely available online services were used extensively by the international business community. Our 30-minute online training for frontline staff, **Doing Business without Bribery**, served just under 10,000 users. Our regularly updated **Global Anti-Bribery Guidance** portal, which provides guidance on corporate anti-corruption best practice, received over 17,500 visits from around the globe.

Business Integrity Forum and Anti-Corruption Benchmark

Our **Business Integrity Forum** (BIF) brings together companies that wish to be at the forefront of the fight against corruption in the sector. The forum provides opportunities for knowledge-sharing and includes discussions on key anti-corruption trends. This year, we hosted six events with expert speakers, on topics including: Public Policy Briefing on Beneficial Ownership Transparency, Environment & Corruption, Country Risk Roundtable on the USA, Progress and Challenges in the Global Enforcement of Anti-Corruption Laws, and our annual Corruption Perceptions Index Briefing. We also welcomed new members, including Ropes & Gray LLP, RPC, and LexisNexis.

Our **Corporate Anti-Corruption Benchmark** provides a comprehensive assessment of a company's approach to anti-corruption. This year, 42 per cent of participants improved their overall score between 2020 and 2021, particularly in the key risk areas of Joint Ventures and Consortia, Due Diligence, and HR Controls.

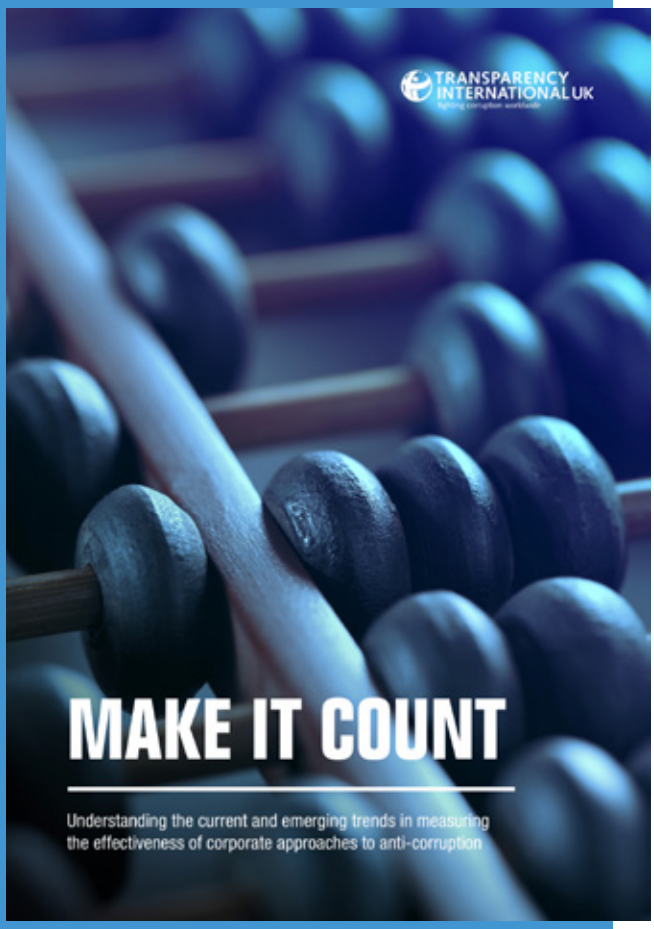
Promoting Change: Advocacy

Continuing our campaign for companies to provide meaningful disclosures on their approaches to anti-corruption, we met with the corporate disclosure standard setting organisation, Global Reporting Initiative (GRI), where we presented our Open Business report recommendations, which will now be taken into consideration for the upcoming standards update.

We also shared our *Open Business* recommendations with B Corp, which certifies companies on their social and environmental performance. Our Corporate political Engagement and Country-by-Country reporting requirements were recognised for raising the bar on corporate disclosure.

Our team also submitted to the Business, Energy and Industrial Strategy (BEIS) consultation on audit reform and corporate governance, where we recommended that disclosures should be in line with *Open Business*.

In coordination with our UK Policy team, nine Business Integrity Forum members signed a letter on the importance of beneficial ownership transparency to the UK Secretary of State, and in doing so brought together civil society and business voices as a powerful force for change.



DOWNLOAD REPORT

IMPROVING PRACTICE: BUSINESS INTEGRITY ADVOCACY

Make it Count, our keynote report this year, makes the case that companies that face significant corruption risks need to know whether their approach to anti-corruption works in practice and should be able to demonstrate that it does.

The report is informed by extensive research, including surveys and in-depth interviews with anti-corruption experts, both in-house practitioners and individuals from professional and legal services, and is guided by Transparency International UK's own anti-corruption expertise. It explores why and how a company ought to measure the effectiveness of its approach to anti-corruption. We analyse what is understood by "measuring effectiveness", highlight practical considerations, and provide examples of metrics that are proving useful for companies.

It is already influencing practice; TI-UK has held workshops with companies that changed their approach based on *Make it Count*, and that in some cases went beyond the report's recommendations.

Our advocacy on *Make it Count* also included direct meetings with influential stakeholders including UNPRI, Hermes Investment Management, Friends Provident, Aviva, the Basel institute and other multinationals.

We also ran a roundtable, co-hosted with Norges Bank, with 21 investors on what investors could be asking of their investee companies both on measuring the effectiveness of anti-corruption and disclosing the findings. In a follow-up survey, all who responded said they would review or change their expectations for companies regarding anti-corruption following the roundtable and all said the session was informative for them.

GLOBAL PROGRAMMES

TRANSPARENCY INTERNATIONAL DEFENCE AND SECURITY

The last year has provided more evidence that global levels of insecurity are rising. So too is the risk of corruption which can trigger and perpetuate conflict. The Russian invasion of Ukraine has transformed the European political, economic and security map and led to vast inflows of arms and security sector assistance to Ukraine and surrounding countries. It follows the collapse of the Afghan Government and military at the point of withdrawal of international forces in August 2021. Meanwhile, across Africa there has been an increase in military coups with corruption posited as a driving force behind them.

In this context, the last year saw the launch of our latest world-leading multi-year assessment of corruption risks in defence establishments, the Government Defence Integrity Index 2020 (GDI). Its peer-reviewed analysis of the risks in military operations, arms transfers and security sector assistance reveals how defence forces around the world are being undermined, hampering their ability to protect citizens, secure national borders and bring about peace.

WATCH » Ara Marcen Naval on the importance of the GDI

The GDI offers a clear roadmap for better governance of the defence sector with standards and safeguards that countries can follow to strengthen their systems. It has already led to national dialogue and commitment to change, with governments around the world and NATO welcoming it as an invaluable tool. The Norwegian Ministry of Defence wrote to us saying, *"The MOD considers the Index as a very useful tool in our internal strive to improve integrity in our sector. We look forward to continuing our fruitful cooperation also in the future."*

DOWNLOAD REPORT

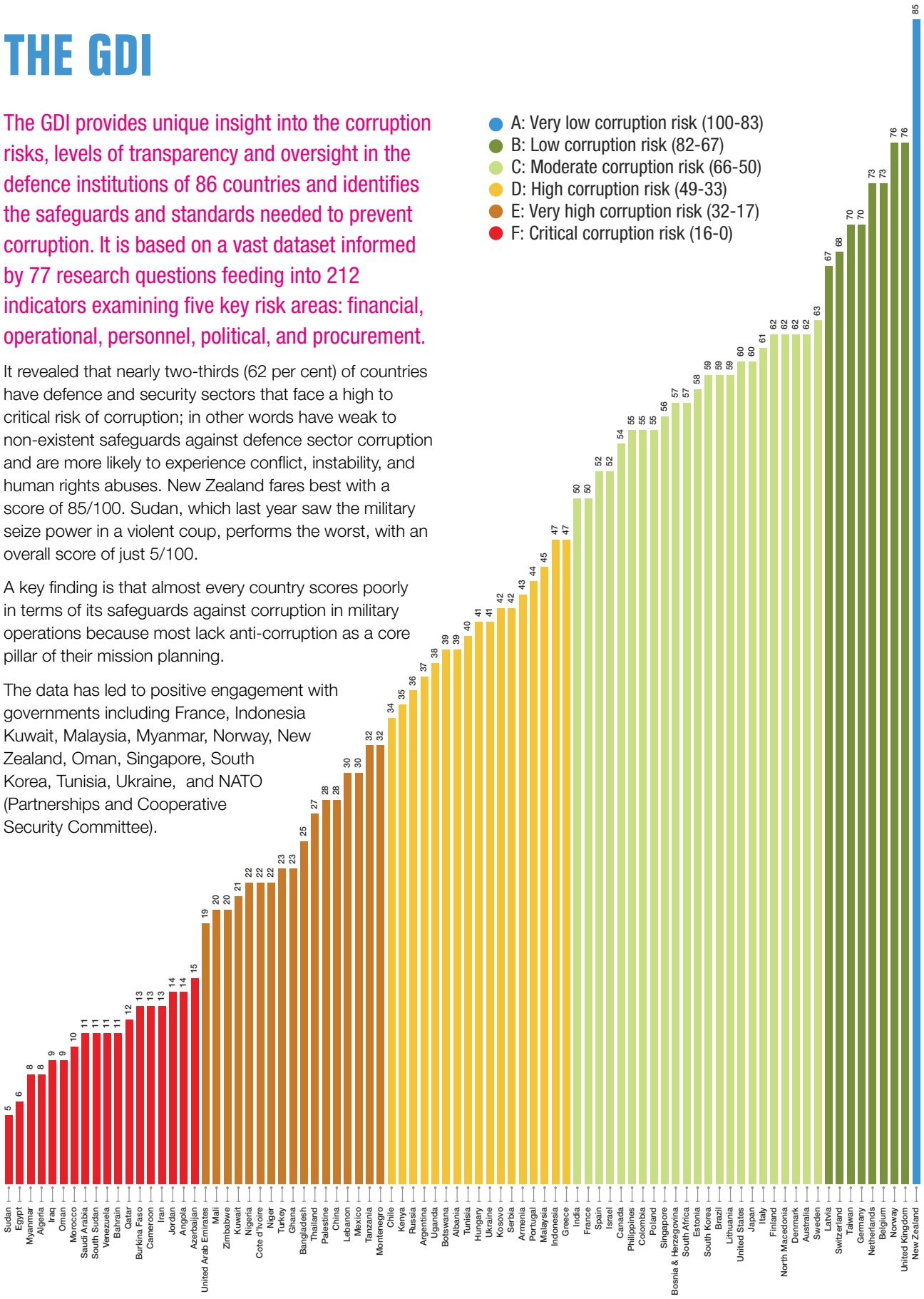
THE GDI

The GDI provides unique insight into the corruption risks, levels of transparency and oversight in the defence institutions of 86 countries and identifies the safeguards and standards needed to prevent corruption. It is based on a vast dataset informed by 77 research questions feeding into 212 indicators examining five key risk areas: financial, operational, personnel, political, and procurement.

It revealed that nearly two-thirds (62 per cent) of countries have defence and security sectors that face a high to critical risk of corruption; in other words have weak to non-existent safeguards against defence sector corruption and are more likely to experience conflict, instability, and human rights abuses. New Zealand fares best with a score of 85/100. Sudan, which last year saw the military seize power in a violent coup, performs the worst, with an overall score of just 5/100.

A key finding is that almost every country scores poorly in terms of its safeguards against corruption in military operations because most lack anti-corruption as a core pillar of their mission planning.

The data has led to positive engagement with governments including France, Indonesia Kuwait, Malaysia, Myanmar, Norway, New Zealand, Oman, Singapore, South Korea, Tunisia, Ukraine, and NATO (Partnerships and Cooperative Security Committee).



Source: Transparency International, Defence & Security

INDONESIA AND THE GDI

Indonesia: Members of parliament, academics and representatives from civil society attended the online launch of the country's GDI result organised by Indonesia's Transparency International chapter.

The findings led to a hearing with directors from the Coordinating Ministry for Political, Legal and Security Affairs and the Ministry of Defence to discuss the implications in further detail. The signs are promising that the government will participate in future discussions on reforms needed to the country's defence sector.

OVERALL COUNTRY SCORE
HIGH RISK D
47

MALAYSIA AND THE GDI

Government policy makers met with Malaysia's Transparency International chapter to fully understand the reasons for the country's GDI score.

The country's Ministry of Defence was also keen to get detailed information on the strengths and weaknesses that had been identified in the GDI. Our team briefed the chapter ahead of their meetings so that they could confidently and comprehensively present the Index methodology.

OVERALL COUNTRY SCORE
HIGH RISK D
45

KUWAIT AND THE GDI

Kuwait's Transparency International chapter is planning a training course for Kuwait's Ministry of Defence based on its GDI assessment with the support of the Defence and Security team after meeting with Ministry of Defence officials.

OVERALL COUNTRY SCORE
VERY HIGH RISK E
21

Defence Companies Index on Anti-corruption and Corporate Transparency: Key Findings

Any successful attempt to build transparency and anti-corruption into the defence sector must include the multi-million dollar global arms industry. This year we published our analysis of the findings of our latest Defence Companies Index on Anti-Corruption and Corporate Transparency (DCI), the leading assessment of corporate transparency in the sector.

The Index analyses the public commitments of 134 of the world's largest defence companies in terms of transparency and anti-corruption standards and policies. It identifies 56 distinct indicators where stronger controls and greater transparency can reduce corruption risks. These are grouped into 10 categories including Leadership & Organisational Culture, Supply Chain Management, Internal Controls, Agents, Intermediaries & Joint Ventures, Support to Employees, Offsets, Conflict of interest and High-Risk Markets.

While many companies have publicly available ethics and anti-corruption programmes in place, the report concludes that the majority of major defence contractors are still not transparent about their policies and procedures when it comes to supply chains, agents and intermediaries, joint ventures and offsets. Where policies and procedures do exist, most defence companies (81 per cent) do not publish information to indicate that they take steps to assure they are effective or have been implemented.

We have presented the findings to a range of industry, legal, investor, civil society and media audiences, generating discussion and engagement with defence companies and industry associations worldwide – part of our long-term strategy to increase transparency in the defence industry. Some defence companies have already used the DCI to update their due diligence procedures. A submission to the Swiss Parliament in March 2021 called on the Federal Council to produce a report on the corruption risks in national defence procurement. The submission makes direct reference to the DCI and the relatively poor rankings of companies that supply the Swiss Armed Forces.

Undue Influence

The arms industry is increasingly being relied on by states for innovation and to gain a competitive advantage for their militaries.

We produced a policy framework and accompanying case studies to highlight the growing influence of business on government defence and security policy, **Defence Industry Influence on European Policy Agendas: Findings from Germany and Italy, May 2021**. The report demonstrates how the private sector exerts influence, including lobbying, funding and the "revolving door", and identifies the weakness in government defence institutions which enable this to happen.

TRANSPARENCY INTERNATIONAL GLOBAL HEALTH

Our goal is to reduce corruption in global health and contribute to building resilient health systems around the world, a key step in the journey to achieving universal health care.

With between 10 and 25 per cent of public spending on health lost each year to corruption, we have worked during the second year of the pandemic to increase transparency and accountability in procurement systems, drug research and development and health service delivery, particularly in the global response to COVID-19.

We've worked closely with our Transparency International partners in Africa, Southern Asia and South America to increase global health security. We have engaged governments to put processes in place to raise awareness of corruption, how to report it, and vaccine rights so that health care is not stolen or squandered and reaches those for whom it is intended.

WATCH » Jonathan Cushing with a summary of the achievements of Transparency International Global Health

Increasing transparency in public health procurement

In partnership with Transparency International chapters in Nepal, Uganda and Zambia, our Open Contracting for Health project worked with government officials to improve the transparency of health sector procurement.

We successfully advocated for increased use of Open Contracting data standards. We introduced processes to routinely publish health procurement data. We also worked with local civil society organisations to understand procurement data, enabling them to hold officials to account. We were also heavily engaged in drafting new procurement policies with greater transparency provisions in South Africa and Zambia. In Zambia the Public Procurement Bill has since become law.

In Kenya our advocacy resulted in the President mandating the publication of all COVID-19 contracts signed by the Kenyan Medical Supplies Agency.

EMPOWERING CITIZENS TO STOP CORRUPTION IN HEALTH PROCUREMENT IN KENYA, ZAMBIA, UGANDA AND NEPAL

Global Health and Transparency International chapters support other civil society organisations (CSOs) to launch community-based health procurement monitoring groups.

They checked that goods are received, and of high quality. We equipped them with frameworks and training in procurement monitoring so they can work with district health offices and officials on planning processes. At the close of the project in July 2021, CSOs had monitored 100+ procurements and construction works across five countries, rectifying over 60 per cent of problems found. Harriet Wachira, Programme Coordinator, TI Kenya said, "Through Transparency International Global Health, TI-Kenya has benefited from trainings on key concepts such as Open Contracting and Open Contracting Data Standards, which led to increasing the capacity of TI-Kenya to act and position itself as a thought leader in public procurement reforms in Kenya."

We trained 500+ government officials to upload data to procurement systems, giving them confidence to share information with the community that should be in the public realm.

Service Delivery: Better transparency in national COVID-19 vaccine rollouts.

Over the last year we worked to increase transparency in national vaccine rollouts in Bangladesh, Uganda and Zambia.

We supported the setting up of distribution monitoring systems, as well as introducing corruption reporting mechanisms to reduce opportunities for corruption. We also developed an online artificial intelligence tool that captures media reporting of corruption in the vaccine rollout worldwide.

Increasing transparency in the development of COVID-19 vaccines and contracts

Our report **For Whose Benefit** examined transparency in two key stages of the COVID-19 vaccine development and distribution process: clinical trials and government vaccine contracts.

It focused on 20 vaccines that were in, or had completed, late-stage clinical trials as of January 2021. It uncovered poor transparency in the publication of clinical trial results and contracts to supply vaccines. In the contracts that were published, there were significant redactions and indemnification clauses.

Our findings and recommendations have implications not just for COVID-19 but for the wider governance of pharmaceutical development and public procurement. We have used the report to work with European and UK health regulatory authorities to increase transparency by strengthening legislation on clinical trial reporting.

2021-2022
THE YEAR IN EVENTS

Daniel Bruce, Chief Executive, Transparency International UK

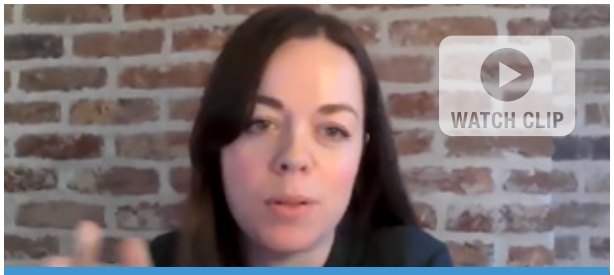
Dr Ngozi Iweala-Okonjo, Director General, World Trade Organisation

Our Annual Lecture took place virtually this year in light of the pandemic. But with the recently appointed Director General of the World Trade Organization, Dr Ngozi Iweala-Okonjo as keynote speaker, it was a compelling event, with an audience from 27 countries.

The lecture was part of our expanded and improved events programme. "Building Integrity in the Defence Sector: a Framework for Better Governance" attended by representatives from, Malaysia's Ministry of Defence, United Nations Democracy Fund and the Dutch Ministry of Foreign Affairs was part of the official launch of the Government Defence Integrity Index. Executive Director of IWatch, Transparency International's Tunisian chapter, Moheb Garoui said the index was the first time the Tunisian military had engaged with civil society openly. It laid the ground work for IWatch to promote integrity in the defence sector and to partner with the Ministry of Defence on defence sector integrity.

Our side event at the United Nations General Assembly Special Session (UNGASS) on Corruption was attended by more than 100 people and heard from speakers including Anita Ramasastry of the United Nations Working Group on Business and Human Rights and Daniel Prims, Director, Security Sector Reform at United Nations.

Our more informal events included a conversation about the growing threat from Enablers with Transparency International Co-Founder and former Vice-Chair, Frank Vogl and Head of UK Advocacy, Rachel Davies Teka.



Rachel Davies Teka, Head of Advocacy, Transparency International UK

Daniel Prims, Director, Security Sector Reform at UN

Frank Vogl, Co Founder & Former Vice-Chair Transparency International

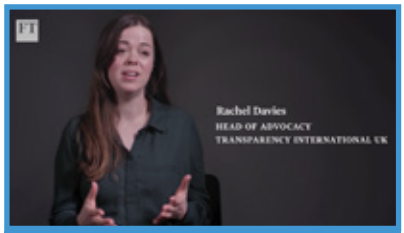
Anita Ramestry, UN Working Group on Business & Human Rights

MEDIA OUTREACH

The stream of corruption and political integrity scandals throughout the year, ending with the invasion of Ukraine, has meant that our evidence-based analyses and calls for changes have been and continue to be much in demand in the media. With nearly 4,400 pieces of media coverage including broadcast interviews, we achieved a more than 200 per cent increase in media coverage this year.

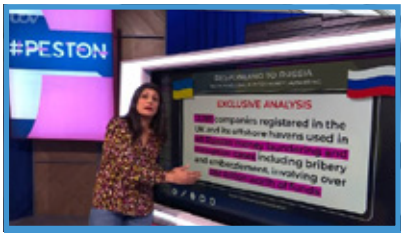
These include a front-page story in the Financial Times, high profile pieces in The Times, on BBC TV including Panorama, on BBC radio and its website. We also appeared in major stories in the Daily Mail, Sky News, the Telegraph, LBC and Guardian. Internationally, we were quoted in the New York Times, Washington Post and appeared on ABC, NBC, CBS and Bloomberg News among others.

BBC News Channel



Financial Times Video

BBC Panorama



ITV, Peston

How corrupt is Britain?

A steady stream of scandals raises questions for PM Boris Johnson.

FINANCIAL TIMES

Crypto visions

Covid caution

Olympic curse

Property sector donations rise to quarter of all funds gifted to Tories

Britain becomes 'global hub for money laundering' as property worth £1.5billion is bought by Russians with Kremlin links or facing corruption allegations, new figures reveal

Pressure grows on UK to beef up measures to tackle economic crime

Call for independent review of MPs' jobs as firms working with Government revealed to be paying politicians

UKRAINE CRISIS

Ukraine crisis: Corruption alert over Russians with £1.5bn of British property

Passholder privilege: the MPs turned consultants

'Londongrad': UK's tough balancing act on Russian sanctions

Corruption doesn't stop with Paterson

NZ TOPS GLOBAL TRANSPARENCY RATINGS FOR DEFENCE AND SECURITY SECTOR

THE TIMES

Plus The best for property

to secure survival

Last laugh as Cryer leaves the stage with one final gag

US sounds alarm over Russian cash in London

CANADA

Canada's secret COVID-19 vaccine contracts hinder the fight to boost vaccine confidence, researchers say

"The government is not being forthcoming with how much it's paying, what it's negotiating and why."

Malaysia scores low for the defense sector's troubleshooting index

Corruption risk very high in Nigerian military police – Integrity report

Index shows Mexico at very high risk of corruption in defense and security

Despite significant risks, 'anti-corruption safeguards for operations are virtually non-existent'

Bangladesh scores 'E' on TI defence integrity index; 'Very high risk of corruption,' says TIB chief

06/04/21

COVID-19, lies and statistics: corruption and the pandemic

UK urged to suspend 'golden visas' after fast tracking of Russian millionaires

Portugal among countries with high risk of corruption in Defense

SOCIAL MEDIA

Website visitors

- Transparency International UK **178,777**
- TI-Defence and Security **23,764**
- TI-Global Health **30,676**

Twitter

21,924 followers, **14.4%** annual growth

LinkedIn

11,469 followers

40.81% growth

PUBLIC ENGAGEMENT HIGHLIGHTS

Despite the challenges posed by the pandemic, 2021-22 proved to be a busy year of engagement with key audiences for all UK and global programmes – inevitably most of this virtual. We hope to return to more in person meeting in the months ahead.

UK PROGRAMMES

- **APR '21** Speech to the British Group of the Inter Parliamentary Union, alongside the then Prime Minister's Anti-Corruption Champion John Penrose MP, on UK corruption strategies
- **APR '21** Representation of TI-UK at the 2-day 'C7' Summit ahead of the Cornwall G7
- **MAY '21** Open Government Partnership event about Lobbying
- **JUL '21** House of Commons Treasury Select Committee, providing oral evidence on UK's response to money laundering
- **SEP '21** G7 Civil Society and Private Sector event
- **SEP '21** Cambridge Economic Crime Symposium
- **SEP '21** Royal United Services Institute round table with Home Office and law enforcement agencies
- **SEP '21** Representation of TI-UK in a Ministerial Roundtable on the UK's International Development Strategy
- **OCT '21** Centre for New American Security, Trans-Atlantic Forum on Russia
- **NOV '21** Representation of TI-UK in the Commonwealth Secretary General's annual dialogue with accredited organisations
- **DEC '21** Anti-Money Laundering Practitioners (AMLP) Forum
- **JAN '22** Spoke at City of London sponsored webinar on transparency and company registers
- **FEB '22** Keynote speech to Institute of Business Ethics event on Public Attitudes to Business and Ethics
- **FEB '22** Keele World Affairs Series lecture: 'Global corruption, for better or worse'
- **FEB '22** Representation of TI-UK at a Buckingham Palace reception for international organisations
- **MAR '22** Foreign, Commonwealth & Development Office organised Anti-Corruption Evidence Programme (ACE) research conference at The British Academy

DEFENCE AND SECURITY

- JUNE '21 — United Nations General Assembly Special Session (UNGASS) on Corruption
- JULY '21 — TI Mozambique webinar on defence governance
- NOV '21 — TI-DS discussed transparency in defence and the findings from the GDI related to Access to Information in particular, as part of a panel on Freedom of Information in their National Anti-Corruption Conference in Montenegro
- NOV '21 — TI Germany press conference on the launch of the GDI
- NOV '21 — UN Forum for Business and Human Rights
- DEC '21 — Webinar on anti-corruption and Canadian foreign policy, just before the US Summit for Democracy (organised by TI Canada)
- JAN '22 — GDI Launch event

GLOBAL HEALTH

- MAR '21 — 2021 OECD Integrity Forum, International Anti-Corruption Conference
- MAR '21 — United Nations Office on Drugs and Crime expert reference groups
- MAR '21 — World Health Organization Global Preparedness Monitoring Board
- SEP '21 — World Health Organization State of Universal Health Coverage board
- NOV '21 — World Bank Law, Justice and Development Week

LESSONS LEARNT THIS YEAR

Long-term relationship building is the foundation for effective, agile advocacy.

Changing the law to reveal who really owns the foreign companies holding property in the UK is a landmark transparency reform that was years in the making. When a government minister resigned in January, we discovered that promised legislation for this reform had been ditched from the Government's programme.

With civil society colleagues, we were able to mobilise a vocal opposition to this in Parliament at great speed, because we had steadily built relationships across the political divide over a number of years. Then, when Ministers were persuaded they needed this measure to strengthen the effectiveness of their Russia sanctions, the legislation for the reforms – for which we had campaigned – was introduced at unprecedented pace.

Fighting for transparency and an end to corruption is dangerous work for many of our partners.

In the UK we take for granted being able to fight for transparency and accountability without our team facing personal risk.

This year, we have been reminded that for many of our partner chapters around the world, this is a dangerous and even deadly mission that challenges the power and lifestyles of kleptocrats and other powerful individuals. Ensuring we do not put our colleagues even more at risk with hastily issued words is something we've become acutely aware of in the past year.

Our work in Global Health and Defence and Security has underscored how pervasive the risk of corruption is across these sectors. Procurement of medical supplies and vaccines, pharmaceutical research, and healthcare service delivery suffer from a lack of transparency. Military operations by some of the world's biggest military powers and multi-billion-dollar arms deals are vulnerable to corruption. It's clearer than ever that the only way to tackle corruption and its terrible consequences for communities around the world is to incorporate anti-corruption into every aspect of planning and process. We will be campaigning for exactly this in the months and years going forward.

GOING FORWARD

WATCH » Daniel Bruce on Transparency International UK's continued work in the fight against corruption

In the months ahead we will work to keep up the momentum to close the remaining gaps in the UK's defences against dirty money. We will maintain pressure on the UK Government to live up to its commitment to passing reforms to Companies House. We will press for more effective oversight of the UK's professional services to better protect against their involvement in enabling corruption and the laundering of dirty money, and for reforms to corporate criminal liability so that large companies involved in these crimes do not remain above the law. We will also continue to advocate for Britain's Overseas Territories and Crown Dependencies, such as the British Virgin Islands and Isle of Man, to introduce public beneficial ownership registers by the end of 2022.

To help secure greater integrity in politics and protect the public's resource, we will continue our efforts to advance stronger safeguards against impropriety in high office, including reform of the ministerial code and greater transparency over the lobbying of government. We will seek changes that would deliver improved transparency over parliamentarians' financial interests, and tighter controls on MPs' second jobs. We will engage local authorities on how better to protect against impropriety in major planning decisions. We will advocate for improvements to the UK Government's Procurement Bill as it advances through Parliament and pursue accountability over the use of public funds during the pandemic.

Globally our Defence and Security programme will use the findings of the Government Defence Integrity Index (GDI) to engage with specific governments and international organisations as an international standard for curbing corruption risks in defence institutions. New research will examine how weak defence governance contributes to conflict and instability in fragile conflict-affected states. The programme will also undertake work to establish the importance of anti-corruption being mainstreamed into Security Sector Reform and Governance processes – and will develop guidance, policy and tools on how to do this. Additionally, a report will be published on US Private Military and Security Companies (PMSCs) followed by engagement with the US government on the key recommendations for enhanced regulation and oversight of PMSCs.

Our Global Health programme will continue to focus on curbing corruption to create stronger health systems that reach more people. We will work closely with other Transparency International chapters around the world to put in place best practice standards on health delivery, particularly public procurement. We will also use machine learning to give insight into how and where corruption is affecting equitable access to health services.

We will investigate how to build greater transparency into pharmaceutical development and distribution processes, to ensure there is no undue influence in purchasing, or decision making.

THANK YOU

Despite the big strides forward we have taken this year in our fight against corruption, world events have underscored how much more needs to be done. Your invaluable support has enabled us to come this far. We hope you will continue to work with us on our journey to create a world free from corruption. Thank you.

ANNUAL ACCOUNTS

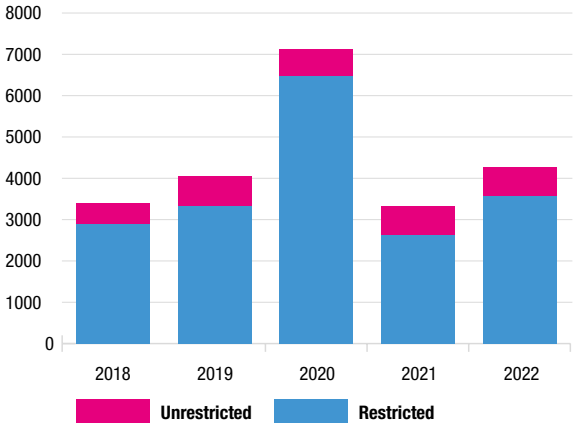
2021-2022

The Trustees report (which includes the Directors report required by Company Law), comprises the contents of the Impact Report and the section of the Annual Review and Accounts between pages 39 and 64.

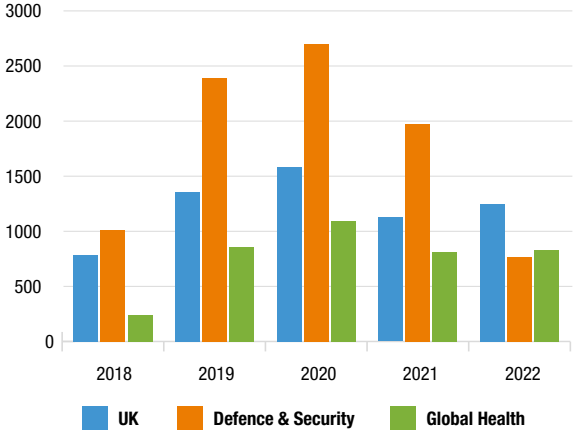
Financial Review

Income from all sources was £4,253,000 in the year to 31 March 2022 (2020/21: £3,321,000). The five-year graphs show significant changes to the restricted income received (where the funds can only be used for specific donor purposes) and the associated expenditure, particularly where sums are received late in the financial year but the activities and their expenditure occur in the subsequent year. The multi-year activities associated with publishing of the Government Defence Integrity Index and the Defence Companies Index are reflected in the higher revenues and expenditure between 2019-2021.Of the income received to March 2022, £3,623,000 (2020/21 £2,631,000) was restricted for specific programmes and projects, largely made up of grant income. The remaining income of £630,000 (2020/21 £690,000) was unrestricted (where the funds can be spent at the discretion of the charity), comprising grants, donations and TI-UK membership income as well as revenue generated by the Business Integrity Programme through membership of the Business Integrity Forum (BIF) or Thought Leadership donations. Unrestricted income remains invaluable to the financial sustainability of the charity.

Total Revenue (£'000)



Programme Expenditure (£'000)



Expenditure for the year reduced by 23 percent to £3,079,000 (2020/21 £4,015,000) primarily due to a reduction in funding for the Defence & Security programme. The majority, 97 percent, went towards charitable activities and three percent to raising funds. The programme expenditure reductions between 2021 and 2022 reflect delays in receiving funding from a major donor. In order to ensure the financial resilience of the organisation a series of cost reductions were implemented during 2020 with a reduction in headcount both in the international programmes and shared service teams, as well as office costs. The charity made a total surplus for the year of £1,174,000 (2020/21 £694,000 deficit). This comprised a surplus on restricted funds of £1,277,000 (2020/21 £1,080,000 deficit) as a significant amount of funds were received for work undertaken in the first half of the following year, and a deficit on unrestricted funds of £103,000 (2020/21 £386,000 surplus) as a result of a short term funding gap on the defence & security programme that was resolved in October 2021.

The COVID-19 global pandemic continued to place restrictions on travel and has required office colleagues to work for the most part remotely since March 2020. Fundraising events continued but were limited to on-line opportunities. Revenue budgets and cash flow forecasts have been regularly stress tested given the uncertainty of the disruption from the pandemic.

Reserves policy and going concern

The Trustees consider that the charity needs to hold unrestricted reserves for the following principal reasons:

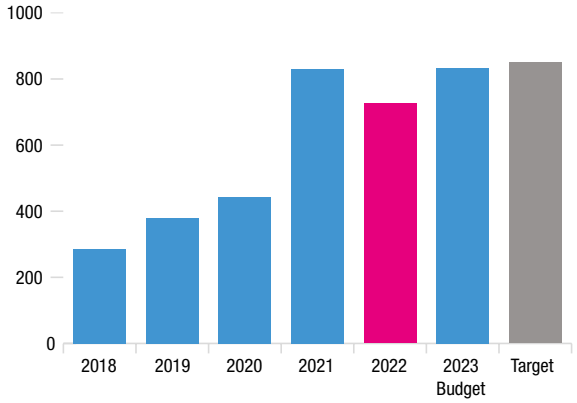
- to maintain sufficient working capital cash flow to cover delayed debtor receipts (40 percent);
- to maintain programme delivery activities if delays in grant instalment payments from funders occur and to maintain the organisational structure including staffing in the short term where delays or gaps on the expiry of major grants occur, given dependence on a relatively small number of funders (46 percent);
- to cover risks related to failing to meet donor obligations resulting in claw back of funding for activities undertaken (5 per cent); and
- other income risks (9 percent).

Total reserves at 31 March 2022 amounted to £2,834,000 (2020/21: £1,660,000) of which unrestricted reserves amounted to £726,000 (2020/21 £829,000) and restricted reserves amounted to £2,108,000 (2020/21 £831,000).

The charity also has a small amount of reserves tied up in fixed assets, amounting to £2,000 at 31 March 2022 (2020/21 £7,000), leaving free reserves at 31 March 2022 of £724,000 (2020/21 £822,000).

Based on a risk assessment including weighting of the risks referred to above, the Trustees are of the opinion that the Charity needs to target an unrestricted reserve within a range of £800,000 to £850,000. The target is reviewed on a six-monthly basis, and future changes to the target will be dependent on shifts in the risk profile of the charity, an ongoing assessment of the likelihood of major grant renewals and our ability to grow revenue in light of the wider economic situation, most recently because of the global pandemic as well as increased competition for funding.

Unrestricted Reserve (£'000)



The level of unrestricted reserves at present is marginally below the targeted range going into the next financial year but has been budgeted to meet the target over the next 12-18 months. The key risk that could arise in the year ahead relates to a need to maintain programme delivery (principally for international activities) where delays in grant instalment payments from funders occur. Plans are in place to monitor this and take action to reduce expenditure commitments should this risk materialise. Budget risks include inflationary pressures and higher levels of expenditure on office costs to facilitate in-person working as well as international travel.

The Trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern (see also Accounting Policies (Note 1)). The Trustees have reviewed the financial position, budgets and cash flows for the period to September 2023 and consider that the charity is in a position to meet its financial obligations as they fall due.

Grant making policy

TI-UK awards grants to other organisations as part of delivering our charitable and strategic objectives; this can include Chapters within the TI network or to other organisations working on anti-corruption and bribery agendas or engaged in research or advocacy in these fields. Formal evaluation and due diligence of a partner is undertaken in advance of agreeing funding. All grants outlining key activities and deliverables are approved by the relevant Director prior to funds being disbursed. Monitoring and evaluation of progress is undertaken to ensure that the grant is being managed according to the agreement, and where progress or implementation is deemed unsatisfactory, the grant will either be delayed or discontinued. Total grants to partner organisations were £550,000 (2020/21: £501,000) and for a full list, see note 6 to the accounts.

Future plans

The Trustees approved the 2022/2023 Annual Plan that is aligned to the **Stopping Corruption Promoting Integrity 2021-2030** strategy.

The priorities are:

In the UK:

- Reform of UK company registries, better supervision of anti-money laundering defences, and transparency of UK property ownership by overseas companies.
- Seeking stronger public procurement rules and securing accountability for COVID-19 contracting, for example through its inclusion within the scope of the forthcoming public inquiry.
- Strengthening the institutional defences against corruption risks in public life, including greater transparency over lobbying and more meaningful oversight of ethical standards.
- Enhancing practice in corporate anti-corruption programmes through new insights into impact investing and the interplay of corruption, human rights risks and environmental (ESG) risks.
- Building on network and gap analysis in Scotland to explore how we might best increase TI-UK's presence in other devolved administrations or metro regions.

Internationally:

In Global Health

- Building upon the lessons learned from COVID-19 to ensure that transparency and accountability are given due consideration by global health actors in both pandemic recovery and in preparations for future pandemics.
- Deepening the knowledge base on the systemic drivers of corruption at the point of service delivery. Develop

approaches to tackle those drivers of corruption at the point of service delivery.

- Deepening our approaches to transparency within health resource allocation processes, and work with partners to scale up approaches to improving transparency in planning, budgeting and procurement.
- Advancing the knowledge base on the risk of regulatory capture by the pharmaceutical industry.

In Defence & Security:

- Delivering a programme of work on corruption, conflict and human security including further developing our work on anti-corruption in military operations.
- Developing robust nationally led bodies of work with four national chapters in North and West Africa including two countries in the Sahel.
- Building on the launch of the GDI 2020 to engage key stakeholders on the risk corruption poses to security and the key role of the defence sector within this to promote findings and research uptake.
- Advancing the knowledge base for an increase in transparency in arms exports from the USA to the Middle East. Scoping out opportunities to develop a body of partnership work in one other region.
- Defining the next generation of Defence & Security work as it relates to the private sector.

Organisationally:

- Continuing to work with colleagues in the TI-Secretariat in Berlin whilst also strengthening the movement-wide value and leadership of TI-UK's international programmes.
- Sustaining the step-change made in media exposure and relationships over 2021/22, with a focus on building strategically important engagement. Driven by audience-focused objectives this will cover media, social media and events.
- Embedding a consistent cross-organisational approach to Monitoring, Evaluation and Learning, supporting our people to identify what works in delivering impact, and building knowledge management.
- Continuing to diversify and strengthen our income pipeline. Additionally, we will establish the potential for a new major gifts/individual donor income stream.
- Promoting a high trust culture where blended working delivers a collaborative, engaging and learning culture, colleagues are confident and have access to the tools to Speak Up, and our approach to diversity and inclusion challenges our programmatic and organisational assumptions particularly on gender and ethnicity.

Public Benefit

Charity trustees have a duty to develop strategic plans to ensure that they provide public benefit and achieve the objectives as set out in the governing document. The Trustees have had due regard to the Charity Commission guidance in relation to public benefit.

TI-UK's primary objective is the relief of poverty, suffering and distress caused directly or indirectly by corruption and the promotion for the public benefit of ethical standards and compliance with the law by the public and private sectors. The Trustees are satisfied that the Charity's activities continue to further these aims and meet the public benefit (as defined by the Charity Commission).

The Trustees consider that those who benefit from the activities of TI-UK include:

- those at risk of harm caused directly or indirectly by corruption in the UK and overseas
- all those in societies who benefit from strong and transparent institutional structures that help deter and defend against corruption; and
- those in economies whose development is enhanced through reducing corruption.

TI-UK considers that there are clear public benefits arising from:

- promoting the enforcement of the UK Bribery Act and other anti-corruption legislation
- highlighting the threat of corruption in specific sectors of the UK
- building integrity and preventing corruption in the defence and security and health sectors
- ensuring the UK effectively enforces international anti-corruption conventions
- helping companies and NGOs to raise their anti-corruption standards; and
- Increasing public awareness of corruption issues.

The Board monitor the activities of TI-UK to ensure they continue to meet the public benefit (as defined by the Charity Commission).

Risk Management

The Trustees and Senior Leadership Team review regularly the principal risks faced by the Charity. These include risks related to our strategy, people, security, finance and funding, legal and donor compliance and external relationships.

Board of Trustees	• Responsible for management & control of the Charity • Sets overall risk management and appetite • Approves risk register annually with bi-annual review
Finance, Risk and Audit Committee/All Committees	• Advises on financial control & risk management • Reviews and monitors risk register including deep dives into risk areas • Considers whether risks identified through other committees have organisational impact
Senior Leadership Team	• Monitors & maintains internal control environment ensuring day-to-day operations have adequate systems and procedures in place. • Reviews & monitors the risk register on quarterly basis to ensure new or emerging risks are profiled as well as to ensure timely follow up of mitigating actions to reduce risks to manageable levels.

How we are managing our principal risks

Key Organisational Risks	How we are mitigating the risk
Strategic	
Strategic: the failure to deliver on the ambition outlined in the new strategic goals.	• TI-UK and global programmes strategies aligned to the TI Movement strategy • Annual Plan & Budget aligned to new strategy with board cycle to review strategic opportunities and challenges across all programme areas • Organisational structure aligned to assist delivery with SLT focused on new partnerships and incubation of ideas • Focus on measuring outcomes and impact • Board skills and expertise review and future recruitment and use of advisors to meet identified gaps
People	
High levels of **employee turnover**. As a result of institutional funding uncertainty this could threaten our ability to complete existing contractual obligations as well as continuity of sector and TI knowledge and expertise. The failure of the organisaiton to evolve and meet changing employee expectations including blended working. Potential for career progression can be limited.	• Quarterly reporting on Annual Plan delivery • Engagement forums including monthly 'One Team' meetings, Chief Executive drop-in sessions and regular Listen into Action surveys • Personal objectives reflecting priorities, values and matrix working across TI-UK with appraisal cycle to discuss career plans and learning and development needs • Ensuring our salary & benefits package remains comparable with the sector • Investing in a digital recruitment platform that is attractive to applicants and reduces the time involved in recruitment • Managing the move to blended working, aligning to sector developments with focus events to create a stronger sense of community post pandemic
Safeguarding (*duty to protect from harm*): there is a risk that our culture does not recognise that all our people are responsible for safeguarding and that norms, values, attitudes and behaviours are as important as policies and procedures. The risks of ensuring this takes place across funding partners that vary in size and context and have limited resources makes us vulnerable to financial, donor and reputational risk.	• Safeguarding & Whistleblowing Policies & Codes of Conduct • Mandatory training • Partner guidance/ toolkits • Annual Safeguarding Report • TI Chapter and Secretariat safeguarding and security framework • Participation in sector Speaking Up initiative to reduce the barriers for reporting concerns

Key Organisational Risks	How we are mitigating the risk
Security	
Increased levels of political uncertainty in many countries, pandemics and erratic weather conditions means that **international travel** places many of our travellers at higher levels of risk and disruption including being affected by protests, strikes, terrorism, flooding and cyclones. The safety of Chapters/ researchers is a key risk in some countries/ areas of work and must be prioritised.	• Safety & Security Risk Framework, policies and procedures with updated materials for Chapter/ research risks • Safety and Security Focal Points in each team with refresher training as international travel recommences following the pandemic • Crisis management plans • Insurance cover & overseas assistance scheme
Finance	
Failure to achieve adequate **cost recovery** on restricted grants prevents an effective level of shared services to be funded. Where programmes are not fully funded there can be an unequal share of recoveries across the organisation.	• Budgetary templates and internal reporting • Formal approval process for funding bids • Regular review of overhead charges across programmes
Funding	
Opportunities to increase **unrestricted income** requires targeted interventions specific to the programme area if we are to meet revenue contribution/ fundraising targets. These are dependent upon sufficient time to build credible pipelines as well as addressing skill gaps through training / recruitment/ backfilling. Ensuring the Business Integrity offer remains engaging to members as they move from a controls based approach to one integrating culture/ ethics interventions.	• Fundraising team with dedicated support for institutional funding and individual donor giving • Regular monitoring of revenue pipelines across programmes • Developing fundraising-related messaging and marketing via digital media, events etc. • Review of Business Integrity products including membership, thought leadership and benchmark
Increased competition, matched funding, reduced/stretched ODA funding and gaps in the international programme finances place short term pressure on maintaining strategic priorities.	• On-going dialogue with existing donors to ensure strategic alignment between TI-UK and their funding priorities • Investment in institutional fundraising capacity to increase and diversify revenue growth particularly for the international work • Engagement with TI-Secretariat and national chapters to overcome barriers to funding channels and enhance collaboration • Diversifying funding opportunities across programmes with aim of broader range of multi-year funding partnerships including as sub-contractors
Legal	
Aggressive litigation ("SLAPP suits") compromise TI-UK's ability to operate or result in major legal costs.	• Documented content creation process to ensure legal risk is considered prior to publication with training to all colleagues working on research and communications • Access to range of legal advice to defend possible litigation • Review of insurance coverage/ products
Grant management procedures insufficient to meet increasing donor requirements, particularly monitoring large sub-grants to chapters leading to long term loss of restricted income.	• Shared services function provides programme support across teams covering grant management, compliance, partner due diligence, procurement and administration & logistics. • Knowledge management processes improved as part of Office 365 enhancements
External	
The ability to **effectively engage donors and the wider public** will be at risk if we are not designing projects to deliver impactful results and / or we are unable to provide robust programme evidence of that impact.	• Investment in Evidence and Impact capacity • Impact and Evaluation framework for all programmes that feeds into proposal design, log frame developments and organisational strategy • Development of a learning culture across the organisation

Governance

The Charity is a company limited by guarantee and was set up by a Memorandum of Association on 1 March 1994 (last amended 12 January 2006). It was registered in England and Wales as charity on 27 January 2006. The Articles of Association were last amended on 8 December 2016.

Transparency International (UK) is a national chapter of the global movement, Transparency International (TI), incorporated in Berlin. National chapters lead the work of TI in their country and participate in TI's regional and international work. The membership base of each TI national chapter differs in type and size from country to country. TI-UK's members are an important part of the chapter's governance in that they are able to vote at the AGM and approve appointments to the Board. The number of members at 31 March 2022 was 88 (2021: 111) and the decrease reflects a review of membership records for accuracy. Plans are in place to review membership procedures in the year ahead in order to maintain numbers.

The Transparency International secretariat based in Berlin leads global advocacy and international initiatives, supports national chapters and coordinates regional work. The relationship of mutual support reflects the sharing of insight and research undertaken by the chapter to complement global research tools with the secretariat supporting efforts to obtain the necessary resources to tackle corruption. TI-UK operates under a national chapter accreditation agreement which was renewed for a further three years in June 2021.

Whilst operating as integral parts of the structure of the host chapter, Global Thematic Networks (GTNs) are globally focused programmes shaped by their innovative approaches and ambition to deliver global impact in their defined thematic areas. TI-UK is accredited to operate two of these on behalf of the movement in Defence & Security and Global Health.

Trustee & Board members

TI-UK is governed by a Board of Trustees, elected by the members of TI-UK or co-opted subject to election. The Board meets regularly during each financial year (normally four half days along with a Strategy Away Day) to provide strategic guidance, discuss and agree policy issues, review expenditure, approve budgets and review progress in implementing programmes. The Board's decisions are implemented by the employees of the Charity, led by the Chief Executive. Board committees meet depending on needs but generally three or four times a year.

The Board concluded a process of reviewing the committee structure to ensure that governance is arranged to best support the delivery of the strategy. This review also reflected on the changes to the Charity Governance Code (December 2020) as they could apply to TI-UK. A revised Governance Framework was approved at the June 2021 Board meeting and has been implemented.

The procedures for appointing Trustees and their terms of office are set out in TI-UK's Articles of Association and a document approved by the Board, which facilitates the process of recruiting Trustees. The process seeks to ensure that relevant skills are reviewed, and includes public advertising and a panel interview. The Trustees are appointed to the Board until the next Annual General Meeting at which time they stand for appointment by the membership. New Trustees participate in a half-day induction and are given a comprehensive induction pack. Additional training for Trustees is arranged as and when it is considered necessary.

The Trustees undertook a formal evaluation of the effectiveness of the Board in June 2021 and the Senior Leadership Team contributed their feedback. The Chair has annual objectives agreed with the Board and these are reviewed with the opportunity for the SLT to contribute.

The following Trustees held office in 2021/22:

Trustee	Date of Appointment/ Resignation	Committees	Board Attendance 2021/2022
Graham Baxter	29 January 2014 -	G, N, P (Chair)	6 of 6
Michael Bowes QC	16 May 2015 -	G (Chair), N	2 of 6
Sarah-Jayne Clifton	14 May 2019-22 February 2022	F, G, R	5 of 6
Steve Cockburn	26 February 2019 -22 February 2022	G, R	5 of 6
Sam Eastwood	22 November 2012-16 November 2021	G, R	5 of 5
James Ford	4 January 2022-	F, R	1 of 1
Prof Paul Heywood	12 October 2015 -	G, R (Chair)	6 of 6
Natasha Houseman	16 May 2015 -	F (Chair), N, R	6 of 6
Dominic Martin	26 February 2019 -	F, R, P	5 of 6
Val Monk	4 January 2022-	G, P	1 of 1
Eddie Rich	14 May 2019 -	G, P	6 of 6
Fiona Thompson (Chair)	16 May 2015 -	N (Chair)	6 of 6

G: Global Thematic Networks F: Finance, Risk & Audit N: Nominations & Governance P: Private Sector Engagement R: Research

One trustee retired during the year, Sam Eastwood who after nine years as a Board member completed his maximum eligible term. Sarah-Jayne Clifton and Steve Cockburn resigned in February 2022 after three years on the Board following changes to their respective personal circumstances. The Board recognizes all three for their considerable contribution to TI-UK.

Following an open recruitment process with a particular emphasis on shortlisting a diverse range of possible candidates, two new Trustees, James Ford and Val Monk were appointed.

The Charity has an Advisory Council that allows the Board to draw on its members' varied expertise and experience. An Ethics Advisory Panel is in place for the purpose of providing advice to the Board on ethical questions including conflicts of interest.

TI-UK's reputation is of paramount importance. The Charity has internal policies and procedures to ensure that the Board of Trustees and employees preserve their independence, safeguard their integrity and express opinions based on an impartial assessment of facts. All Trustees and Senior Employees complete conflict of interest forms (annually updated) and these are published on the Charity website. Every meeting notes any potential conflicts of interest. Professional Indemnity, Trustees Indemnity and Employment Practices insurance cover are in place.

People

The skilled, committed, independent and often courageous colleagues who deliver TI-UK's strategy remain our most important resource. With 65 percent female, 35 percent male and a wide range of ages and backgrounds, a key area of focus this year has been defining what it means to live by TI-UK's shared values: Acting with integrity; valuing and respecting differences; working collaboratively; and having the courage to demand better of ourselves and others.

The views of colleagues are captured through quarterly Listen into Action surveys and these are shared with the SLT and as part of the Annual People report to the Board. With prolonged home working these not only provided helpful monitoring over the last year but also helped guide future plans on returning to use office space and how to successfully adapt to blended working.

A Salary and Benefits system is in place to ensure fairness and transparency. Management provide an annual report to the Finance Risk and Audit Committee on implementation of the policy.

The wellbeing of employees remains critical. The Employee Assistance Programme is promoted and available to support with advice, counselling and guidance on both workplace matters and others. In October 2021 a series of learning events on Mental Wellbeing took place with high levels of satisfaction reported by those who took part. Policies on leave were extended to include miscarriage and the support that managers/teams can provide to both women and men experiencing this situation.

Remuneration policy

TI-UK's policy is to provide remuneration sufficient to attract, retain and motivate the kind of capable and dedicated people we need to help us fulfil our mission. Salaries are benchmarked periodically against comparable organisations, and in determining individual salary level and progression internal comparisons and the financial circumstances of the organization are taken into account. The most recent benchmarking exercise was completed in the first quarter of 2019 and there are plans to review this again in the year ahead. For details of key management remuneration, see note 10 to the accounts.

The Nominations & Governance Committee is responsible for setting the remuneration of the Chief Executive. The Chief Executive sets the remuneration of members of the senior leadership team in consultation with the Finance, Risk and Audit Committee who also consider changes to the overall reward policy.

Diversity & Inclusion

In 2021, 25 percent of TI-UK employees define themselves as people of colour. Having become a member of the Business in the Community Race at Work Charter in 2020, an action plan was developed in conjunction with a newly formed anti-racism forum open for all employees to participate in. The multi-year plan aims to help ensure that that we play our part in tackling barriers that national minority people face in recruitment and progression and that TI-UK, including the senior leadership and Board, is representative of British society today. In July 2021 a review of the salary progression of current employees based on their time with TI-UK and their ethnicity and gender was undertaken and this identified no disparity overall or within teams. Data monitoring for recruitment was introduced in October 2022 with agreement to move to a recruitment platform designed to help remove bias (Be Applied) to be introduced in summer 2022. There is more that can be done on this important topic and plans for the year ahead include further commitments and continuing to learn through sector best practice.

Safeguarding

TI-UK publishes its Safeguarding Report annually (latest February 2022). This report provides transparency on the safeguarding (duty to protect from harm) framework in place, summarises matters that were reported and investigated, and details how evolving sector best practice is being considered. In the year to December 2021 there were no safeguarding matters reported. The report outlines the TI-UK Code of Conduct that everyone working with us must agree to uphold. There are details of the values and behaviors expected in the workplace, pre-employment checks that are undertaken, relevant policies together with the learning and training resources and how incidents can be reported. During 2021/22 the whistleblowing and complaints policies were updated and publicised to help encourage a culture where people are confident to Speak Up. The Trustees also reviewed the latest Charity Commission guidance in relation to safeguarding and working overseas. Future plans include:

- Continuing engagement with colleagues to ensure our culture of integrity and trust is promoted and understood. This will include Listen into Action survey results and induction/refresher training on safeguarding, whistleblowing and anti-bullying and harassment.
- The external review (spring 2022) by Defence & Security related to gender and programme design and delivery to help inform discussions on future planning across different TI-UK programmes.
- Continued engagement with the sector on developments including BOND (international development) and the Charity Speak Up Network.

Environmental

The two key environmental impacts by TI-UK are in relation to business travel and office use. Due to travel restrictions there was very limited air travel in the last year. Geography, infrastructure and safety are key considerations in determining international air travel and participation is limited to those who will gain most and contribute from being present in person. Domestic travel using trains rather than air is encouraged. Office provision has been transitionary in the last year with the lease surrendered from June 2021. The approach to future office use, taken up from spring 2022, is based on ensuring that co-working space can be used in order to reduce the impact of vacant desk space. The main co-working location has taken into account best use of walking, bus, tube and train links and car parking is not provided. Other co-working space is also available to help reduce travel times. We continue to monitor how we can measure and report our environmental impact.

How we ensure we fundraise responsibly

The small central fundraising team, housed within our Development, Communications and Impact (DCI) team, with additional involvement from the Chief Executive, concentrates on raising unrestricted funds, coordinating a cross-organisational approach to donors and supporting restricted fundraising for each programme. Responsibility for raising programme funding is shared between Programme Directors and the Director of DCI. The majority of funding comes in the form of restricted funds from a small number of large government donors, together with trusts and foundations (UK and USA based). This carries two risks: that the programmes become over-reliant on a small number of donors, and that the programmes may seem to be too close to the governments that we are aiming to hold to account.

In order to mitigate the perception that our mission may be compromised by our donors, Transparency International globally has clear guidelines that we adhere to on the circumstances in which funds can be accepted, relationships with donors, and transparency around funders. We ensure our fundraising strategy that is revised annually reflects these risks. The majority of unrestricted funding is generated by the Business Integrity Programme.

The fundraising strategy, over and above generating the revenues necessary to support TI-UK's mission, aims to diversify the base of our donors, both in type and number, and to seek more unrestricted funding. This is principally so as to enable programme colleagues to plan for the longer term and to be responsive to advocacy opportunities - both of which underpin our ability to deliver change. We also aim to ensure we have funding to allocate to areas of our work that are important or emerging but may be less immediately attractive to conventional funders. This enables us to maintain our independence by being willing to turn away money when we feel the circumstances require. In order to deliver the fundraising strategy, we have increased the commitment to investing in raising funds from institutions, trusts and foundations and individual donors. The intention is to maintain our approach of directing as much possible financial support towards the programmes while ensuring our core support team is adequately resourced. A senior leadership role also focuses on partnerships which deliver wider strategic objectives as well as financial commitments.

We aim to operate to the highest standards in fundraising, including the codes and norms for the sector as well as GDPR compliance. We undertake little or no 'retail' fundraising from the wider public and do not use third parties, external fundraisers (either volunteer or professional) or contract out our fundraising, so our exposure in areas particularly highlighted by the codes is not high. We are registered with the Fundraising Regulator and have committed to follow the regulator's Code of Fundraising Practice and the Fundraising Promise. We have not received any complaints about our fundraising practices during the year.

Trustee responsibilities regarding the financial statements

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP and FRS102;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

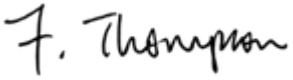
The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company, and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

The Trustees have taken all the necessary steps to make themselves aware of any information needed by the Charity auditors for the purpose of their audit and establish that the auditors are aware of that information. The Trustees are not aware of any relevant audit information of which the auditor is unaware.

In preparing this report, the Trustees have taken advantage of the small companies exemptions provided by Part 15 of the Companies Act 2006.

Approved by the Board of Trustees and signed on their behalf by:



Fiona Thompson
Chair

29 July 2022

Independent Auditor's Report to the Trustees of Transparency International – UK

Opinion

We have audited the financial statements of Transparency International (UK) for the year ended 31 March 2022 which comprise the Statement of Financial Activities, the Balance Sheet, Cash Flow Statement 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 charitable company's affairs as at 31 March 2022 and of the 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 charity 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 trustees' 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 charitable company'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 trustees 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 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 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 47, 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 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 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 charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to charity and company law applicable in England and Wales 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 Companies Act 2006 and the Charities Act 2011, and consider other factors such as income tax, payroll tax and sales tax.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the improper recognition of revenue and management bias in accounting estimates. Audit procedures performed by the engagement team included:

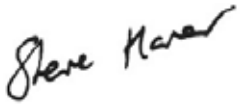
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals; and
- Challenging assumptions and judgements made by management in their critical accounting estimates.

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. This description forms part of our auditor's report.

Use of this 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, Statutory Auditors

10 Queen Street Place, London, EC4R 1AG

Date: 3 August 2022

Transparency International UK
STATEMENT OF FINANCIAL ACTIVITIES
(incorporating income and expenditure account) for the year ended 31 March 2022

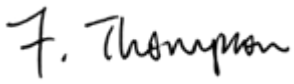
	Notes	Restricted Funds 2021/22 £000	Unrestricted Funds 2021/22 £000	Total Funds 2021/22 £000	Restricted Funds 2020/21 £000	Unrestricted Funds 2020/21 £000	Total Funds 2020/21 £000
Income from:							
Donations	2	-	58	58	-	62	62
Charitable activities	3	3,573	622	4,195	2,631	628	3,259
Total income		**3,573**	**680**	**4,253**	**2,631**	**690**	**3,321**
Expenditure on:							
Raising funds		-	94	94	-	44	44
Charitable activities							
Programmes:							
UK		830	420	1,250	971	154	1,125
International:							
Defence & Security		704	63	767	1,939	33	1,972
Global Health		812	21	833	801	14	815
Other activities:							
Communication		-	135	135	-	59	59
Total charitable activities	5	**2,346**	**639**	**2,985**	**3,711**	**260**	**3,971**
Total Expenditure		**2,346**	**733**	**3,079**	**3,711**	**304**	**4,015**
Net Income / (Expenditure)		1,227	(53)	1,174	(1,080)	386	(694)
Transfers between funds	14/15	50	(50)	-	-	-	-
Net movement in funds		**1,277**	**(103)**	**1,174**	**(1,080)**	**386**	**(694)**
Reconciliation of funds **Funds brought forward 1 April**		831	829	1,660	1,911	443	2,354
Funds carried forward 31 March	15	**2,108**	**726**	**2,834**	**831**	**829**	**1,660**

The Statement of Financial Activities includes all gains and losses recognised in the year and are from continuing activities. The notes on pages 54 to 64 form part of these financial statements.

Transparency International UK
BALANCE SHEET
as at 31 March 2022
Company Registration 02903386

	Note	2021/22 £000	2021/22 £000	2020/21 £000	2020/21 £000
Fixed Assets					
Tangible fixed assets	11		2		7
Current Assets					
Debtors	12	390		512	
Cash at bank		3,154		1,505	
			3,544		2,017
Creditors: amounts falling due within one year	13		(712)		(364)
Net Current Assets			2,832		1,653
Net Assets	15		**2,834**		**1,660**
The Funds of the charity					
Restricted income funds	15		2,108		831
Unrestricted funds	14		726		829
Total charity Funds			**2,834**		**1,660**

The financial statements were approved and authorised for issue by the Board of Trustees on 29 July 2022 and were signed below on its behalf by:



Fiona Thompson

Chair

The notes on pages 54 to 64 form part of the financial statements

Transparency International UK
CASHFLOW STATEMENT
for the year ended 31 March 2022

	2021/22	2020/21
	£000	£000
Cash flows from operating activities:		
Net cash provided by operating activities	1,651	37
Cash flows from investing activities Purchase of fixed assets	(2)	(2)
Change in cash and cash equivalent in the reporting period	**1,649**	**35**
Cash and cash equivalents at the beginning of the reporting period	1,505	1,470
Cash and cash equivalents at the end of the reporting period	**3,154**	**1,505**
All amounts relate to continuing activities.		
Reconciliation of net movement in funds to net cash flow from operating activities		
Net movement in funds for the period (as per the Statement of Financial Activities)	1,174	(694)
Adjustments for:- Depreciation charges	7	12
Decrease in debtors	122	778
Increase/(Decrease) in creditors	348	(59)
Net cash provided by operating activities	**1,651**	**37**
Analysis of cash and cash equivalents		
Cash in bank & at hand	3,154	1,505
Total cash and cash equivalents	**3,154**	**1,505**

A net debt reconciliation note has not been presented as the charity has no debt. The notes on pages 54 to 64 form part of these financial statements.

Notes to the Financial Statements

1. Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

Accounting basis

Transparency International (UK) is a registered charity in England and Wales (charity number 1112842) and a company limited by guarantee (number 02903386).

The financial statements have been prepared in accordance with the Charities Statement of Recommended Practice (SORP) FRS 102 – 'Accounting and Reporting by Charities (2019)' Second Edition, effective 1 January 2019, the Charities Act 2011 and applicable accounting standards.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Going concern

The COVID-19 global pandemic continued to place restrictions on travel and required office colleagues for the most part to work remotely since March 2020. Fundraising events were limited to on-line opportunities. We utilised the government support packages including delayed VAT payment and where possible use of the Coronavirus Job Retention Scheme due to business interruption. Revenue budgets and cash flow forecasts have been stress tested given the uncertainty as to any remaining disruption that the pandemic could have.

The Trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern. The Trustees have reviewed the financial position, budgets and cash flows for the period to September 2023 and consider that the charity is in a position to meet its financial obligations as they fall due. The level of unrestricted free reserves (excluding fixed assets) of £724,000 is below the targeted range of £800-£850,000 with budgets in place to meet the target in the next 12-18 months. The key risk that could arise in the year ahead relates to a need to maintain programme delivery (principally for international activities) where delays in grant instalment payments from funders occur or matched funding has not been demonstrated. Plans are in place to monitor this and take action to reduce expenditure commitments should these risks materialise. As such, the financial statements have been prepared on a going concern basis.

Company status

The charity is a company limited by guarantee (registered number 02903386) which is incorporated and domiciled in the UK. The address of the registered office is 10 Queen Street Place, London EC4R 1AG. The charity meets the definition of a public benefit entity under FRS 102. More detail on how the Trustees have satisfied themselves that TI-UK has met the public benefit requirements is given

in the Trustees' Report. The members of the company are subscribers to the Memorandum of Association and the persons listed in the Register of Full Members of the company. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

Critical accounting estimates and judgements

In accordance with FRS 102, the Trustees are required to make certain estimates and judgements that have an impact on the policies and amounts reported in the financial statements. These estimates and judgements are based on historical experience and other factors including expectations of future events that are believed to be reasonable at the time such estimates and judgements are made.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period on in the period of the revision and future periods if the revision affects the current and future periods.

The significant estimates and judgements are:

- Accrued income (see Income policy below)
- Accruals: costs not yet invoiced (see Expenditure policy below)
- Allocation of support costs (see Expenditure policy below)

In the view of the Trustees no assumptions concerning the future or estimation uncertainty affecting assets and liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

Income

All income is included in the Statement of Financial Activities (SOFA) when the charity is legally entitled to the income, receipt is probable and the amount can be quantified with reasonable accuracy, and the amount can be measured reliably. Where contracts for advisory

services cover a period of time spanning the financial year end the proportion of revenue recognised in the year reflects an assessment of the fair value of services provided to the reporting date. Gifts in kind and donated services are recorded at the value to the charity at the date of receipt. No amount has been included in the financial statements for services donated by volunteers. Income from BIP membership is recognised when invoiced.

Gift Aid receivable is included in income when the donation is made and where there is a valid Gift Aid declaration from the donor.

Expenditure

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources. Overheads have been allocated on the basis of employee costs (head count).

At the year-end, employee emoluments include paid annual leave where this has not been taken at the rate of pay applicable at that date. Termination benefits are accounted for on an accruals basis.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the company and include general management, payroll, administration, budgeting, and accounting, technology, and human resources.

Foreign currency

Foreign currency transactions are translated at the rate applicable on the transaction date. Foreign currency balances are translated at the exchange rate prevailing at the balance sheet date. Gains and losses on translation are included in the SOFA.

Tangible fixed assets

Tangible fixed assets are stated at cost net of depreciation. All fixed assets costing more than £1,000 are capitalised. Depreciation is provided on equipment and fixtures over three years straight line.

Pension costs

The charity provides a defined contribution scheme, which is available to all employees. The funds are independently held from those of the charity. The pension costs comprise the costs of the charity's contribution to its employees' pension schemes.

Taxation

The charity falls with the meaning of Part 1, Schedule 6 of the Finance Act 2010. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains within categories covered by Chapter 3 of Part 11 of the Corporation Tax Act 2010 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. No tax charges arose in the period.

Irrecoverable VAT is not separately analysed and is charged to the SOFA when the expenditure to which it relates is incurred, and is allocated as part of the expenditure to which it relates.

Financial instruments

The charity has financial assets and liabilities of a kind that qualify as basic financial instruments. Financial assets comprise cash at bank and in hand, trade and other debtors. Financial liabilities include trade and other creditors. Basic financial instruments are recognised at transaction value. Details of these financial assets and liabilities and their carrying value are given in the notes to the accounts.

Funds

Restricted funds are funds that are to be used in accordance with specific restrictions imposed by donors. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

General reserves are unrestricted funds which 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.

2. Donation Income

	Restricted Funds 2021/22	Unrestricted Funds 2021/22	Total Funds 2021/22	Restricted Funds 2020/21	Unrestricted Funds 2020/21	Total Funds 2020/21
	£'000	£'000	£'000	£'000	£'000	£'000
Grants	-	13	13	-	13	13
Donations	-	45	45	-	49	49
Total	**-**	**58**	**58**	**-**	**62**	**62**

Unrestricted grants include funding from the following trusts and foundations:-

Ajahma Charitable Trust	£Nil	(2020/21: £9.600)
Luminate Foundation	£5,559	(2020/21 Nil)
PF Charitable Trust	£3,500	(2020/21: £2,500)
Tinsley Charitable Trust	£2,500	(2020/21: £1,000)
Marsh Trust	£500	

3. Income from Charitable Activities

	Restricted Funds 2021/22	Unrestricted Funds 2021/22	Total Funds 2021/22	Restricted Funds 2020/21	Unrestricted Funds 2020/21	Total Funds 2020/21
	£'000	£'000	£'000	£'000	£'000	£'000
Grants receivable (Note 4)	3,573	50	3,623	2,631	-	2,631
Business Integrity:						
- Bronze Membership	-	162	162	-	144	144
- Gold Membership	-	240	240	-	260	260
- Standalone Benchmark	-	37	37	-	13	13
- Thought Leadership & other income	-	133	133	-	211	211
Total	**3,573**	**622**	**4,195**	**2,631**	**628**	**3,259**

A list of Business Integrity Forum members is found on page 65.

The unrestricted Thought Leadership income includes donations from GlaxoSmithKline £40,000 (2020/21: £40,000) and Commonwealth Development Corporation (British International Investment), £80,000 (2020/21: Nil).

4. Grants Receivable

	Notes	Total Funds 2021/22	Total Funds 2020/21
		£'000	£'000
UK			
Fairness Foundation		5	-
Foreign, Commonwealth & Development Office – I-ACT tracking Summit Commitments		-	208
Joffe Charitable Trust		-	30
Luminate : The Omidyar Group		149	280

	Notes	Total Funds 2021/22 £'000	Total Funds 2020/21 £'000
Open Society Foundations		463	-
David and Elaine Potter Foundation (unrestricted- designated for UK programme)		50	-
Julia & Hans Rausing Trust		200	243
Sigrid Rausing Trust		150	-
Joseph Rowntree Charitable Trust		30	50
University of Sussex		2	-
TI Secretariat (International Anti-Corruption Conference Commitments)		-	5
Trust for London		40	12
	14	**1,089**	**828**
International: Defence & Security			
The Beale Trust		2	-
Carnegie Corporation		-	115
Foreign, Commonwealth & Development Office – I-ACT		-	813
Netherlands Ministry of Foreign Affairs		1,465	67
NATO		6	-
United Nations Office for Project Services (UNOPS)		6	-
	14	**1,479**	**995**
International: Global Health			
Foreign, Commonwealth & Development Office – FAST – Open Contracting for Health		70	652
GlaxoSmithKline		90	90
Open Society Foundations COVID-19 procurement		14	66
Open Society Foundations Equitable Access		313	-
Swedish Ministry of Foreign Affairs		568	-
	14	**1,055**	**808**
Total	14	**3,623**	**2,631**

5. Charitable Activities Expenditure

	Total Funds 2021/22	Total Funds 2020/21
	£000	£000
Direct charitable costs	463	904
Employee costs (see note 10)	1,791	2,484
Grants payable (see note 6)	550	501
Support costs (see note 7)	181	82
Total	**2,985**	**3,971**

6. Charitable Expenditure: Grants Payable

	Total Grants 2021/22	Total Grants 2020/21
	£000	£000
Association CRI 2002 Mali (TI Chapter)	12	17
CISLAC Nigeria (TI Chapter)	12	29
Corruption Watch South Africa (TI Chapter)	-	64
Ghana Integrity Initiative (TI Chapter)	-	10
Institute for Democracy and Mediation	-	6
Intelligent Sanctuary	141	-
I-Watch Tunisia (TI Chapter)	11	26
Kings College London	5	-
Lebanese Transparency Association (TI Chapter)	-	37
NAKO Ukraine	-	53
Open Contracting Partnership	59	5
Open Democracy	10	-
Publish What You Pay	-	6
RISE Moldova	-	5
Spotlight on Corruption	25	-
Transparency International Bangladesh	40	-
Transparency International Chile	-	34
Transparency International Jordan	-	11
Transparency International Kenya	-	35
Transparency International Nepal	6	24
Transparency International Niger	11	-
Transparency International Sri Lanka	-	2
Transparency International Uganda	-	63
Transparency International Sweden	109	-
Transparency International Uganda	68	-

	Total Grants 2021/22	Total Grants 2020/21
	£000	£000
Transparency International Ukraine	-	15
Transparency International Zambia	41	59
Total	**550**	**501**

7. Charitable Activities Expenditure: Support Costs

	Charitable Activities 2021/22	Fundraising 2021/22	Total 2021/22	Charitable Activities 2020/21	Fundraising 2020/21	Total 2020/21
	£'000	£'000	£'000	£'000	£'000	£'000
Governance	15	-	15	7	-	7
Employee & consultancy	127	-	127	56	-	56
Other	39	-	39	19	-	19
Total	**181**	**-**	**181**	**82**	**-**	**82**

Support costs have been allocated as above based on the proportion of employee time spent on each activity. Due to the way in which the teams work, it is not possible to split support costs between grants payable and direct charitable costs. The increase in support costs in 2021/22 is due to the temporary gap in funding for the Defence & Security programme that limited our ability to charge costs directly to restricted grants.

8. Net Income / (Expenditure)

This is stated after charging:

	2021/22	2020/21
	£000	£000
Depreciation	7	12
Auditor's remuneration – audit services	12	9
Auditor's remuneration – audit services	2	-
Pension costs	73	90

9. Board of Trustee Remuneration, Expenses & Donations

No Trustees received remuneration or benefits in kind during 2021/22 (2020/21: Nil). No travel or other expenses were paid/ reimbursed (2020/21 Nil).

The cost incurred by the charity for Trustee indemnity insurance was £2,128 (2020/21: £2,177).

During the year four Trustees (2020/21: two Trustees) donated, in aggregate, £1,900 (2020/21: £1,370) to the charity.

10. Employee Numbers and Emoluments

The average number of employees during the year was:

	2021/22	2020/21
	£000	£000
Charitable activities	26	37
Fundraising	2	3
Support	9	10
Total	**37**	**50**

Employee emoluments were as follows:

	2021/22	2020/21
	£000	£000
Wages and salaries	1,544	2,161
Social security costs	174	233
Pension costs	73	90
Total	**1,791**	**2,484**

The total amount of benefits received by key management personnel includes gross salaries and employer pension contributions, was:

	2021/22	2020/21
	£000	£000
Chief Executive	117	113
Chief Operating Officer	93	94
Director of Policy & Programmes (part-time during 2021/22)	77	79
Director of Strategic Partnerships (maternity leave during 2021/22)	64	81
Director of Development, Communications & Impact	72	70
Total including gross salaries, employer pension contributions	**423**	**437**
Total including gross salaries, employer pension contributions and employer National Insurance contributions.	**472**	**490**

Number of employees who earned from:		
£60,001 – £70,000	2	2
£70,001 – £80,000	2	2
£80,001 – £90,000	1	2
£100,001 – £110,000	1	1
	6	**7**

The remuneration above includes gross salaries only. Total pension contributions in 2021/22 for these employees amounted to £19,541 (2020/21: £25,307).

No employees received employee benefits (excluding employer pension costs) of more than £60,000. No termination payments were made (2020/21: one payment of £11,919).

The lowest paid employee, with the exception of interns who are paid the London Living Wage, was paid an annual equivalent gross salary of £26,574 per annum (2020/21: £26,442 per annum). The highest paid employee received 4.24 times (2020/21: 4.14 times) the salary of the lowest paid employee.

11. Tangible Fixed Assets

	Equipment & Fitting
	£000
Cost	
At 1 April 2021	63
Additions	2
Disposals	-
At 31 March 2022	**65**
Depreciation	
At 1 April 2021	56
Charge for year	7
Depreciation on disposals	-
At 31 March 2022	**63**
Net book value	
At 31 March 2022	**2**
At 31 March 2021	**7**

12. Debtors

	2021/22	2020/21
	£000	£000
Trade debtors	259	127
Prepayments	5	46
Accrued income	126	296
Rent deposit	-	43
Total	**390**	**512**

13. Creditors

	2021/22	2020/21
	£000	£000
Trade creditors	101	81
Accruals	521	156
Social security and other taxes	89	114
Other creditors	1	13
Total	**712**	**364**

14. Total Funds

2021/2022	Brought forward	Income	Expenditure	Carried forward
	£000	£000	£000	£000
Restricted & Designated income funds				
UK	693	1,089	(830)	952
International: Defence & Security	129	1,479	(704)	904
International: Global Health	9	1,055	(812)	252
	831	**3,623**	**(2,346)**	**2,108**
Unrestricted funds	**829**	**630**	**(733)**	**726**
Total funds	**1,660**	**4,253**	**(3,079)**	**2,834**

2020/2021	Brought forward	Income	Expenditure	Carried forward
	£000	£000	£000	£000
Restricted income funds				
UK	836	828	(971)	693
International: Defence & Security	1,073	995	(1,939)	129
International: Global Health	2	808	(801)	9
	1,911	**2,631**	**(3,711)**	**831**
Unrestricted funds	**443**	**690**	**(304)**	**829**
Total funds	**2,354**	**3,321**	**(4,017)**	**1,660**

Restricted funds are held for the following purposes:

The UK Programme funds aim to challenge Britain's role in facilitating global corruption, the need to safeguard public services, politics and the private sector in the UK against corruption.

The funds are for projects that include:

- Stopping the flow of Dirty Money: a programme of research and advocacy seeking to address where corrupt wealth is laundered into the UK economy and financial system. Ensuring that illicit assets are recovered by law enforcement agencies both in the UK and territories where it has influence.
- Securing Integrity in Politics: putting integrity and accountability into the heart of UK politics with evidence-based policy solutions to remove the corrupting influence of big money, campaign financing, lobbying or the use of the 'revolving door'.
- Protecting the public's resources: ensuring best practice in access to information, managing conflicts of interest and open public contracting.

Unrestricted designated funding is utilised to match funding on expenditure within the programme (2021/22 £50,000 (2020/21: Nil).

The Defence & Security International Programme aims to reduce corruption risks in the global defence and security sector by conducting research and by influencing policy recognizing that it is a factor contributing to conflict, insecurity and crises. It seeks to improve the integrity of private sector defence and security actors. Funding allowed the production of global indices (Government Defence Integrity Index and Defence Companies Index on Anti-Corruption and Corporate Transparency).

The Global Health International Programme aims to ensure effective, accountable and transparent health systems which leave no room for corruption and which deliver Universal Health Coverage. The programme focuses on research and development, procurement and service delivery. Restricted funding relates to ensuring transparency in national COVID-19 vaccine rollouts in selected countries and Open Contracting for Health to improve transparency in health sector procurement.

Restricted & Designated funds detail

2021/2022	Brought forward	Income	Expenditure	Carried forward
	£000	£000	£000	£000
Ajahma Charitable Trust	230	-	-	230
Fairness Foundation	-	5	(5)	-
Joffe Charitable Trust	30	-	(26)	4
Luminate : The Omidyar Group	245	149	(206)	188
Open Society Foundations	-	463	(251)	212
David and Elaine Potter Foundation (unrestricted- designated for UK programme)	-	50	(50)	-
Julia & Hans Rausing Trust	182	200	(232)	150
Sigrid Rausing Trust	-	150	(10)	140
Joseph Rowntree Charitable Trust	6	30	(23)	13
University of Sussex	-	2	-	2
Trust for London	-	40	(27)	13
UK Programme	**693**	**1,089**	**(830)**	**952**

The Beale Trust	-	2	(2)	-
Carnegie Corporation	129	-	(129)	-
Netherlands Ministry of Foreign Affairs (2017-21 Grant)	-	121	(121)	-
Netherlands Ministry of Foreign Affairs (2022-26 Grant)	-	1,344	(440)	904
NATO	-	6	(6)	-
United Nations Office for Project Services (UNOPS)	-	6	(6)	-
International: Defence & Security Programme	**129**	**1,479**	**(704)**	**904**
Foreign, Commonwealth & Development Office - FAST – Open Contracting for Health	-	70	(70)	-
GlaxoSmithKline	-	91	(45)	46
Open Society Foundations COVID-19 procurement	8	14	(22)	-
Open Society Foundations Equitable Access	-	312	(106)	206
Swedish Ministry of Foreign Affairs (2021 Grant)	-	468	(468)	-
Swedish Ministry of Foreign Affairs (2022 Grant)	-	100	(100)	-
Other	1	-	(1)	-
International: Global Health Programme	**9**	**1,055**	**(812)**	**252**
Total	**831**	**3,623**	**(2,346)**	**2,108**

15. Analysis of Net Assets Between Funds

	Restricted Funds 2021/22	Unrestricted Funds 2021/22	Total Funds 2021/22	Restricted Funds 2020/21	Unrestricted Funds 2020/21	Total Funds 2020/21
	£'000	£'000	£'000	£'000	£'000	£'000
Fixed assets	-	2	2	-	7	7
Current assets	2,108	1,436	3,544	831	1,186	2,017
Creditors due within one year	-	(712)	(712)	-	(364)	(364)
Total	**2,108**	**726**	**2,834**	**831**	**829**	**1,660**

16. Related Party Transactions

In 2021/22 there were no related party transactions (2020/21: £Nil).

There was no debtor balance at the year-end (2020/21: £Nil).

We would like to thank:

Our **donors and funders** including: the UK Foreign, Commonwealth and Development Office, the Netherlands Ministry of Foreign Affairs, the Swedish Ministry of Foreign Affairs, UNOPS, Carnegie Corporation of New York, GlaxoSmithKline, Fairness Foundation, Julia and Hans Rausing Trust, Joffe Charitable Trust, Joseph Rowntree Charitable Trust, Luminate, Open Society Foundations, Marsh Charitable Trust, PF Charitable Trust, David and Elaine Potter Foundation, Sigrid Rausing Trust, Tinsley Charitable Trust, Trust for London, Jane Thurnell-Read, University of Sussex and individual supporters and those who request anonymity.

Our **Business Integrity Forum members** at 31 March 2022: ABRDN, Anglo American, Barclays, BHP Group, Brunel, CDC (British International Investment), Clifford Chance, Control Risk Group, Crown Agents, DLA Piper, FTI Consulting, Genel Energy, GlaxoSmithKline, Grant Thornton UK, HSBC, IHG, LexisNexis, Lloyds Bank, Meggitt, National Grid, Natwest, New Age (African Global Energy), Norton Rose Fulbright, Orange UK, Oxford University Press, PwC, RB Group, RBS, RPC, Santander, Shell International, Siemens, Subsea 7, Tullow Oil, Unilever and Vodafone Group.

We thank: CDC (British International Investment) and GlaxoSmithKline for their contribution to the Thought Leadership programme, and Huawei, Johnson & Johnson and Stora Enso for their participation in the Standalone Benchmark programme.

Our **Advisory Council members:** David Nussbaum, President, Edward Bickham, Laurence Cockcroft, Jane Ellison, Phil Mason, Baroness Sugg and Lord Wills. Peter Berry CMG stepped down as President during the year and we express our appreciation for his significant contribution to TI-UK since its founding in 1993. We also recognise with appreciation Lord Chidgey who sadly passed away. Karina Litvak stepped down after ten years and we thank her for all the contributions she made.

Statutory Information

Transparency International – UK
(a company limited by guarantee)

Registered Address:
10 Queen Street Place, London EC4R 1AG
Registered Charity Number: 1112842
Registered Company Number: 02903386

External advisors

Auditors:

Haysmacintyre LLP
10 Queen Street Place, London, EC4R 1AG

Bankers:

HSBC Plc
PO Box 41, High Street, Uxbridge, Middlesex, UX8 1BY

Solicitors:

Bates Wells
10 Queen Street, London, EC4R 1BE

Clifford Chance
10 Upper Bank Street, London, E14 5JJ

Senior Leadership Team (July 2022)

Daniel Bruce: *Chief Executive*

Colin Munro: *Chief Operating Officer / Company Secretary*

Sara Bandali: *Director of International Engagement*

Duncan Hames: *Director of Policy & Programmes*

Naomi Neiland: *Director of Development, Communications & Impact*

Sophie Ogilvy: *Director of Strategic Partnerships*

Transparency International UK
10 Queen Street Place,
London,
EC4R 1AG

transparency.org.uk

Twitter: @TransparencyUK

Transparency International UK
Registered charity number 1112842
Company number 2903386

TRANSPARENCY INTERNATIONAL UK

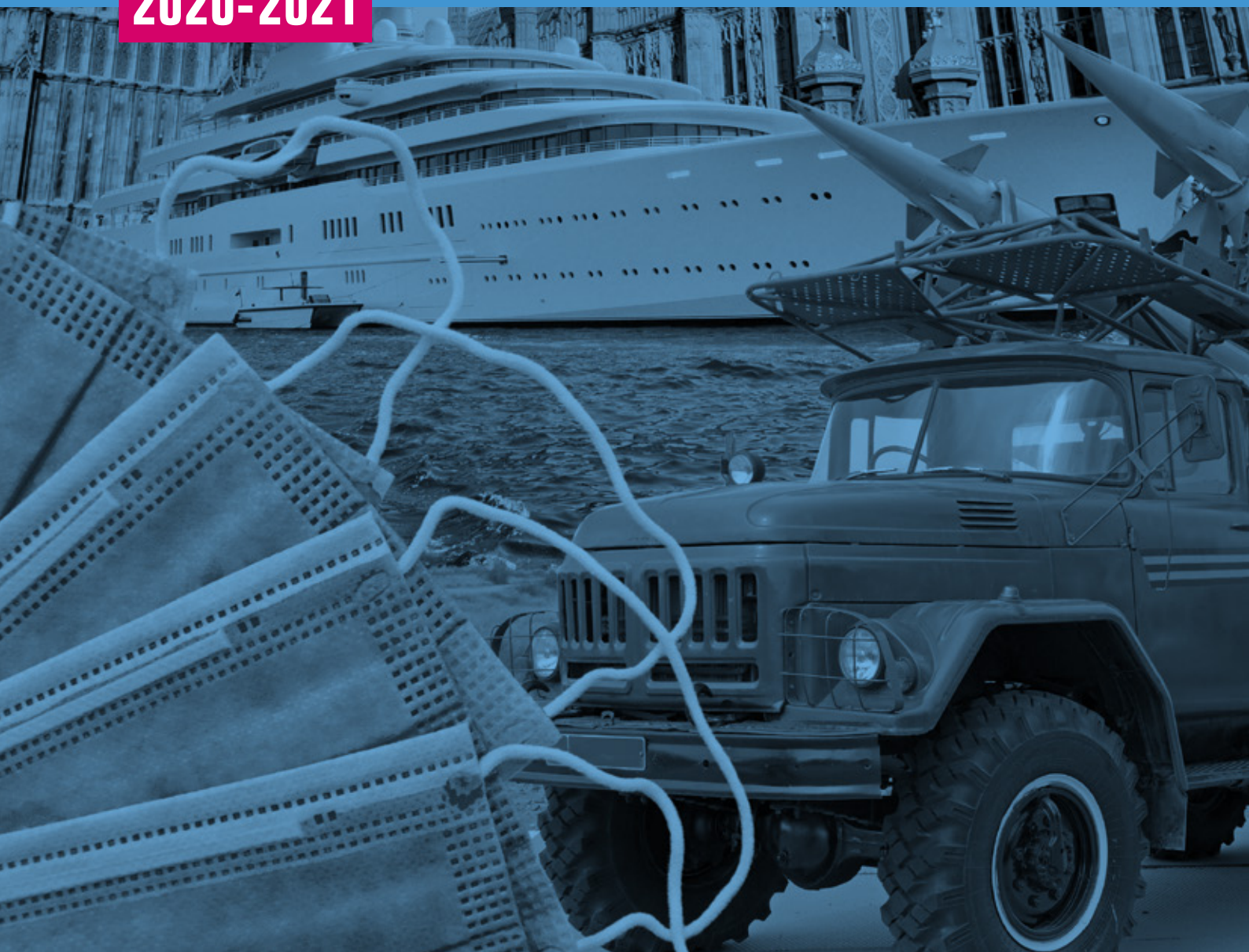
England & Wales - Charity number 1112842

Accounts

TRANSPARENCY INTERNATIONAL UK
fighting corruption worldwide

ANNUAL IMPACT REPORT AND ACCOUNTS

2020-2021



Transparency International is a global movement sharing one vision: a world in which government politics, business, civil society and the daily lives of people are free of corruption.

Transparency International UK is the UK national chapter of this movement. Our work with the British government, parliamentarians, and the private sector plays a critical role in tackling corruption at home, addressing the UK's global corruption footprint and helping multinational companies prevent corruption by operating with integrity. We are also home to two major global programmes tackling corruption in the Defence and Security sector and Global Health on behalf of the wider Transparency International movement.

Our Vision

is a world in which government, business, civil society, and the daily lives of people are free from corruption.

Our Mission

is to stop corruption, promote integrity and, to that end, hold power to account for the common good.

CONTENTS

From the Chair and The Chief Executive 4

Our Themes 7

Corruption Perceptions Index 8

Corruption and the UK 9

Business Integrity 13

Global Standards 16

Defence and Security 19

Global Health 24

Events and Outreach 27

What's next: strategy 2021-2030 30

Annual Report & Accounts 32

FROM THE CHAIR AND THE CHIEF EXECUTIVE

Welcome to our Annual Report for the year ended 31 March 2021. The COVID-19 pandemic dominated the year for Transparency International UK as it did for so many organisations. It also underscored the importance of our work at a time when protecting the public's resources, building integrity in the public and private sector and ensuring those who would exploit the crisis for their own gain do not go unpunished could not be more critical.

We rapidly adapted to new ways of working and expanded our focus to include the impact of the pandemic on corruption and transparency. It quickly became clear that the pandemic was the perfect opportunity for the corrupt to operate unhindered while the rest of the world was focused elsewhere.

As the virus claimed millions of lives globally, normal checks and controls were jettisoned by governments around the world, the UK included, in the race for essential supplies. As a result, the risk of corrupt activity increased with its attendant threats to public finances and the overall effectiveness of national responses.

COVID-19 and Corruption

From public procurement to transparency in COVID vaccine and treatment clinical trials, key achievements this year include our work exposing and working to prevent corruption during the pandemic.

Our *Track and Trace* report, which involved months of research and analysis, lays bare how personal protective equipment (PPE) and other COVID response contracts in the UK worth billions of pounds were allocated in what appears to be a partisan and systematically biased way, raising red flags for possible corruption.

The reaction to our investigation was swift and extensive. It was cited in House of Commons debates by MPs, and extensively covered by a wide range of influential media. Our robust evidence will, we hope, feed into the public inquiry into Coronavirus in the UK when it begins in 2022.

We also turned our attention to an equally concerning aspect of the pandemic in *For Whose Benefit*, our investigation into the lack of transparency in COVID-19 vaccine trials and secrecy over vaccine contracts. We found only 12% of COVID vaccine clinical trial protocols were published and only 6% of vaccine contracts worldwide were publicly available. Full publication of trial data is critical for public health and, in this age of vaccine hesitancy, building all-important public confidence.

Global Health

Our work promoting transparency in health procurement – the focus of our multi-year Open Contracting for Health project – could not have been more timely.

Working in close collaboration with our partner Transparency International chapters in five Sub-Saharan and South Asian countries, it brought about real change at a time when transparent procurement of health supplies and infrastructure was more critical than ever. Zambia adopted new procurement legislation. Uganda is piloting a new online procurement system, and the Kenyan President has committed to COVID-19 procurement contracts being published online.

Dirty Money

Following years of public campaigning, 2020 saw a significant step forward in our work to stop the flow of dirty money into the UK. The British Virgin Islands (BVI), the Overseas Territory of choice for those seeking to set up companies to hide the proceeds of corruption, finally committed to introducing public beneficial ownership registers alongside the UK's other offshore financial centres. It is a key step in shutting down a major hub for dirty money and will significantly reduce Britain's role as a facilitator of global corruption.

Meanwhile the UK Government also announced it would be introducing a series of reforms to corporate transparency in the UK. These will include new measures to check the identity of those forming and controlling companies in the UK, although legislation to make this happen is yet to find parliamentary time.

In March 2021 we were called to give evidence to the UK's Standards Watchdog, the Committee on Standards in Public Life (CSPL) about the guidelines for integrity in public office in the wake of at least 30 potential breaches of parliamentary and ministerial rules in 2020. Our position was clear: current checks and balances are no longer working and the Ministerial Code should become legally binding.

Local government, and specifically the corruption and conflict of interest risks in planning decisions, was the focus in our *Permission Accomplished* report. Its recommendations have already been taken up and endorsed by councils, local politicians and an MP around the country.

Business Integrity

As UK businesses increasingly look to trade outside of Europe post-Brexit, many find themselves facing serious corruption risks as they operate in new jurisdictions. To underscore this new reality, visits to our free Global Anti-Bribery Guidance jumped by nearly 69% this year as businesses rush to seek guidance on how to operate safely.

With the rise of bribery and corruption risks in the corporate world, our Business Integrity team's major report of the year, *Make It Count*, makes a compelling case for companies to ensure their Anti-Corruption programmes are effective, rather than just tick box compliance. It has been highly praised by senior figures from some of the UK's biggest businesses. It will be used in the coming months to encourage others to follow suit.

Defence and Security

With two major pieces of work coming to fruition in the year, it's been a bumper 12-months for our Defence and Security programme.

After two years of research and analysis into the multi-million-dollar global arms industry, we published the 2020 Defence Companies Index on Anti-Corruption and Corporate Transparency (DCI). It is the only global index that measures the commitment to transparency and Anti-Corruption of the world's notoriously secretive leading defence companies. Disturbingly, it found that nearly three-quarters of them show little to no commitment to tackling corruption.

The programme also published the latest Government Defence Integrity Index (GDI) data for Eastern Europe. The index assesses the vulnerability to corruption of a country's defence institutions. Letters were received from the Ministers of Defence in North Macedonia and Latvia commending the work for helping them to improve transparency and accountability. The final GDI global results will be released at the end of 2021, concluding a mammoth multi-year project.

Global Standards

Our project monitoring the global commitments made at the 2016 London Anti-Corruption Summit wound up in March 2021. *From Practice to Impact* took stock of progress made on 180 commitments by around 20 countries in the key areas of beneficial ownership transparency, asset recovery, public procurement and whistleblowing protection.

The overall trend over the past two years has been gradual progress towards higher implementation of commitments – an increase of 18 per cent, from 60 per cent in October 2018 to 77 per cent in October 2020.

Fiona Thompson

Trustee Chair

Daniel Bruce

Chief Executive

Advocacy

Our robust research has created a strong foundation this year for compelling advocacy with the UK government and private sector. Media coverage of our reports and calls for action have soared too, domestically and globally. Our Track and Trace report, for instance, achieved more than 293 mentions in national and global media.

We are particularly proud of these achievements in what has been such a challenging year for everyone.

Like many charities, fundraising and income generation was hampered by the pandemic. During the year, we had to take some difficult decisions in relation to our people and the future size of the organisation in order to remain financially resilient. Our annual planning and budgeting for 2021/22 has successfully adapted to meet these risks.

Throughout the year, we worked through the constraints of an almost entirely 'virtual setting' to complete our new ten-year strategy. Launched in February, *Stopping Corruption, Promoting Integrity* is aimed at improving policy, advancing practice in public and private sectors, and promoting action to fight against corruption. In recognition of how the techniques used by the corrupt are constantly evolving, this new strategy includes a new focus on technology, including Artificial Intelligence and cryptocurrencies.

We believe that this year has been a stark reminder of the need to keep up the fight against corruption. We thank all of our supporters for making this possible.

OUR THEMES

UK corruption

The UK requires strong institutional defences against corruption, backed up by a culture of integrity in public institutions.

Dirty Money

The UK has a responsibility to ensure there are adequate defences against money laundering, backed up by transparency, accountability, and an adequate legal framework and law enforcement.

Role of Private sector

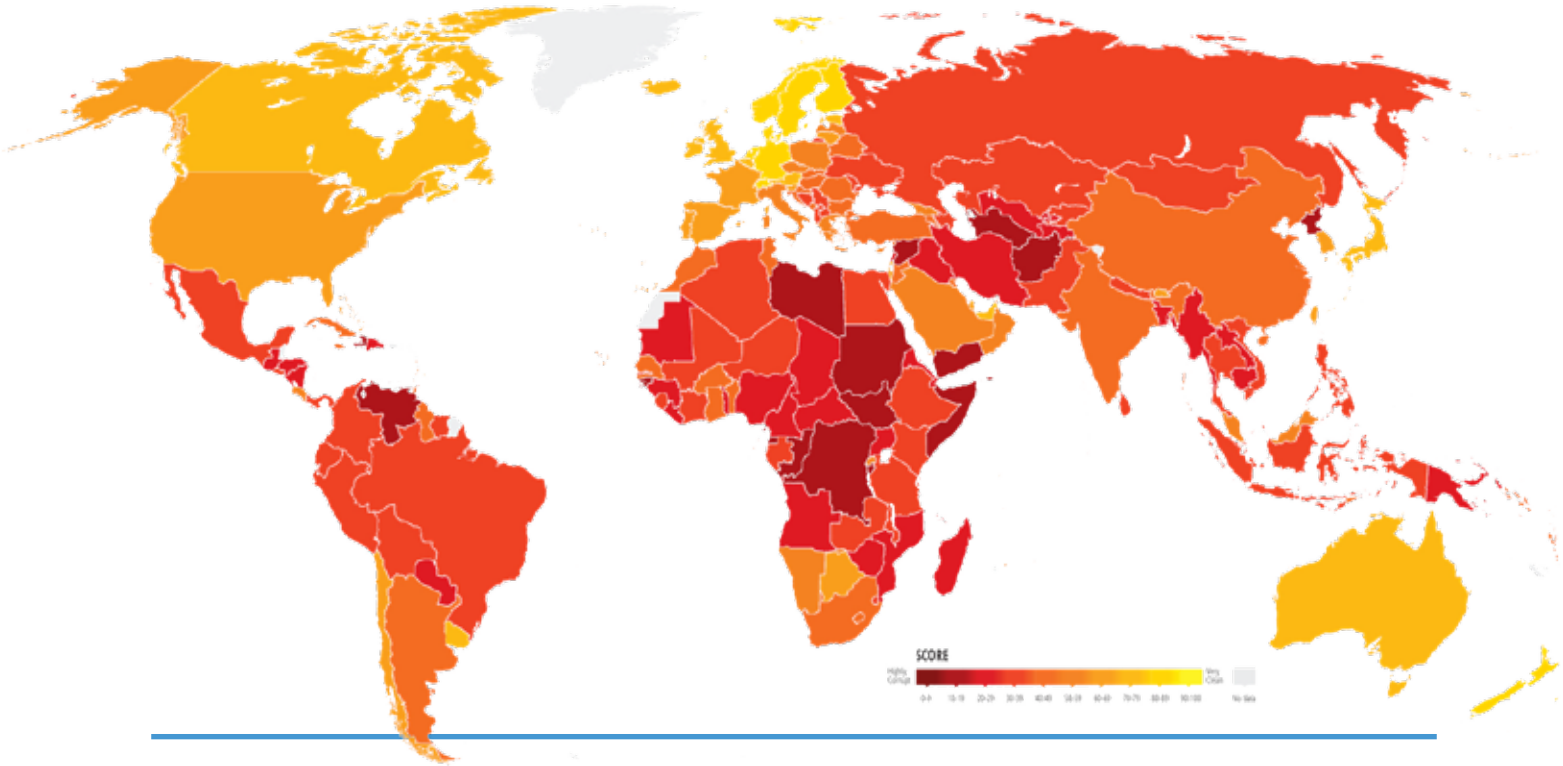
The private sector is a key player in the fight against corruption and must be held to account when complicit.

Defence & Security

Powerful, secretive and vulnerable to corruption, when the governance of defence fails, it can lead to instability and conflict, draining vital resources. We aim to break corruption's role in this vicious cycle.

Global Health

Corruption in global healthcare is widespread, and has a direct, immediate and highly damaging human impact.

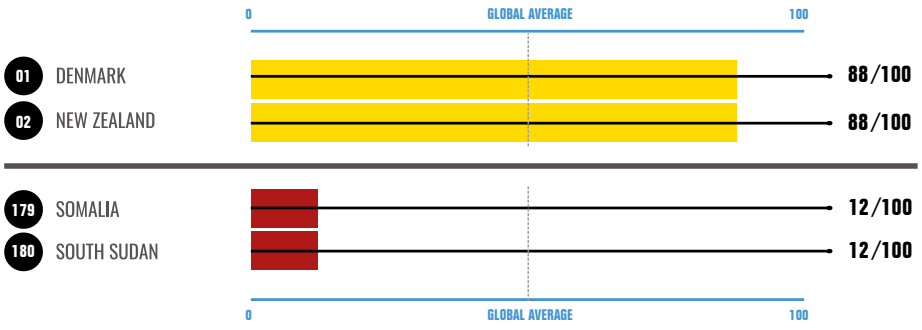


CORRUPTION PERCEPTIONS INDEX

Transparency International's annual Corruption Perceptions Index (CPI) went ahead despite the pandemic and underscored how corruption remains a persistent and growing issue for most countries. The CPI scores and ranks 180 countries and territories based on how corrupt their public officials and institutions are perceived to be by business leaders and experts.

Two-thirds of countries scored less than 50 out of 100, with the average score 43, underlining the threat posed by bribery, diversion of public funds and the use of public office for private gain.

TOP COUNTRIES



BOTTOM COUNTRIES

Denmark *(88)* and **New Zealand** *(88)* tied for first place. **Syria** *(14)*, **Somalia** *(12)* and **South Sudan** *(12)* came last.

The **UK**'s score *(77)* remained stagnant and outside the top ten for the second year running, sending a clear signal, backed up by the year's events, that there must be no complacency when it comes to the integrity of our own public institutions.

CORRUPTION AND THE UK

We have seen momentum growing considerably this year towards achieving our long-term goals of beneficial ownership registers across the UK and its territories, as well as increased corporate transparency. A combination of our robust evidence-based research and targeted advocacy have been key to significant developments over the last 12 months. But we are keenly aware that we will need to keep up the pressure to get government commitments over the line into law.

Protecting the public's resources has also been central to our work in this pandemic year when shortages of medical supplies and equipment regularly dominated headlines. Our investigations into COVID-response procurement and NHS England commissioning processes have played a critical role in the public debate about the integrity of our systems.

Stopping the Flow of Dirty Money

Following years of public campaigning by Transparency International and other charities and activists, the British Virgin Islands (BVI) finally committed to introducing public beneficial ownership registers alongside the UK's other offshore financial centres. Our previous research identified at least 1,201 companies incorporated in this jurisdiction in 90 per cent of major corruption cases with a nexus to the Overseas Territories. Lifting the veil of secrecy over corporate ownership in this territory will help close down one of the world's major hubs for money laundering.

In the same month, the Government announced its intention to introduce a series of sweeping reforms to corporate transparency in the UK. Following the revelations in our publication: **Hiding in Plain Sight**, and our subsequent advice, it proposes to include measures to check the identity of those forming and controlling companies in the UK. When implemented, this should close a major loophole that has allowed the abuse of legal entities here in some of the biggest corruption scandals in recent history.

A series of collaborations with journalists and our own investigations' capability has helped keep up pressure for concerted action on the UK's Dirty Money problem.

Protecting the Public's Resources

Our study of public procurement in the UK during the pandemic, **Track and Trace**, revealed that more than 20 percent of money spent by the government on purchases in response to COVID-19, raised red flags for corruption, and appeared biased in favour of those with political access. We reviewed nearly 1,000 Personal Protective Equipment (PPE) and COVID response contracts worth a total of £18 billion; seventy-three contracts, worth more than £3.7 billion, raised one or more red flags for possible corruption, including contracts awarded to those with political connections to the Conservative Party, and others to companies with no track record of supplying goods or services. The report was cited in the House of Commons and widely covered in influential media, appearing in 293 news stories. We will be using the coming year to further advocate for our recommendations to be implemented in the wake of the Government's Green Paper on procurement.

As the UK government announced reforms to local NHS commissioning in England, our report **Declare Conflicts, Manage Interests, Protect the NHS** identified conflicts of interest in the outgoing system that put substantial amounts of public money at risk and should not be repeated. There is a significant opportunity in the coming year to address critical issues including poor management of potential conflicts of interest and inadequate clarity over responsibility for key decisions relating to billions of pounds of public money.

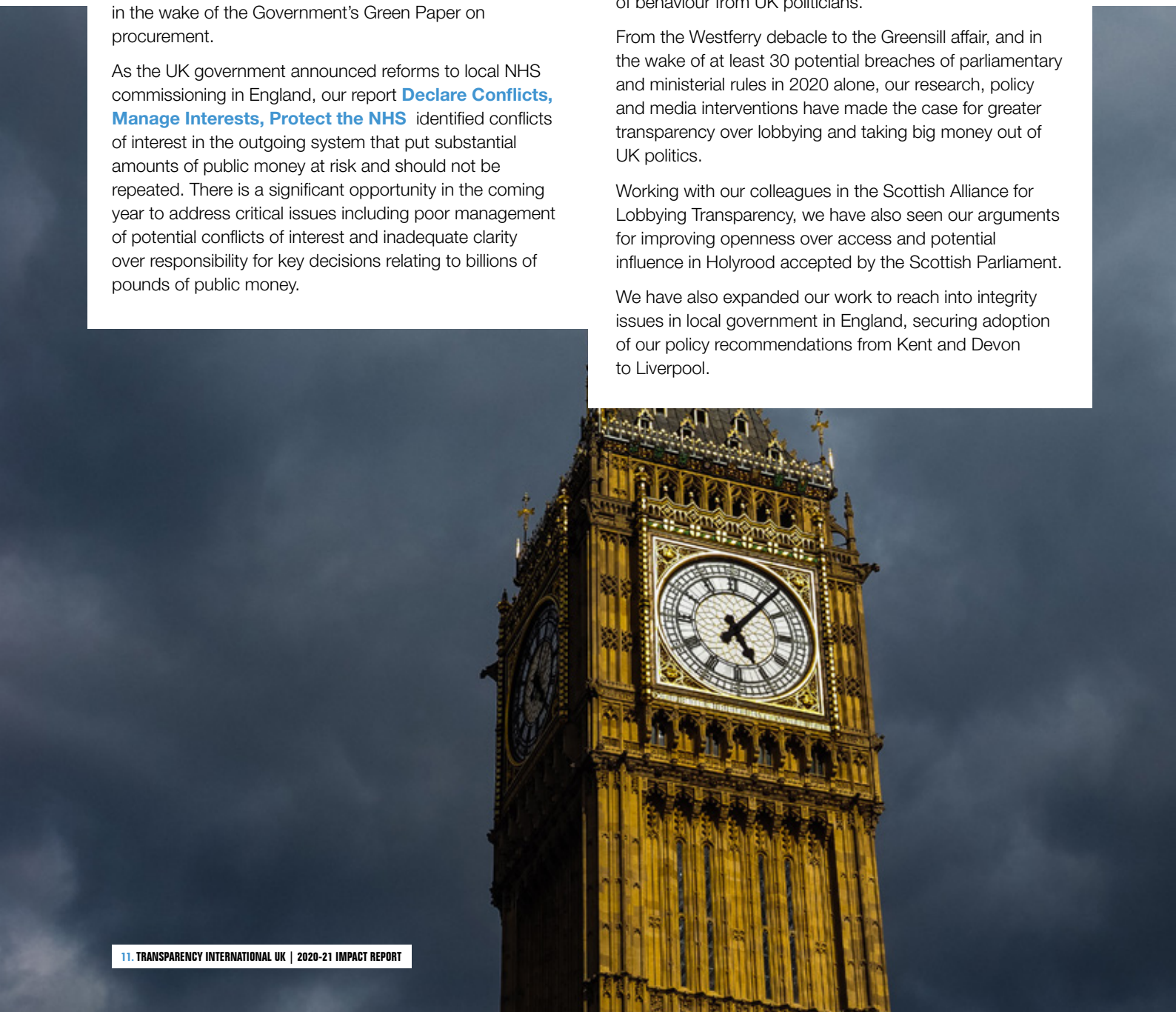
Securing Integrity in Politics

The attention created by political scandals over the last year has helped us to push for improvements to secure greater integrity in public office. We gave evidence to the UK Committee on Standards in Public Life (CSPL) in March about the guidelines for integrity in public office. We called for tougher sanctions, including the Ministerial Code to become legally binding, to ensure high standards of behaviour from UK politicians.

From the Westferry debacle to the Greensill affair, and in the wake of at least 30 potential breaches of parliamentary and ministerial rules in 2020 alone, our research, policy and media interventions have made the case for greater transparency over lobbying and taking big money out of UK politics.

Working with our colleagues in the Scottish Alliance for Lobbying Transparency, we have also seen our arguments for improving openness over access and potential influence in Holyrood accepted by the Scottish Parliament.

We have also expanded our work to reach into integrity issues in local government in England, securing adoption of our policy recommendations from Kent and Devon to Liverpool.



DOWNLOAD REPORT

PERMISSION ACCOMPLISHED

Permission Accomplished highlighted the corruption risks in planning decisions in local government. Since the report launch in July 2020, we have been working with councils across England to improve essential safeguards against councillor impropriety in this process.

Liverpool City Council, one of the authorities featured in our report, has been rocked by a police investigation into alleged bribery and witness intimidation relating to local property deals. Working with a local MP, we created a 10-point plan for reducing the risk of this recurring. This was endorsed by the majority of candidates in the election for City Mayor, including the successful candidate in the May 2021 election.

Following our recommendations, East Devon District Council has updated rules on councillors' meetings during the pre-application stage for major projects.

Folkestone and Hythe Council has improved its planning protocol and the way transparency data, such as registers of gifts and hospitality, are published in response to the report. It has also improved the reporting of the outcome of complaints against councillors – one of our key proposals.

BUSINESS INTEGRITY

Businesses the world over struggled to survive the brutal economic climate brought on by the pandemic. In the UK, companies faced a double whammy of COVID-19 and Brexit turning their trading environment upside down. The reverberations of both will be felt for many months to come. What is clear is that Brexit has meant many UK businesses have begun to trade in new riskier jurisdictions, outside Europe, with less zealous approaches to fighting corruption.

Improving Business Practice: Online Training, Guidance, and Events for Businesses

Online courses have come into their own this year, with employees working remotely and in some cases with more time on their hands. Our 'Doing Business without Bribery' online training continues to be used by companies looking for free or customisable training for their teams. Our regularly updated Global Anti-Bribery Guidance portal which gives the latest information on legislation and regulations has seen a 69 percent increase in visitors this year. Total visits jumped from 10,166 to 17,182.

Business Integrity Forum and Anti-Corruption Benchmark

Our Business Integrity Forum and Anti-Corruption Benchmark, which measures and compares Anti-Corruption programmes, brought together leading FTSE 100 businesses to brainstorm and collaborate on approaches to fighting corruption. We hosted six events with expert speakers throughout the year for our Business Integrity Forum and four in-depth roundtable discussions for participants in our Anti-Corruption Benchmark. Topics included: Corporate Political Engagement; Artificial Intelligence and Anti-Corruption; Measuring the Effectiveness of the Corporate Approach to Anti-Corruption; Europe and Russia Corruption Risk Roundtable; and Joint Ventures, Mergers and Acquisitions.

Measuring Effectiveness of Anti-Corruption Approaches in Business

With businesses pouring huge sums into legally required Anti-Corruption and Anti-Bribery programmes, our report **Make it Count** highlights how critical it is to understand their impact. Our research highlights how companies lack guidance and resources to assess whether their approach to Anti-Corruption is working. It is based on a series of in-depth interviews with compliance professionals from major multinationals, academics and other Anti-Corruption professionals. It serves as a guide and provides solutions to challenges companies are likely to face, offering initial practical steps to begin measuring the effectiveness of Anti-Corruption approaches. By measuring which actions have the most impact and adapting their approach accordingly, companies can help prevent corruption in their operations, build investor confidence, and improve their bottom line. The report has already been highly praised by leading compliance professionals in some of the UK's biggest companies. In the year ahead, we will use the report to influence the debate around Anti-Corruption best practice.

Advocacy

We contributed to **Exporting Corruption**, Transparency International's bi-annual report for the OECD Anti-Bribery Working Group, which was published this year.
It assesses which countries are actively enforcing corporate foreign bribery laws. It holds law enforcement agencies to account for their role in ensuring the UK Bribery Act is a credible deterrent.

DOWNLOAD REPORT

BUSINESS INTEGRITY ADVOCACY – 'OPEN BUSINESS'

Targeted advocacy aimed at the government and the private sector is a core part of our approach to influencing and driving integrity and increased transparency in business. Our 2020 report, ***Open Business*** set out the case for greater corporate transparency to reduce corruption risk and build consumer, investor and public trust. It presents a realistic roadmap to better corporate practice with principles companies can apply to their specific needs.

Using the report's findings, we have been working to ensure legislatures, standard setters and companies include robust requirements for Anti-Corruption transparency. We contributed to the EU Non-Financial Reporting Directive consultation to improve company Anti-Bribery and corruption reporting. We also participated in the Church of England Pension Trust consultation on climate lobbying disclosures, the ICC consultation on Whistleblowing Guidance, a Financial Reporting Council consultation on the Future of Corporate Reporting, and the World Benchmark Alliance methodology consultation.

GLOBAL STANDARDS

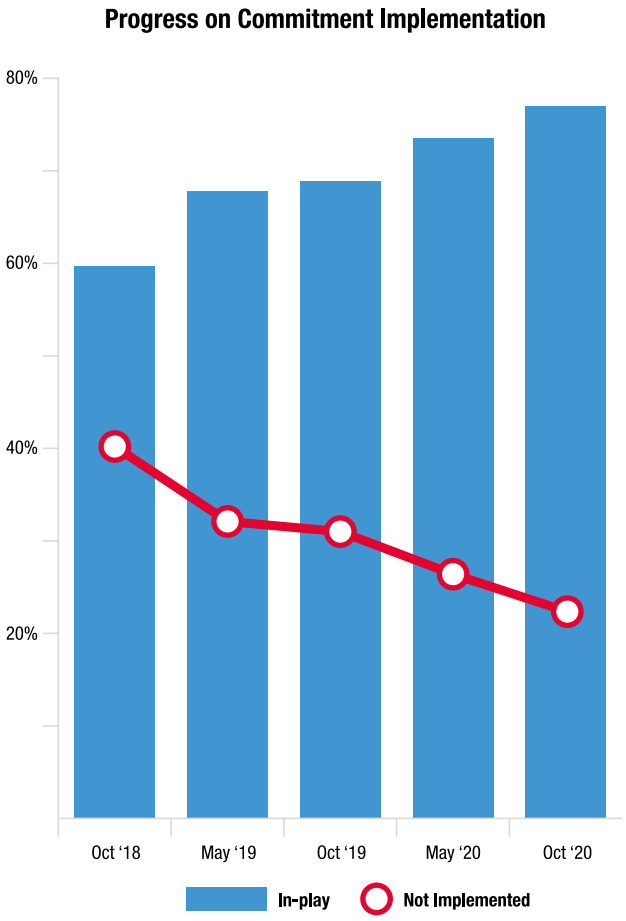
Promise to Practice: Following the London Anti-Corruption Summit Commitments

This year marked five years since the landmark 2016 London Anti-Corruption Summit, where 43 countries signed up to ambitious targets to reduce corruption and its toll on their citizens. In total 648 commitments were made, though no formal monitoring process was established. Transparency International's Promise to Practice project took up that task, monitoring the progress of commitments made by around 20 countries. Our approach centred on grassroots advocacy, by working with national partners to build pressure for the implementation of commitments specifically in Afghanistan, Jordan, South Africa, Sri Lanka and the UK. As the project came to an end in March 2021 **From Practice to Impact** assessed the impact it had on bringing those commitments to life.

It is an encouraging picture. The overall trend over the past two years of the project highlights gradual progress towards higher implementation of key commitments in Beneficial Ownership Transparency, Asset Recovery, Public Procurement and Whistle-blower Protection.

Between October 2018 and October 2020 there was an 18 percent increase in overall implementation from 60 to 77 percent (see graph). Commitments on whistle-blower protection and asset recovery fared particularly well; 91 percent and 87.5 percent of commitments respectively are in the process of or have been implemented.

Highlights include the Afghan cabinet recently approving a regulation on beneficial ownership, after consultation with civil society and the publication of an online version to allow for public comments. In Jordan, the Government is exploring beneficial ownership reform and is drafting new laws on political financing and illicit finance. It has also given power to its Integrity and Anti-Corruption Commission to seize and freeze assets in cases of suspected money laundering. In Sri Lanka, work is ongoing to establish a victims and witness protection programme.



SOUTH AFRICA EMBRACES THE FIGHT AGAINST CORRUPTION

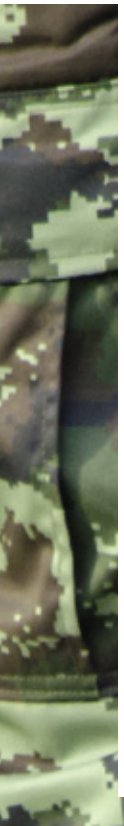
A vaguely worded statement from South Africa that it would continue to redraft its Anti-Corruption strategy was the closest South Africa came to making a commitment at the 2016 London Anti-Corruption Summit. However, Corruption Watch, Transparency International's chapter in South Africa, launched a campaign and public consultation to spread the word. In April 2019, the South African Government invited Corruption Watch to provide strategic advice and ensure its quality.

Two years later, in 2021, the country's National Anti-Corruption Strategy was passed. It incorporates best practice on Beneficial Ownership Transparency and Open Contracting Data Standards, a reflection of the influence of the Promise to Practice project. These features have been adapted to reflect the country's needs, focusing on enhanced ethical leadership across sectors, including state owned enterprises, politics, and traditional leadership in rural areas. It also incorporates Anti-Corruption measures across all sectors of society and government bodies.

DEFENCE AND SECURITY

With two major pieces of research coming to fruition this year, the last 12 months has seen meaningful engagement with governments, industry and civil society as Transparency International Defence and Security advocates for increased governance and transparency in the sector.

Key highlights have been the publication of the latest waves of data from our world-leading assessment of corruption risks in defence establishments, and publication of our analysis of Anti-Corruption processes and corporate transparency in the multi-billion-dollar global arms industry. The pandemic also created urgent new areas of work for the programme as nations around the world militarised key state functions in the name of responding to COVID-19, often with no end date in sight.



Defence Integrity in Central and Eastern Europe

The Government Defence Integrity Index 2020 (GDI) data for Central and Eastern Europe was published in December 2020, revealing the risk of corruption in each of 15 countries in the region. More than half face a high risk of corruption in their defence and security sectors – with an average score of just 48/100, based on 15 different criteria. Compounding the risk was the spiralling military expenditure in the region, as states continue to modernise their forces.

Working with Transparency International chapters in each country, the new data enabled us to build understanding of the risks faced and obtain commitments to improve defence governance.

The Index has paved the way for significant engagement with governments, Anti-Corruption officers, parliamentarians, and civil society. Eleven of the fifteen assessments that make up the index were reviewed by each government, underscoring the significance of the index. The final wave of data will be published in autumn 2021.

Defence Companies Index 2020

The **Defence Companies Index on Anti-Corruption and Corporate Transparency (DCI)** seeks to improve transparency and reduce corruption in the defence sector. It assesses the levels of commitment to these processes in the corporate policies and procedures of 134 of the world's largest defence companies across 38 countries. It is based entirely on publicly available information. Fifty-nine defence companies actively engaged with the index.

The index revealed that while many companies have publicly available ethics and Anti-Corruption programmes in place, the majority of major defence contractors are still not transparent about their policies and procedures when it comes to supply chains, agents and intermediaries, joint ventures and offsets. Since its launch in February 2021, we have presented key findings to a range of industry, legal, investor, civil society and media audiences, generating discussion and engagement with defence companies and industry associations worldwide.

COVID-19 & Defence and Security

Globally COVID-19 has significantly affected the role of defence and security sectors. We have seen the rapid increase in the militarisation of key state functions, especially of internal security sectors and the procurement and logistical aspects of the public health response. It has led to armed forces playing a leading role in policy decisions. Meanwhile, normal oversight mechanisms have been weakened by the urgency of the pandemic response. We have worked to identify and monitor these trends, and to make recommendations to limit their impact on response efforts and wider peace and stability.

Undue Influence of the Defence Sector

The programme published an innovative analysis of how the close links between the defence industry and governments in Europe are jeopardising the integrity and accountability of national security decisions. Findings from Germany and Italy reveal how defence companies can influence policy through political donations, privileged meetings with officials, funding of policy-focused think tanks and the 'revolving door' between the public and private sector. These 'pathways' can be utilised by any business sector, but when combined with the huge financial resources of the arms industry and the veil of secrecy under which much of the sector operates, they can pose a significant challenge to the integrity and accountability of decision-making processes – with potentially far-reaching consequences.

Security Sector Reform

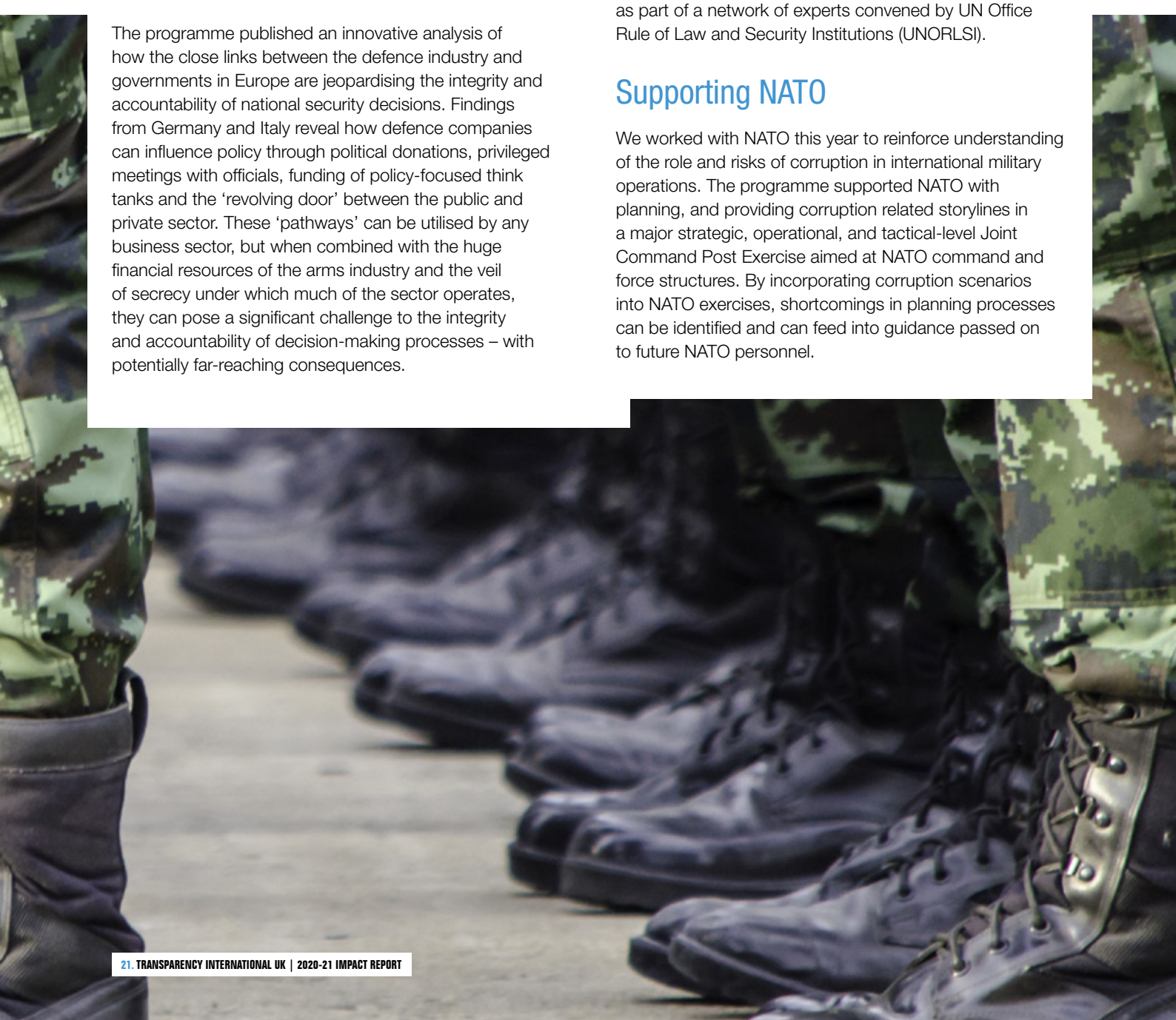
The Defence and Security programme has contributed to the debate on integrating Anti-Corruption measures into Security Sector Reform (SSR) programmes in fragile states. For decades, stability in West Africa has been severely disrupted by internal conflicts, commonly financed by the illegal sale of arms or the illicit extraction of natural resources.

Our reports **The Common Denominator** and **The Missing Element** argue that, given the significant threat that corruption presents to peace and stability in West Africa, a greater focus should be placed on Anti-Corruption work within security sector reform and governance (SSR/G) in order to achieve long-lasting peace.

Following these reports, we have been asked to contribute as part of a network of experts convened by UN Office Rule of Law and Security Institutions (UNORLSI).

Supporting NATO

We worked with NATO this year to reinforce understanding of the role and risks of corruption in international military operations. The programme supported NATO with planning, and providing corruption related storylines in a major strategic, operational, and tactical-level Joint Command Post Exercise aimed at NATO command and force structures. By incorporating corruption scenarios into NATO exercises, shortcomings in planning processes can be identified and can feed into guidance passed on to future NATO personnel.



DOWNLOAD REPORT

PROGRESS (UN)MADE

Progress (UN)made, Defence Governance in Central and Eastern Europe, sets out five key areas of defence governance where improvements are urgently needed to mitigate corruption risks: parliamentary oversight, defence procurement, transparency and access to information, whistleblowing, and military operations.

Our national partners in Ukraine and Macedonia held high-profile launch events with government representatives; Transparency Lithuania briefed the parliamentary Defence and Security Committee. We worked closely with our national partners, providing briefings and advice for governments, parliaments and the media. Following the report launch, the Defence Ministers of North Macedonia and Latvia wrote to us, commending the project for helping them to improve transparency and accountability.

GLOBAL HEALTH

The pandemic could not have been a more brutal reminder that well-managed, transparent and corruption-free health systems are the most effective way to ensure as many people as possible get the health care they need.

Even before the pandemic, corruption drained over US$500 billion from health systems around the world every year. Over the last year, Transparency International Global Health has worked to highlight and implement solutions to prevent opportunities for corruption, improving the global COVID-19 response; from clinical trials and research to procurement and health care delivery.

COVID-19 Vaccines

For Whose Benefit, our analysis of clinical trial data for the world's top COVID-19 vaccines and nearly 200 contracts for vaccine sales revealed a pattern of poor transparency and governments censoring key details of their orders.

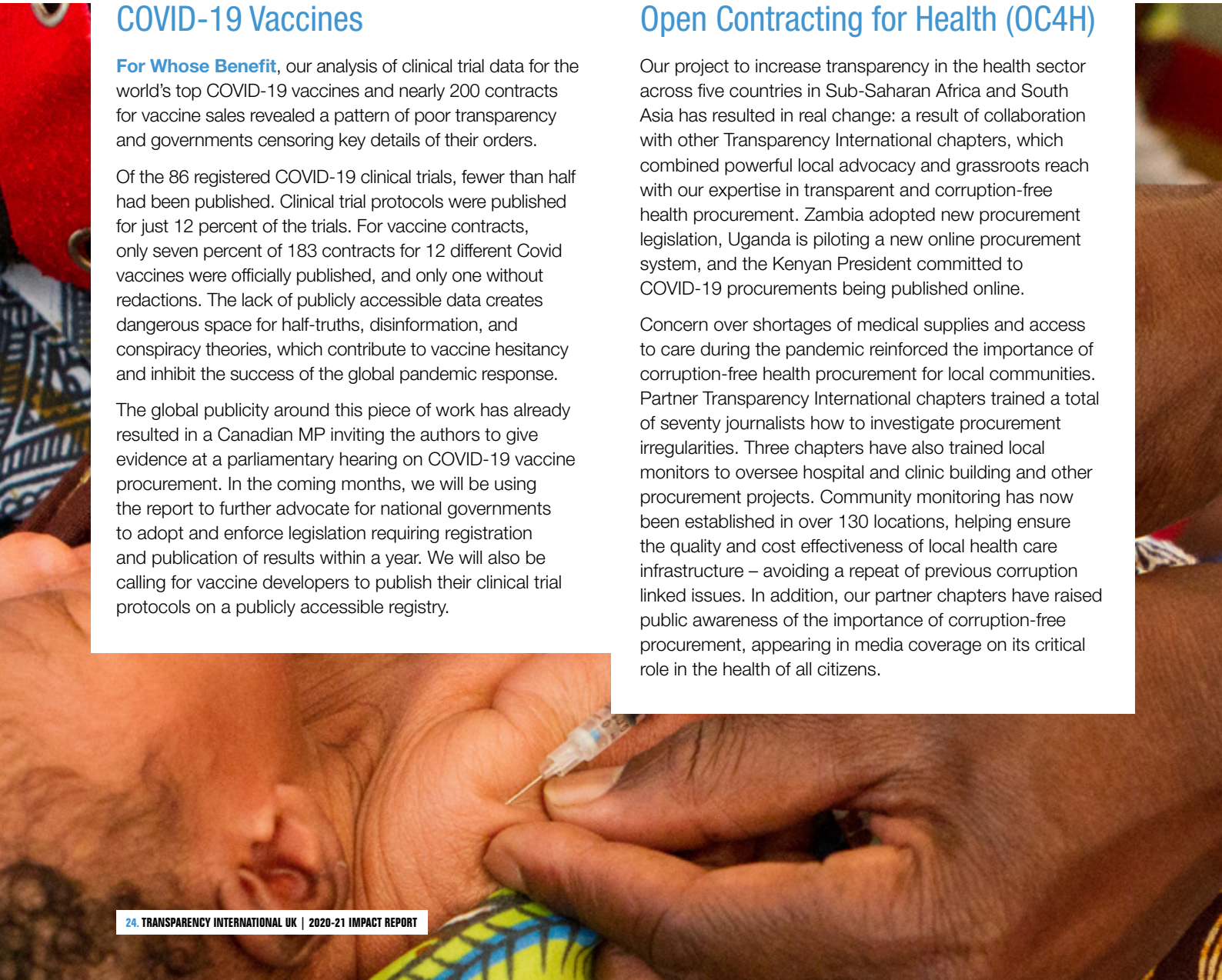
Of the 86 registered COVID-19 clinical trials, fewer than half had been published. Clinical trial protocols were published for just 12 percent of the trials. For vaccine contracts, only seven percent of 183 contracts for 12 different Covid vaccines were officially published, and only one without redactions. The lack of publicly accessible data creates dangerous space for half-truths, disinformation, and conspiracy theories, which contribute to vaccine hesitancy and inhibit the success of the global pandemic response.

The global publicity around this piece of work has already resulted in a Canadian MP inviting the authors to give evidence at a parliamentary hearing on COVID-19 vaccine procurement. In the coming months, we will be using the report to further advocate for national governments to adopt and enforce legislation requiring registration and publication of results within a year. We will also be calling for vaccine developers to publish their clinical trial protocols on a publicly accessible registry.

Open Contracting for Health (OC4H)

Our project to increase transparency in the health sector across five countries in Sub-Saharan Africa and South Asia has resulted in real change: a result of collaboration with other Transparency International chapters, which combined powerful local advocacy and grassroots reach with our expertise in transparent and corruption-free health procurement. Zambia adopted new procurement legislation, Uganda is piloting a new online procurement system, and the Kenyan President committed to COVID-19 procurements being published online.

Concern over shortages of medical supplies and access to care during the pandemic reinforced the importance of corruption-free health procurement for local communities. Partner Transparency International chapters trained a total of seventy journalists how to investigate procurement irregularities. Three chapters have also trained local monitors to oversee hospital and clinic building and other procurement projects. Community monitoring has now been established in over 130 locations, helping ensure the quality and cost effectiveness of local health care infrastructure – avoiding a repeat of previous corruption linked issues. In addition, our partner chapters have raised public awareness of the importance of corruption-free procurement, appearing in media coverage on its critical role in the health of all citizens.



Emergency Procurement Tracker

Global Health has also been investigating transparency and equity issues in the COVID response with our Emergency Procurement Tracker, a portal created to analyse emergency procurement information and map key equity statistics. Data from five countries, Kenya, the Kyrgyz Republic, Mexico, Moldova and the UK has been fed into the tracker in this first stage of the project. The tracker enables easy visualisation and cross-country comparisons on COVID-19 procurement. It highlights red flags for corruption and the cost of national responses, helping civil society and governments to understand their procurement decisions during the pandemic and to advocate for stronger, more transparent health systems going forward.

Corruption in Healthcare Delivery

We also published **The Ignored Pandemic Behind COVID-19: the impact of corruption on healthcare service delivery**, a follow up to our earlier **Ignored Pandemic** report. The study looked at the forms of corruption in healthcare service delivery being seen during the COVID-19 pandemic, bringing together examples from around the world.

UGANDA'S PROCUREMENT MONITORS

In Uganda, the national Transparency International chapter has trained community monitors to watch over the building of health centres and other construction as part of the Open Contracting for Health (OC4H) project. In Lira County, Aisha Ayebare from Kigando Rweishama council was trained to lead a team of community monitors who oversaw the upgrade and expansion of a health centre so that it could house a maternity ward and diagnose and treat complex medical issues.

Aisha and her team had access to the building contracts, observed all aspects of the construction process and worked closely with the district engineer and site foreman. Aisha said, "We had been taught how to monitor works and we were able to make sure that the contractors used the specified materials in the right quantities, to the required standard." Underscoring the value of the monitors, in one incident, a contractor tried to use poor quality bricks, rather than those that had been paid for. The monitors tested the bricks and informed district officials who ensured the building materials were replaced, averting a future building collapse as had happened previously.

A YEAR IN EVENTS AND OUTREACH

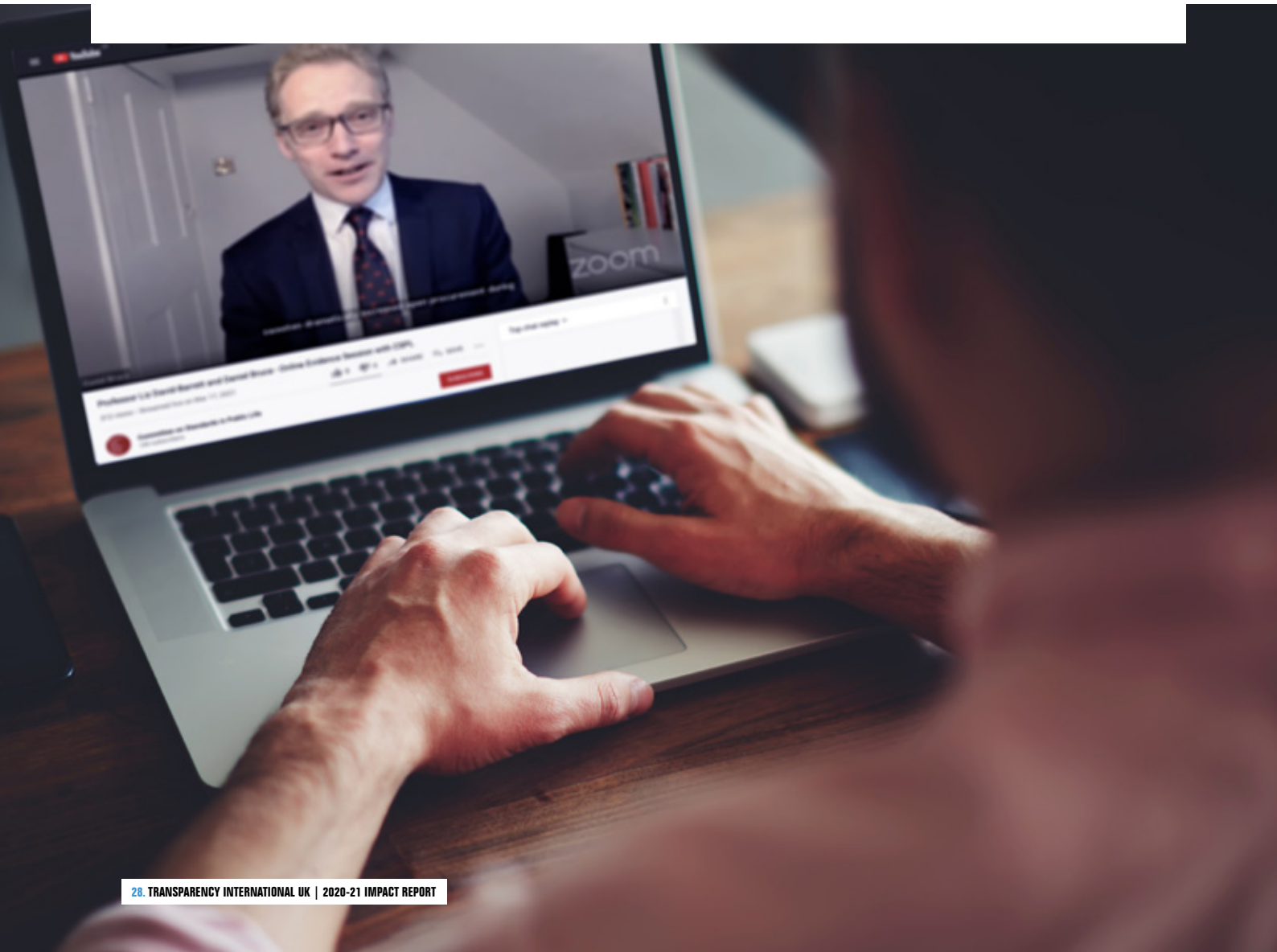
With the pandemic ruling out in-person events, we turned to virtual platforms to keep up the momentum for legislative change and to amplify our calls for action. With participation in government hearings, global coalitions, and expert panels, combined with a 350 percent year on year increase in influential UK and global media coverage, we have kept the issue on the agenda despite the pandemic.

We continue to Co-Chair the UK Anti-Corruption Coalition and we are active members of the Joint Money Laundering Intelligence Taskforce (JMLIT) bribery and corruption working group. We are also members of Publish What You Pay UK and Action for Global Health (AfGH).

KEY EVENTS

Key events in which we participated this year included giving evidence to the UK Committee on Standards in Public Life and to the House of Common Standards Committee on MPs' Code of Conduct, the International Anti-Corruption Conference, the Organisation for Economic Co-operation and Development (OECD) Anti-Corruption and Integrity week, World Bank Public Healthcare Procurement during the Pandemic and the International Code of Conduct Association (ICoCa)

We did however postpone our annual lecture to winter 2021, with the hope we will be able to stage an in-person event.



OUTREACH

Social media –

Twitter; **1.69 million** impressions, **3,194** new followers.
72% annual increase in growth of followers.

LinkedIn; **171,360** impressions, **3,242** new followers.
201% annual increase in growth of followers.

Websites –

- TI-UK: **186,439** visitors
- TI-Defence and Security **18,587**
- TI-Global Health: **13,872**

Media –

1,424

quotes, interviews and citations.

287% annual increase.

WHAT'S NEXT: OUR STRATEGY 2021-2030

In February 2021 we launched our new ten-year strategy, ***Stopping Corruption, Promoting Integrity***. It builds on our achievements and the momentum we have created in key areas of the fight against corruption in the UK, where the UK has influence and in defence, security and global health

We will also focus on new areas of corruption risk, including cryptocurrencies and Artificial Intelligence.

Our aim is to improve policy, advance practice in public and private sectors, and promote action to fight against corruption. In this way we hope to counter the lack of accountability we have seen in the UK over the last year and raise public awareness about the extent and consequences of corruption.

Vision

We envision a world in which government, business, civil society, and the daily lives of people are free from corruption.

Mission

Our mission is to stop corruption, promote integrity and, to that end, hold power to account for the common good.

We Advance Policy:

Use research, evidence & advocacy to drive the use and improvement of law, regulations, systems and policy to deter and pursue corruption.

We Improve Practice:

Drive the public and private sectors to change behaviours, attitudes and stop corruption.

We Promote Change:

Share knowledge, create pressure and reduce opposition, mobilise and support allies to tackle corruption.

This strategy commits Transparency International UK to increase its focus on improving practice in the public and private sectors, and to promote action to fight corruption

NEW STRATEGY KEY THEMES

1. Stop the flow of Dirty Money
2. Protect the Public's Resources
3. Secure Integrity in Politics
4. Drive Integrity in Business
5. Incubate New Projects and Partnerships to Tackle Corruption

We have made real progress in the past year despite the disruption caused by the pandemic, but of course there is much work still to do.

In the short term, that includes advocating for increased corporate transparency, pursuing change that discourages business from facilitating corrupt practices globally, and advancing accountability.

For our defence and security and global health programmes, that means continuing to work towards transparency, and highlighting the devastating impact of corruption on health care and its dangerous links to conflict and insecurity.

We are optimistic that this new strategy based on targeted advocacy backed up by our respected evidence-based research and growing global recognition of the urgent need to fight corruption, will ensure that the coming years bring more successes in our fight against the scourge that is corruption.

ANNUAL REPORT & ACCOUNTS

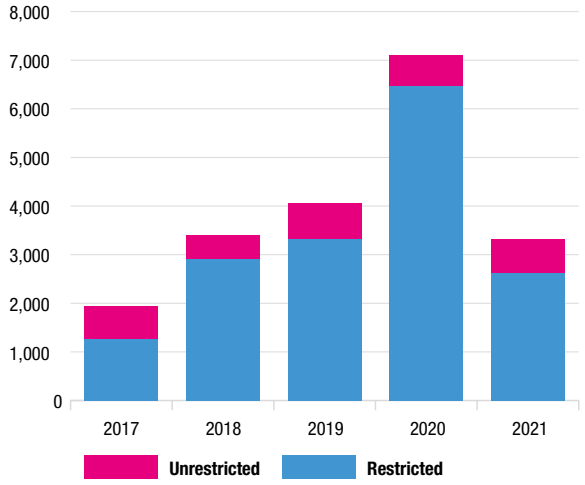
2020-2021

The Trustees report (which includes the Directors report required by Company Law), comprises the contents of the Impact Report and the section of the Annual Review and Accounts between pages 33 and 40.

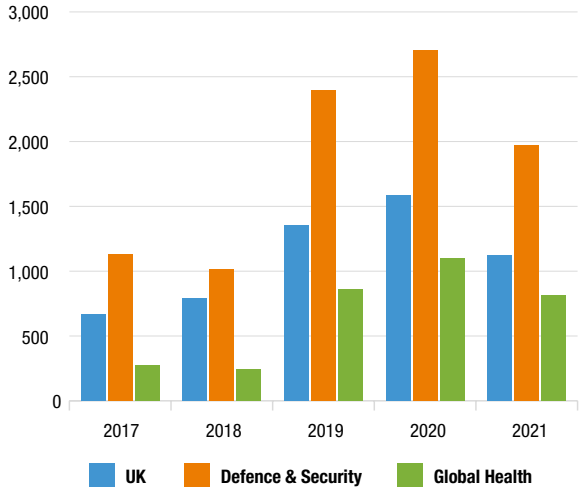
Financial Review

Income from all sources was £3,321,000 in the year to 31 March 2021 (2019/20: £7,113,000). The five-year graphs show significant changes to the restricted income received and the associated expenditure, particularly where sums are received late in the financial year but the activities and their expenditure occur in the subsequent year. Of the income received, £2,631,000 (2019/20 £6,479,000) was restricted for specific programmes and projects, largely made up of grant income. The remaining income of £690,000 (2019/21 £634,000) was unrestricted, comprising grants, donations and TI-UK membership income as well as revenue generated by the Business Integrity Programme (BIP), through membership of the Business Integrity Forum (BIF) or Thought Leadership donations. Unrestricted income remains important to the financial sustainability of the charity.

Total Revenue (£'000)



Programme Expenditure (£'000)



Expenditure for the year reduced by 27 percent to £4,015,000 (2019/20 £5,547,000). The majority, 99 percent, went towards charitable activities and one percent to raising funds. The programme expenditure reductions between 2020 and 2021 reflect the well-publicised decrease in funding from the UK government, across all three programme areas. In order to ensure the financial resilience of the organisation a series of cost reductions were implemented during 2020 with a reduction in headcount in the international programmes and shared services as well as office costs. The charity made a total deficit for the year of £694,000 (2019/20 £1,566,000 surplus). This comprised a deficit on restricted funds of £1,080,000 (2019/20 £1,502,000 surplus) as a significant amount of the funds had been received in the prior year for work undertaken in this year, and a surplus on unrestricted funds of £386,000 (2019/20 £64,000).

The COVID-19 global pandemic has placed restrictions on travel and required office colleagues to work for the most part remotely since March 2020. External meetings and fundraising events have been paused. We have utilised the government support packages including the delayed VAT payment and where possible use of the Coronavirus Job Retention Scheme due to business interruption to furlough one employee. Revenue budgets and cash flow forecasts have been regularly stress tested given the uncertainty of the disruption that the pandemic continues to have.

The Trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern (see also Accounting Policies (Note 1)). The Trustees have reviewed the financial position, budgets and cash flows for the period to September 2022 and consider that the charity is in a position to meet its financial obligations as they fall due.

Reserves policy

The Trustees consider that the charity needs to hold unrestricted reserves for the following principal reasons:

- to maintain sufficient working capital cash flow to cover delayed debtor receipts;
- to maintain programme delivery activities if delays in grant instalment payments from funders occur;
- to cover risks related to failing to meet donor obligations resulting in claw back of funding for activities undertaken; and
- to maintain the organisational structure including staffing in the short term where delays or gaps on the expiry of major grants occur, given dependence on a relatively small number of funders.

Total reserves at 31 March 2021 amounted to £1,660,000 (2019/20: £2,354,000) of which unrestricted reserves amounted to £829,000 (2019/20 £443,000) and restricted reserves amounted to £831,000 (2019/20 £1,911,000). The charity also has a small amount of reserves tied up in fixed assets, amounting to £7,000 at 31 March 2021 (2019/20 £17,000), leaving free reserves at 31 March 2021 of £822,000 (£2020/21 £426,000)

Based on a risk assessment including weighting of the risks referred to above, the Trustees are of the opinion that the Charity needs to target an unrestricted reserve within a range of £800,000 to £850,000. The target is reviewed on a six-monthly basis, and future changes to the target will be dependent on shifts in the risk profile of the charity, an ongoing assessment of the likelihood of major grant renewals and our ability to grow revenue in light of the wider economic situation, most recently because of the global pandemic. The level of unrestricted free reserves at present meets the targeted range going into the next financial year. The key risk that could arise in the year ahead relates to a need to maintain programme delivery (principally for international activities) where delays in grant instalment payments from funders occur. Plans are in place to monitor this and take action to reduce expenditure commitments should this risk materialise.

Remuneration policy

Our policy is to provide remuneration sufficient to attract, retain and motivate the kind of capable and dedicated people we need to help us fulfil our mission. We benchmark salaries periodically against comparable organisations, and in determining individual salary level and progression we also take into account internal comparisons and the financial circumstances of the organisation. The most recent benchmarking exercise was completed in the first quarter of 2019. For details of key management remuneration, see note 10 to the accounts.

The Remuneration Committee (now Nominations & Governance) is responsible for setting the remuneration of the Chief Executive. The Chief Executive sets the remuneration of members of the senior leadership team in consultation with the Finance, Risk and Audit Committee.

Grant making policy

We award grants to other organisations as part of delivering our charitable and strategic objectives; this can include Chapters within the TI network or to other organisations working on anti-corruption and bribery agendas or engaged in research or advocacy in these fields. We undertake a formal evaluation and due diligence of the partner in advance of agreeing funding. All grants outlining key activities and deliverables are approved by the relevant Director prior to funds being disbursed. We monitor and evaluate progress that the grant is being managed according to the agreement, and if we are not satisfied with progress or implementation, we can delay or discontinue it. Total grants to partner organisations were £501,000 (2019/2020: £1,260,000) and for a full list, see note 5 to the accounts.

Future plans

During 2020 the Trustees and the Senior Leadership Team along with employees and key stakeholders developed the new strategy Stopping Corruption Promoting Integrity 2021-2030. Three inter-connected goals supported by planning, collaboration and execution seek to further our mission at an increased pace:

- We advance policy: use research, evidence & advocacy to drive the use and improvement of law, regulation, systems and policy to deter and pursue corruption
- We improve practice: drive the public and private sectors to change behaviours, attitudes and stop corruption
- We promote change: share knowledge, create pressure and reduce opposition, mobilise and support allies to tackle corruption.

The Trustees approved the 2021/2022 Annual Plan aligned to the new strategy in February 2021. The priorities are:

In the UK:

- Reform of UK company registries, better supervision of anti-money laundering defences, and transparency of UK property ownership by overseas companies.
- Seeking stronger public procurement rules and restoring controls in place prior to the pandemic response.
- Strengthening the institutional defences against corruption risks in public life, including progressing a new offence of corruption in public office.
- Enhancing practice in corporate anti-corruption programmes through new insights into measuring effectiveness and the contribution of values to company compliance.
- Incubating new projects and partnerships including assessing the context-specific challenges and opportunities for delivering our mission in the four nations of the UK; focussing on Scotland in 2021/22. Leveraging our knowledge of illicit finance and money laundering to provide specialist support to banking and professional services to address the risks and scoping and resourcing work to support UK Small and Medium Sized Enterprises to export with integrity.

Internationally:

In Global Health working with partners across the movement to address global corruption risks in the delivery of COVID-19 vaccines. Piloting a Corruption Sensitivity Framework to help efforts to have corruption

recognised as a mainstream risk to achieving Universal Health Coverage. Advancing the evidence base on benefits to greater transparency in the pharmaceutical industry.

In Defence and Security the Government Defence Integrity Index (GDI) will be launched. Advocating for key anti-corruption mechanisms at major international and regional forums. Progressing work on corruption and conflict, US research and policy, leveraging work on corruption in military operations and security sector reform processes.

Engaging with the 7th Conference of States Parties (CSP7) on the Arms Trade Treaty.

In Global Standards to secure anti-corruption strategies, victim and witness protection and asset recovery laws together with chapters we have supported. Leveraging learning into the UK's G7 Presidency and US Summit for Democracy.

Public Benefit

Charity trustees have a duty to develop strategic plans to ensure that they provide public benefit and achieve the objectives as set out in the governing document. The Trustees have had due regard to the Charity Commission guidance in relation to public benefit.

TI-UK's primary objective is the relief of poverty, suffering and distress caused directly or indirectly by corruption and the promotion for the public benefit of ethical standards and compliance with the law by the public and private sectors. The Trustees are satisfied that the Charity's activities continue to further these aims and meet the public benefit (as defined by the Charity Commission)

The Trustees consider that those who benefit from the activities of TI-UK include:

- those at risk of harm caused directly or indirectly by corruption in the UK and overseas
- all those in societies who benefit from strong and transparent institutional structures that help deter and defend against corruption; and
- those in economies whose development is enhanced through reducing corruption.

TI-UK considers that there are clear public benefits arising from

- promoting the enforcement of the UK Bribery Act
- highlighting the threat of corruption in specific sectors of the UK
- building integrity and preventing corruption in the defence and health sectors
- ensuring the UK effectively enforces international anti-corruption conventions
- helping companies and NGOs to raise their anti-corruption standards; and
- Increasing public awareness of corruption issues.

The Board monitor the activities of TI-UK to ensure they continue to meet the public benefit (as defined by the Charity Commission).

Risk Management

The Trustees and Senior Leadership Team review regularly the principal risks faced by the Charity. These include risks related to our strategy, people, security, finance and funding, legal and donor compliance and external relationships.

Board of Trustees	• Responsible for management & control of the Charity • Sets overall risk management and appetite • Approves risk register annually with bi-annual update
Finance, Risk and Audit Committee/All Committees	• Advises on financial control & risk management • Reviews and monitors risk register including deep dives into risk areas • Committees maintain risk registers ensuring issues that could have organisational impact are highlighted.

Senior Leadership Team	• Monitor & maintain internal control environment ensuring day-to-day operations have adequate systems and procedures in place. • Review & monitor the risk register on quarterly basis to ensure new or emerging risks are profiled as well as to ensure timely follow up of mitigating actions to reduce risks to manageable levels.
Risk Registers	• Organisational Risk Register • Individual Programme/Committee Registers

How we are managing our principal risks

Key Organisational Risks	How we are mitigating the risk
Strategic	
Strategic: as we embark on a new strategic plan there is a risk that we fail to deliver on the ambition outlined in the new strategic goals.	• TI-UK and global programmes strategies aligned to the TI Movement strategy • Annual Plan & Budget aligned to new strategy with board cycle to review strategic opportunities and challenges across all programme areas • Organisational structure aligned to assist delivery with SLT position focused on new partnerships and incubation of ideas • Focus on measuring outcomes and impact
People	
High levels of **employee turnover**. As a result of institutional funding uncertainty this could threaten our ability to complete existing contractual obligations as well as continuity of sector and TI knowledge and expertise. The impact of the pandemic on wellbeing and adjusting to new ways of working could impact performance if not managed well.	• Engagement on implementation of the new Strategic Plan with personal objectives reflecting priorities, values and matrix working across TI • Engagement forums including 'One Team' meetings, learning sessions & policy group • Regular feedback via Listen into Action surveys and promotion of effective internal communication • Developing a shared understanding of flexible career paths and ensuring our recruitment and retention brand remains comparable with the sector
Safeguarding: there is a risk that our culture does not recognise that all our people are responsible for safeguarding and that norms, values, attitudes and behaviours are as important as policies and procedures. The risks of ensuring this takes place across funding partners that vary in size and context and have limited resources makes us vulnerable to financial, donor and reputational risk.	• Safeguarding & Whistleblowing Policies & Codes of Conduct • Mandatory training • Partner guidance/ toolkits • Annual Safeguarding Report • Participation in sector Speaking Up initiative to reduce the barriers for reporting concerns
Security	
Increased levels of political uncertainty in many countries, pandemics and erratic weather conditions means that **international travel** places many of our travellers at higher levels of risk and disruption including being affected by protests, strikes, terrorism, flooding and cyclones.	• Safety & Security Risk Framework, policies and procedures including COVID-19 specific risks • Safety and Security Focal Points in each team • Crisis management plans • Insurance cover & overseas assistance scheme
Finance	
Failure to achieve adequate **cost recovery** on restricted grants prevents an effective level of shared services to be funded.	• Budgetary templates and internal reporting • Formal approval process for funding bids

Key Organisational Risks	How we are mitigating the risk
Funding	
Opportunities to increase **unrestricted income** requires targeted interventions specific to the programme area if we are to meet revenue contribution/ fundraising targets. These are dependent upon sufficient time to build credible pipelines as well as addressing skill gaps through training / new recruitment.	• Fundraising team with dedicated support for institutional funding and individual donor giving • Regular monitoring of revenue pipelines across programmes • Developing marketing strategy including messaging and products
Increased economic uncertainty arising from the pandemic and gaps in the **institutional funding** places short term pressure on maintaining strategic priorities.	• On-going dialogue with existing donors to ensure strategic alignment between TI-UK and their funding priorities • Investment in institutional fundraising capacity • Engagement with TI-Secretariat and national chapters to overcome barriers to funding channels and ensure co-funding opportunities are pursued • Diversifying funding opportunities across programmes with variation of renewal lengths and dates
Legal	
Aggressive litigation ("SLAPP suits") compromise TI-UK's ability to operate or result in major legal costs.	• Documented content creation process to ensure legal liability is considered prior to publication with training to all colleagues working on research and communications • Access to range of legal advice to defend possible litigation
Grant management procedures insufficient to meet increasing donor requirements, particularly monitoring large sub-grants to chapters leading to long term loss of restricted income.	• Shared services function provides programme support across teams covering grant management, compliance, partner due diligence, procurement and administration & logistics
External	
The ability to **effectively engage donors and the wider public** will be at risk if we are unable to provide robust programme evidence and impact.	• Investment in Evidence and Impact capacity • New Impact and Evaluation framework for all programmes that feeds into proposal design, log frame developments and organisational strategy

Governance

The Charity is a company limited by guarantee and was set up by a Memorandum of Association on 1 March 1994 (last amended 12 January 2006). It was registered as a charity on 27 January 2006. The Articles of Association were last amended on 8 December 2016.

Transparency International (UK) is a national chapter of the global movement, Transparency International (TI), incorporated in Berlin. National chapters lead the work of TI in their country and participate in TI's regional and international work. The membership base of each TI national chapter differs in type and size from country to country. TI-UK's members are an important part of the chapter's governance in that they are able to vote at the AGM. There is no fixed upper or lower limit to membership numbers, but the Board has set a preferred range of between 100 and 250 members. The number of members at 31 March 2021 was 111 (2020: 111).

The International Secretariat based in Berlin oversees the implementation of TI's international agenda, coordinates TI's regional work, supports national chapters and acts on behalf of the TI movement as a whole. TI-UK operates under a national chapter accreditation agreement which is renewed periodically with evidence for the current round submitted in January 2021 and re-accreditation granted in June 2021.

Whilst operating as integral parts of the structure of the host chapter, Global Thematic Network Initiatives (GTNIs) are globally focused programmes shaped by their innovative approaches and ambition to deliver global impact in their defined thematic areas. TI-UK is accredited to operate two GTNIs on behalf of the movement in Defence & Security and Global Health.

Trustee & Board members

TI-UK is governed by a Board of Trustees, elected by the members of TI-UK or co-opted subject to election. The Board meets regularly during each financial year (normally four half days along with a Strategy Away Day) to provide strategic guidance, discuss and agree policy issues, review expenditure, approve budgets and review progress in implementing programmes. The Board's decisions are implemented by the employees of the Charity, led by the Chief Executive. Board committees meet depending on needs but generally three or four times a year.

The Board commenced a process of reviewing the committee structure to ensure that governance is arranged to best support the delivery of the new strategy. This review also reflected on the changes to the Charity Governance Code (December 2020) as they could apply to TI-UK. A revised Governance Framework was approved at the June 2021 Board meeting and will be implemented in the year ahead.

The procedures for appointing Trustees and their terms of office are set out in TI-UK's Articles of Association and a document approved by the Board, which facilitates the process of recruiting Trustees. The process seeks to ensure that relevant skills are reviewed, and includes public advertising and a panel interview. The Trustees are appointed to the Board until the next Annual General Meeting at which time they stand for appointment by the membership. New Trustees participate in two half-day inductions and are given a comprehensive induction pack. Additional training for Trustees is arranged as and when it is considered necessary.

The Trustees undertake a formal evaluation of the effectiveness of the Board each year and the Senior Leadership Team contribute their feedback. The Chair has annual objectives agreed with the Board and these are evaluated by them with the opportunity for the SLT to contribute. The following Trustees held office:

Trustee	Date of Appointment/ Resignation	Committees	Board Attendance 2020/2021
Shalni Arora	22 November 2012 – 24 November 2020	GH (Chair), N	4 of 5
Graham Baxter	29 January 2014 -	D, P (Chair), R	7 of 7
Michael Bowes QC	16 May 2015 -	D, N	5 of 7
Sarah-Jayne Clifton	14 May 2019 -	A, F	6 of 7
Steve Cockburn	26 February 2019 -	D, GH	7 of 7
Sam Eastwood	22 November 2012 -	A, GH	7 of 7
Prof Paul Heywood	12 October 2015 -	A (Chair), D	7 of 7
Natasha Houseman	16 May 2015 -	A, F (Chair), R	6 of 7
Dominic Martin	26 February 2019 -	A, F, P	7 of 7
Eddie Rich	14 May 2019 -	GH (Chair), P	7 of 7
Fiona Thompson (Chair)	16 May 2015 -	F, N, R	7 of 7

A: Advocacy & Research D: Defence and Security GH: Global Health P: Private Sector
F: Finance & Audit R: Remuneration N: Nominations & Governance

Two Trustees retired during the year; Tamara Davies, who after six years as a Board member has decided not to return following her maternity leave and Shalni Arora who after eight years and taking up the role of Chair at another organisation decided not to stand for re-election for a one year period. The Board recognised both for their considerable contribution to TI-UK, and in particular Shalni who was instrumental in the founding and development of the Global Health programme.

Following an open recruitment process, two Independent Members (non-trustees) Maryam Hussain and Kwaku Osafo were appointed by the Board to strengthen the expertise on the Finance, Risk and Audit Committee. The Charity has an Advisory Council that allows the Board to draw on its members' varied expertise and experience. An Ethics Advisory Panel is in place for the purpose of providing advice to the Board on ethical questions including conflicts of interest.

TI-UK's reputation is of paramount importance. The Charity has internal policies and procedures to ensure that the Board of Trustees and employees preserve their independence, safeguard their integrity and express opinions based on an impartial assessment of facts. All Trustees and Senior Employees complete conflict of interest forms and these are published on the Charity website. Every meeting notes any potential conflicts of interest. Professional Indemnity, Trustees Indemnity and Employment Practices insurance cover are in place.

Diversity & Inclusion

In July 2020 TI-UK became a member of the Business in the Community Race at Work Charter. An action plan was developed in conjunction with a newly formed anti-racism forum open for all employees to participate in. The plan aims to help ensure that that we play our part in tackling barriers that ethnic minority people face in recruitment and progression and that TI-UK, including the senior leadership and Board, is representative of British society today.

Safeguarding

TI-UK publishes annually (latest February 2021) its Safeguarding Report. This report provides transparency on the safeguarding framework in place, summarises matters that were reported and investigated and details how evolving sector best practice is being considered. Future plans identified include continuing engagement with colleagues to ensure our culture of integrity and trust is promoted and understood. This will include:

- Listen into Action survey results and refresher training on safeguarding.
- Rolling out of our Race at Work action plan to include a zero-tolerance of bullying and harassment in relation to race or ethnicity.
- Developing programme approaches to ensure that we are not gender blind and to undertake this across the different programme areas through our internal policy group.
- Continued engagement with the sector on developments including BOND and the Charity Speak Up Network.

How we ensure we fundraise responsibly

We have a small central fundraising team, housed within our Evidence and Engagement team, with additional involvement from the Chief Executive, which concentrates on raising unrestricted funds, coordinating a cross-organisational approach to donors and supporting fundraising for each programme. Responsibility for raising programme funding is shared between Programme Directors and the Director of Evidence and Engagement. The majority of our funding comes in the form of restricted funds from a small number of large government donors, together with trusts and foundations (UK and USA based). This carries two risks: that the programmes become over-reliant on a small number of donors, and that the programmes may seem to be too close to the governments that we are aiming to hold to account. In order to mitigate the perception that our mission may be compromised by our donors, Transparency International globally has clear guidelines that we adhere to on the circumstances in which funds can be accepted, relationships with donors, and transparency around funders. We ensure that our fundraising strategy that is revised annually reflects these risks. The majority of unrestricted funding is generated by the Business Integrity Programme.

Our fundraising strategy, over and above generating the revenues necessary to support our mission, is to diversify the base of our donors, both in type and number, and to seek more unrestricted funding. This is principally so as to enable our programme colleagues to be responsive to advocacy opportunities and to ensure that we have funding to allocate to areas of our work that are important or emerging, but may be less immediately attractive to conventional funders. This also enables us to ensure that we can always maintain our independence from donors by being willing to turn away money when we feel the circumstances require. In order to support the fundraising strategy, we have increased the commitment to investing in raising funds from institutions, trusts and foundations and individual donors. Our intention is to maintain our approach of directing as much possible financial support towards the programmes while ensuring our core support team is adequately resourced. We have created a new senior leadership role that also focuses on partnerships which deliver wider strategic objectives as well as financial commitments.

We aim to operate to the highest standards in fundraising, including the recently introduced codes and norms for the sector as well as GDPR compliance. However, we do little or no 'retail' fundraising from the wider public and we do not use third parties, external fundraisers (either volunteer or professional) or contract out our fundraising, so our exposure in areas particularly highlighted by the codes is not high. We are registered with the Fundraising Regulator, and have committed to follow the regulator's Code of Fundraising Practice and the Fundraising Promise. We have not received any complaints about our fundraising practices during the year.

Trustee responsibilities regarding the financial statements

The Trustees (who are also directors of Transparency International (UK) for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements, in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP and FRS102;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

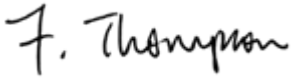
The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company, and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

The Trustees have taken all the necessary steps to make themselves aware of any information needed by the Charity auditors for the purpose of their audit and establish that the auditors are aware of that information. The Trustees are not aware of any relevant audit information of which the auditor is unaware.

In preparing this report, the Trustees have taken advantage of the small companies exemptions provided by Part 15 of the Companies Act 2006.

Approved by the Board of Trustees and signed on their behalf by:



Fiona Thompson
Chair

30 July 2021

Independent Auditor's Report to the Trustees of Transparency International - UK

Opinion

We have audited the financial statements of Transparency International (UK) for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet, Cash Flow Statement 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 charitable company's affairs as at 31 March 2021 and of the 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 charity 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 trustees' 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 charitable company'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 trustees 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 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 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 39, 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 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 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 charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to charity and company law applicable in England and Wales 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 Companies Act 2006 and the Charities Act 2011, and consider other factors such as income tax, payroll tax and sales tax.

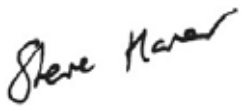
We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the improper recognition of revenue and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- 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;
- Identifying and testing journals; and
- Challenging assumptions and judgements made by management in their critical accounting estimates

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. This description forms part of our auditor's report.

Use of this 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, Statutory Auditors

10 Queen Street Place
London
EC4R 1AG

Date: 12 August 2021

Transparency International UK
STATEMENT OF FINANCIAL ACTIVITIES
(incorporating income and expenditure account) for the year ended 31 March 2021

	Notes	Restricted Funds 2020/21 £000	Unrestricted Funds 2020/21 £000	Total Funds 2020/21 £000	Restricted Funds 2019/20 £000	Unrestricted Funds 2019/20 £000	Total Funds 2019/20 £000
Income from:							
Donations	2	-	62	62	-	85	85
Charitable activities	3	2,631	628	3,259	6,479	549	7,028
Total income		**2,631**	**690**	**3,321**	**6,479**	**634**	**7,113**
Expenditure on:							
Raising funds		-	44	44	-	94	94
Charitable activities							
Programmes:							
UK		971	154	1,125	1,225	361	1,586
International:							
Defence & Security		1,939	33	1,972	2,667	36	2,703
Global Health		801	14	815	1,085	12	1,097
Other activities:							
Communication		-	59	59	-	67	67
Total charitable activities	6	**3,711**	**260**	**3,971**	**4,977**	**476**	**5,453**
Total Expenditure		**3,711**	**304**	**4,015**	**4,977**	**570**	**5,547**
Net Income / (Expenditure)		(1,080)	386	(694)	1,502	64	1,566
Net movement in funds		**(1,080)**	**386**	**(694)**	**1,502**	**64**	**1,566**
Reconciliation of funds **Funds brought forward 1 April**		1,911	443	2,354	409	379	788
Funds carried forward 31 March	15	**831**	**829**	**1,660**	**1,911**	**443**	**2,354**

The Statement of Financial Activities includes all gains and losses recognised in the year and are from continuing activities.

The notes on pages 46 to 55 form part of these financial statements.

Transparency International UK
BALANCE SHEET
as at 31 March 2021
Company Registration 02903386

		2020/21		2019/20	
	Note	£000	£000	£000	£000
Fixed Assets					
Tangible fixed assets	11		7		17
Current Assets					
Debtors	12	512		1,290	
Cash at bank		1,505		1,470	
			2,017		2,760
Creditors: amounts falling due within one year	13		(364)		(423)
Net Current Assets			1,653		2,337
Net Assets	15		**1,660**		**2,354**
The Funds of the charity					
Restricted income funds	15		831		1,911
Unrestricted funds	14		829		443
Total charity Funds			**1,660**		**2,354**

The financial statements were approved and authorised for issue by the Board of Trustees on 30 July 2021 and were signed below on its behalf by:

Fiona Thompson
Chair

The notes on pages 46 to 55 form part of the financial statements

Transparency International UK
CASHFLOW STATEMENT
for the year ended 31 March 2021

	2020/21	2019/20
	£000	£000
Cash flows from operating activities:		
Net cash provided by operating activities	37	780
Cash flows from investing activities Purchase of fixed assets	(2)	(-)
Change in cash and cash equivalent in the reporting period	**35**	**780**
Cash and cash equivalents at the beginning of the reporting period	1,470	690
Cash and cash equivalents at the end of the reporting period	**1,505**	**1,470**
All amounts relate to continuing activities.		
Reconciliation of net movement in funds to net cash flow from operating activities		
Net movement in funds for the period (as per the Statement of Financial Activities)	(694)	1,566
Adjustments for:- Depreciation charges	12	12
Decrease/ (increase) in debtors	778	(722)
Decrease in creditors	(59)	(76)
Net cash provided by operating activities	**37**	**780**
Analysis of cash and cash equivalents		
Cash in bank & at hand	1,505	1,470
Total cash and cash equivalents	**1,505**	**1,470**

A net debt reconciliation note has not been presented as the charity has no debt.

The notes on pages 46 to 55 form part of these financial statements.

Notes to the Financial Statements

1. Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

Accounting basis

Transparency International (UK) is a registered charity in England and Wales (charity number 1112842) and a company limited by guarantee (number 02903386).

The financial statements have been prepared in accordance with the Charities Statement of Recommended Practice (SORP) FRS 102 – 'Accounting and Reporting by Charities (2019)' Second Edition, effective 1 January 2019, the Charities Act 2011 and applicable accounting standards.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Going concern

The COVID-19 global pandemic has placed restrictions on travel and required office colleagues for the most part to work remotely since March 2020. External meetings and fundraising events have been paused. We have utilised the government support packages including delayed VAT payment and where possible use of the Coronavirus Job Retention Scheme due to business interruption to furlough one employee. Revenue budgets and cash flow forecasts have been stress tested given the uncertainty as to the disruption that the pandemic continues to have.

The Trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern. The Trustees have reviewed the financial position, budgets and cash flows for the period to September 2022 and consider that the charity is in a position to meet its financial obligations as they fall due. The level of unrestricted free reserves of £820,000 meets the targeted range of £800-£850,000 going into the next financial year. The key risk that could arise in the year ahead relates to a need to maintain programme delivery (principally for international activities) where delays in grant instalment payments from funders occur. Plans are in place to monitor this and take action to reduce expenditure commitments should this risk materialise. As such, the financial statements have been prepared on a going concern basis.

Company status

The charity is a company limited by guarantee (registered number 02903386) which is incorporated and domiciled in the UK. The address of the registered office is 10 Queen Street Place, London EC4R 1AG. The charity meets the definition of a public benefit entity under FRS 102. More detail on how the Trustees have satisfied themselves that TI-UK has met the public benefit requirements is given in the Trustees' Report. The members of the company are subscribers to the Memorandum of Association and the persons listed in the Register of Full Members of the company. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

Critical accounting estimates and judgements

In accordance with FRS 102, the Trustees are required to make certain estimates and judgements that have an impact on the policies and amounts reported in the financial statements. These estimates and judgements are based on historical experience and other factors including expectations of future events that are believed to be reasonable at the time such estimates and judgements are made.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period on in the period of the revision and future periods if the revision affects the current and future periods.

The significant estimates and judgements are:

- Accrued income (see Income policy below)
- Accruals: costs not yet invoiced (see Expenditure policy below)
- Allocation of support costs (see Expenditure policy below)

In the view of the Trustees no assumptions concerning the future or estimation uncertainty affecting assets and liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

Income

All income is included in the Statement of Financial Activities (SOFA) when the charity is legally entitled to the income, receipt is probable and the amount can be quantified with reasonable accuracy, and the amount can be measured reliably. Where contracts for advisory services cover a period of time spanning the financial

year end the proportion of revenue recognised in the year reflects an assessment of the fair value of services provided to the reporting date. Gifts in kind and donated services are recorded at the value to the charity at the date of receipt. No amount has been included in the financial statements for services donated by volunteers. Income from BIP membership is recognised when invoiced. Gift Aid receivable is included in income when the donation is made and where there is a valid Gift Aid declaration from the donor.

Expenditure

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources. Overheads have been allocated on the basis of employee costs (head count).

At the year-end, employee emoluments include paid annual leave where this has not been taken at the rate of pay applicable at that date. Termination benefits are accounted for on an accruals basis.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the company and include general management, payroll, administration, budgeting, and accounting, technology, and human resources.

Foreign currency

Foreign currency transactions are translated at the rate applicable on the transaction date.

Tangible fixed assets

Tangible fixed assets are stated at cost net of depreciation. All fixed assets costing more than £1,000 are capitalised. Depreciation is provided on equipment and fixtures over three years straight line.

Pension costs

The charity provides a defined contribution scheme, which is available to all employees. The funds are independently held from those of the charity. The pension costs comprise the costs of the charity's contribution to its employees' pension schemes.

Taxation

The charity falls with the meaning of Part 1, Schedule 6 of the Finance Act 2010. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains within categories covered by Chapter 3 of Part 11 of the Corporation Tax Act 2010 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. No tax charges arose in the period.

Irrecoverable VAT is not separately analysed and is charged to the SOFA when the expenditure to which it relates is incurred, and is allocated as part of the expenditure to which it relates.

Financial instruments

The charity has financial assets and liabilities of a kind that qualify as basic financial instruments. Financial assets comprise cash at bank and in hand, trade and other debtors. Financial liabilities include trade and other creditors. Basic financial instruments are recognised at transaction value. Details of these financial assets and liabilities and their carrying value are given in the notes to the accounts.

Funds

Restricted funds are funds that are to be used in accordance with specific restrictions imposed by donors. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

General reserves are unrestricted funds which 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.

2. Donation Income

	Restricted Funds 2020/21	Unrestricted Funds 2020/21	Total Funds 2020/21	Restricted Funds 2019/20	Unrestricted Funds 2019/20	Total Funds 2019/20
	£'000	£'000	£'000	£'000	£'000	£'000
Grants	-	13	13	-	48	48
Donations	-	49	49	-	32	32
Gifts in kind	-	-	-	-	5	5
Total	**-**	**62**	**62**	**-**	**85**	**85**

Unrestricted grants include funding from the following trusts and foundations:-

Tinsley Charitable Trust	£ 1,000
Ajahma Trust	£ 9,600
PF Charitable Trust	£ 2,500

3. Income from Charitable Activities

	Restricted Funds 2020/21	Unrestricted Funds 2020/21	Total Funds 2020/21	Restricted Funds 2019/20	Unrestricted Funds 2019/20	Total Funds 2019/20
	£'000	£'000	£'000	£'000	£'000	£'000
Grants receivable (Note 4)	2,631	-	2,631	6,479	-	6,479
Business Integrity:						
- Bronze Membership	-	144	144	-	129	129
- Gold Membership	-	260	260	-	238	238
- Standalone Benchmark	-	13	13	-	50	50
- Thought Leadership & other income	-	211	211	-	132	132
Total	**2,631**	**628**	**3,259**	**6,479**	**549**	**7,028**

A list of Business Integrity Forum members is found on page 56.

The unrestricted Thought Leadership income includes donations from GlaxoSmithKline £40,000, Lexis Nexis £80,000, Norges Bank £40,000 & Ropes & Gray £40,000

4. Grants Receivable

	Notes	Total Funds 2020/21	Total Funds 2019/20
		£'000	£'000
UK			
Ajahma Charitable Trust		-	230
Foreign, Commonwealth & Development Office (formerly DFID) – I-ACT tracking Summit Commitments		208	480
Foundation Open Society Institute		-	100
Julia & Hans Rausing Trust		243	496
Joffe Charitable Trust		30	30
Joseph Rowntree Charitable Trust		50	23

	Notes	Total Funds 2020/21 £'000	Total Funds 2019/20 £'000
Luminate : The Omidyar Group		280	324
Network for Social Change		-	21
Open Society Policy Centre		-	85
TI Secretariat (International Anti-Corruption Conference Commitments)		5	-
Trust for London		12	23
	14	**828**	**1,812**
International: Defence & Security			
Carnegie Foundation		115	153
Foreign, Commonwealth & Development Office Department (formerly DFID) – I-ACT		813	1,127
Netherlands Ministry of Foreign Affairs		67	2,298
Open Society Foundation		-	31
United Nations Democracy Fund (UNDEF)		-	25
	14	**995**	**3,634**
International: Global Health			
Foreign, Commonwealth & Development Office (formerly DFID) FAST – Open Contracting for Health		652	926
GlaxoSmithKline		90	90
European Union - Action Grant		-	17
Open Society Foundation COVID-19 procurement		66	-
	14	**808**	**1,033**
Total	14	**2,631**	**6,479**

5. Charitable Expenditure: Grants Payable

	Total Grants 2020/21 £000	Total Grants 2019/20 £000
AKKI Athlathato Kormanyzas Kutatointezet	-	42
Association CRI 2002 Mali (TI Chapter)	17	21
CISLAC Nigeria (TI Chapter)	29	63
Corruption Watch UK	-	11
Corruption Watch South Africa (TI Chapter)	64	98
Development Gateway	-	10
Ghana Integrity Initiative (TI Chapter)	10	44
GTI for Public Good	-	40
Institute for Democracy and Mediation	6	9
I-Watch Tunisia (TI Chapter)	26	37

	Total Grants 2020/21	Total Grants 2019/20
	£000	£000
Integrity Watch Afghanistan	-	46
Lebanese Transparency Association (TI Chapter)	37	42
NAKO Ukraine	53	-
Open Contracting Partnership	5	93
Publish What You Pay	6	-
RISE Moldova	5	-
Social Justice	-	4
Spotlight on Corruption	-	60
The Fund for Constitutional Government	-	98
Transparency International Armenia	-	19
Transparency International Chile	34	37
Transparency International Czech Republic	-	32
Transparency International Jordan	11	41
Transparency International Kenya	35	55
Transparency International Nepal	24	45
Transparency International Niger	-	6
Transparency International Sri Lanka	2	49
Transparency International Uganda	63	66
Transparency International Ukraine	15	82
Transparency International Zambia	59	76
Transparency Secretariat Berlin	-	34
Total	**501**	**1,260**

6. Charitable Activities Expenditure

	Total Funds 2020/21	Total Funds 2019/20
	£000	£000
Direct charitable costs	904	1,769
Employee costs (see note 10)	2,484	2,349
Grants payable (see note 5)	501	1,260
Support costs (see note 7)	82	75
Total	**3,971**	**5,453**

7. Charitable Activities Expenditure: Support Costs

	Charitable Activities 2020/21	Fundraising 2020/21	Total 2020/21	Charitable Activities 2019/20	Fundraising 2019/20	Total 2019/20
	£'000	£'000	£'000	£'000	£'000	£'000
Governance	7	-	7	9	-	9
Employee & consultancy	56	-	56	43	-	43
Other	19	-	19	23	-	23
Total	**82**	**-**	**82**	**75**	**-**	**75**

Support costs have been allocated as above based on the proportion of employee time spent on each activity. Due to the way in which the teams work, it is not possible to split support costs between grants payable and direct charitable costs.

8. Net Income / (Expenditure)

This is stated after charging:

	2020/21	2019/20
	£000	£000
Depreciation	12	12
Auditor's remuneration - audit services	9	10
Pension costs	90	76

9. Board of Trustee Remuneration, Expenses & Donations

No Trustees received remuneration or benefits in kind during 2020/2021 (2019/2020: £Nil). No travel or other expenses were paid/ reimbursed (2019/20 - three Trustees were reimbursed a total of £1,580).

The cost incurred by the charity for Trustee indemnity insurance was £2,177 (2019/20: £2,177).

During the year two Trustees (2019/20: five Trustees) donated, in aggregate, £1,370 (2019/20: £1,170) to the charity.

10. Employee Numbers and Emoluments

The average number of employees during the year was:

	2020/21	2019/20
	£000	£000
Charitable activities	37	38
Fundraising	3	2
Support	10	9
Total	**50**	**49**

Employee emoluments were as follows:

	2020/21	2019/20
	£000	£000
Wages and salaries	2,161	2,054
Social security costs	233	219
Pension costs	90	76
Total	**2,484**	**2,349**

The total amount of benefits received by key management personnel includes gross salaries and employer pension contributions, was:

	2020/21	2019/20
	£000	£000
+ Chief Executive	113	49
+ Chief Operating Officer	94	56
+ Director of Defence & Security	68	107
Director of Policy & Programmes	79	83
# Director – Health Initiative	93	74
Director of Strategic Partnerships	81	80
Director of Evidence & Engagement	70	62
Total including gross salaries, employer pension contributions	**598**	**511**
Total including gross salaries, employer pension contributions and employer National Insurance contributions.	**667**	**572**
# - post holder in position for part of year 2020/21 + - post holder in position for part of year 2019/20		
Number of employees who earned from:		
£60,001 – £70,000	2	-
£70,001 – £80,000	2	2
£80,001 – £90,000	2	-
£100,001 – £110,000	1	1
	7	**3**

The remuneration above includes gross salaries only. Total pension contributions in 2020/21 for these employees amounted to £25,307 (2019/20: £14,775).

A termination payment of £11,919 was paid to one employee during the year (2019/20: £13,334).

The lowest paid employee, with the exception of interns who are paid the London Living Wage, was paid an annual equivalent gross salary of £26,442 per annum (2019/20: £26,000 per annum). The highest paid employee received 4.14 times (2019/20: 4.04 times) the salary of the lowest paid employee.

11. Tangible Fixed Assets

	Equipment & Fitting
	£000
Cost	
At 1 April 2020	63
Additions	2
Disposals	(2)
At 31 March 2021	**63**
Depreciation	
At 1 April 2020	46
Charge for year	12
Depreciation on disposals	(2)
At 31 March 2021	**56**
Net book value	
At 31 March 2021	**7**
At 31 March 2020	**17**

12. Debtors Analysis

	2020/21	2019/20
	£000	£000
Trade debtors	127	180
Prepayments	46	67
Accrued income	296	999
Rent deposit	43	43
Other debtors	-	1
Total	**512**	**1,290**

13. Creditors Analysis

	2020/21	2019/20
	£000	£000
Trade creditors	81	39
Accruals	156	256
Social security and other taxes	114	128
Other creditors	13	-
Total	**364**	**423**

14. Total Funds

2020/2021	Brought forward	Income	Expenditure	Carried forward
	£000	£000	£000	£000
Restricted income funds				
UK	836	828	(973)	691
International: Defence & Security	1,073	995	(1,939)	129
International: Global Health	2	808	(801)	9
	1,911	**2,631**	**(3,713)**	**831**
Unrestricted funds	**443**	**690**	**(304)**	**829**
Total funds	**2,354**	**3,321**	**(4,017)**	**1,660**

2019/2020	Brought forward	Income	Expenditure	Carried forward
	£000	£000	£000	£000
Restricted income funds				
UK	249	1,812	(1,225)	836
International: Defence & Security	105	3,634	(2,666)	1,073
International: Global Health	55	1,033	(1,086)	2
	409	**6,479**	**(4,977)**	**1,911**
Unrestricted funds	**379**	**634**	**(570)**	**443**
Total funds	**788**	**7,113**	**(5,547)**	**2,354**

Restricted funds are held for the following purposes:

The UK Programme funds aim to promote integrity and open governance in the UK.

The funds are for projects that include:

- Corrupt Capital: a programme of research and advocacy seeking to ensure that the UK does not act as a safe haven or clearing house for corrupt funds and individuals
- Corruption in Politics: putting integrity and accountability into the heart of UK politics
- Challenging the UK's role in legitimising corrupt and authoritarian regimes
- Anti-Corruption Summit: moving from promise to practice
- Funding from trusts and foundations for the programme, including integrity in the UK, open governance, corrupt capital and leveraging UK leadership

The Defence & Security International Programme funds aim to reduce corruption in the global defence and security sector by conducting research, by influencing policy, helping the defence industry raise its standards and for the support of defence and security reforms in countries. Funding has been received from the UK Foreign, Commonwealth and Development Office (formerly DFID) International Action against Corruption (IACT) programme and the Netherlands Ministry of Finance. The funding delivers projects in support of the work of the Defence & Security Programme, for the development of the Government Defence Integrity Index, for support to the Independent Defence Anti-Corruption Committee (NAKO) in Ukraine and for strengthening CSO engagement with defence institutions to reduce corruption and strengthen accountability in Mali.

The Global Health International Programme aims to reduce corruption in the global pharmaceuticals and healthcare sectors through a programme of advocacy, partnership and project engagement. Restricted funding relates to the work of the UK's Foreign, Commonwealth and Development Office (formerly DFID) Fiscal Accountability, Sustainability and Transparency (FAST) programme towards the Open Contracting for Health Project.

15. Analysis of Net Assets Between Funds

	Restricted Funds 2020/21	Unrestricted Funds 2020/21	Total Funds 2020/21	Restricted Funds 2019/20	Unrestricted Funds 2019/20	Total Funds 2019/20
	£'000	£'000	£'000	£'000	£'000	£'000
Fixed assets	-	7	7	-	17	17
Current assets	831	1,186	2,017	1,911	849	2,780
Creditors due within one year	-	(364)	(364)	-	(423)	(423)
Total	**831**	**829**	**1,660**	**1,911**	**443**	**2,354**

16. Related Party Transactions

In 2020/21 there were no related party transactions (2019/20: £1,000). The prior year figure included a donation from a related charity, Savannah Wisdom where Shalni Arora was also a Trustee.

There was no debtor balance at the year-end (2019/20: £Nil).

We would like to thank:

Our **donors and funders** including: the UK Foreign, Commonwealth and Development Office (formerly DFID), the Netherlands Ministry of Foreign Affairs, Carnegie Foundation, GlaxoSmithKline, Ajahma Trust, Julia and Hans Rausing Trust, Joffe Charitable Trust, Joseph Rowntree Charitable Trust, Luminate, Open Society Foundation, PF Charitable Trust, David and Elaine Potter Foundation, Tinsley Charitable Trust, Trust for London, Jane Thurnell-Read, and individual supporters and those who request anonymity.

Our **Business Integrity Forum members** at 31 March 2021: Anglo American, Barclays, BHP Billiton, Brunel, CDC, Clifford Chance, Control Risk Group, Crown Agents, DLA Piper, FTI Consulting, General Energy, GlaxoSmithKline, Grant Thornton UK, HSBC, IHG, Lloyds, Meggitt, National Grid, Natwest, New Age (African Global Energy), Norton Rose Fulbright, Orange UK, Oxford University Press, PwC, QA Ltd, RB Group, RBS, RPC, Shell International, Siemens, Subsea 7, The Weir Group, Tullow Oil, Unilever and Vodafone Group.

We thank GlaxoSmithKline, Lexis Nexis, Norges Bank & Ropes and Gray for their contribution to the Thought Leadership programme, and Huawei UK and Ab InBev for their participation in the Standalone Benchmark programme.

Our **Advisory Council members:** Peter Berry CMG, President, Edward Bickham, Lord Chidgey, Laurence Cockcroft, Jane Ellison, Karina Litvack, Phil Mason, and Lord Wills. Baroness Finn stepped down during the year and we express our appreciation for her contribution to TI-UK.

Peter Berry CMG, Laurence Cockcroft, Sir Ian Andrews and Sir Stewart Eldon for their participation and contribution to various committees.

Statutory Information

Transparency International – UK
(a company limited by guarantee)

Registered Address:
10 Queen Street Place, London EC4R 1AG
Registered Charity Number: 1112842
Registered Company Number: 02903386

External advisors

Auditors:

Haysmacintyre LLP
10 Queen Street Place, London, EC4R 1AG

Bankers:

HSBC Plc
PO Box 41, High Street, Uxbridge, Middlesex, UX8 1BY

Solicitors:

Bates Wells
10 Queen Street, London, EC4R 1BE

Clifford Chance
10 Upper Bank Street, London, E14 5JJ

Senior Leadership Team at 31 March 2021

Daniel Bruce: Chief Executive

Colin Munro: Chief Operating Officer / Company Secretary

Duncan Hames: Director of Policy & Programmes

Natalie Hogg: Director of Defence and Security

Naomi Neiland: Director of Evidence & Engagement

Sophie Ogilvy: Director of Strategic Partnerships

Vacant - Director of International Programmes

Transparency International UK
10 Queen Street Place,
London,
EC4R 1AG

transparency.org.uk
twitter.com/@TransparencyUK

Transparency International UK

Registered charity number 1112842

Company number 2903386