

Charity Registration No. 1125699

Company Registration No. 05401515 (England and Wales)

**INDEPENDENT DIPLOMAT**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

# INDEPENDENT DIPLOMAT

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	Carne Ross Gardner Thompson Francesc Vendrell Nicholas Stadlen
<b>Secretary</b>	Gardner Thompson
<b>Charity number</b>	1125699
<b>Company number</b>	05401515
<b>Registered office</b>	166 College Road Harrow Middlesex HA1 1RA
<b>Independent examiner</b>	Charterhouse (Accountants) Limited 166 College Road Harrow Middlesex HA1 1RA
<b>Bankers</b>	National Westminster Bank Plc 135 Bishopsgate London EC2M 3UR

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# INDEPENDENT DIPLOMAT

## CONTENTS

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	<b>Page</b>
Trustees report	1 - 9
Independent examiner's report	10
Statement of financial activities	11
Balance sheet	12
Notes to the financial statements	13 - 17

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# **INDEPENDENT DIPLOMAT**

## **TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)**

### ***FOR THE YEAR ENDED 31 DECEMBER 2020***

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The Trustees present their annual report and financial statements for the year ended 31 December 2020.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Independent Diplomat's Memorandum of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

#### **Objectives and activities**

1. Summary of the objectives of the charity set out in its governing document:

a. To promote conflict resolution and reconciliation and the relief of poverty for the benefit of the public by increasing skills and capacities in diplomacy of those who are in need of such expertise and who also have the capability to promote conflict resolution and reconciliation within government and in international institutions, including those of the United Nations.

b. To advance the education of the public in the nature, uses and conduct of diplomacy with special reference (but not by way of limitation) to its uses in conflict resolution and reconciliation.

2. Summary of the main activities undertaken for the public benefit in relation to these objects.

ID has referred to the Charity Commission's guidance on public benefit in the design and implementation of its projects, and bears it in mind when reviewing our activities.

The primary public benefit of ID's work is the promotion of conflict resolution and reconciliation. ID pursues these goals by increasing skills and capacities in diplomacy of those who are in need of such expertise. The premise is that those with improved and more informed access to diplomatic channels for dispute resolution will not revert to violent means. In cases where clients cannot afford to pay fees, activities are funded by donations. Education also provides a public benefit in two ways. First and foremost ID's client work results in a transfer of knowledge on diplomatic practice and the nature of international institutions. Second, ID educates the public in this area through the media, such as articles and television and radio interviews, and participation in public discussion, including at conferences and universities.

In carrying out these activities, ID strictly adheres to the following ethical criteria:

- Observance of international law; respect for international institutions including those of the United Nations and the institutions of government generally;
- The protection of human rights;
- Support of democratic and accountable governance;
- Refusal of support to those promoting unlawful violence.

ID's clients are assessed against these criteria by rigorous research, discussion with experts in the field, and by our Advisory Council.

Finally, ID has a sister organisation based in New York, Independent Diplomat, Inc. ("ID US") a 501(c)(3) non-profit organisation incorporated under the laws of the United States. ID's collaboration with ID US results in greater efficiency in the operations on both sides of the Atlantic, maximising the impact of its goals, in line with our stated objectives.

The additional details of objectives and activities described below were undertaken jointly by ID and ID US in the furtherance of a shared set of goals between the two entities. ID (UK) contributed directly to the full range of objectives and activities set out below.

# **INDEPENDENT DIPLOMAT**

## **TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)** ***FOR THE YEAR ENDED 31 DECEMBER 2020***

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### 3. Additional details of objectives and activities.

ID is an innovative venture in the world of international relations, diplomacy and conflict prevention. A nonprofit advisory group governed by its Memorandum and Articles of Association where its objectives are set out in clause 3 (replicated above), ID was created to facilitate for its clients broader participation in diplomatic processes and decision-making, in particular in multilateral and regional forums, such as the United Nations, the African Union and the European Union. By enabling better participation, our work strengthens the agreements and policies that arise from diplomatic negotiations, thereby reducing the risk of conflict and making the world's diplomatic system more effective and legitimate.

ID's principal mode of operation is confidential advice to clients. It works in a non-partisan fashion to advance the interests of the states where it works, and not individuals or individual political parties. It engages both with opposition and civil society groups, and with all levels of government, in order to achieve fair and sustainable results. It further works to educate these 'actors' as well as the general public in regard to these issues.

# **INDEPENDENT DIPLOMAT**

## **TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)**

***FOR THE YEAR ENDED 31 DECEMBER 2020***

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### **Achievements and performance**

During 2020, COVID-19 presented significant challenges to the operations of Independent Diplomat. In particular it made it more difficult to implement its work, which had hitherto relied heavily on face-to-face meetings; the pandemic made the challenges of our partners more acute; and the focus of the international community narrowed as it worked almost exclusively to combat the virus, sometimes to the detriment of the conflict resolution processes on which ID works. Nevertheless, ID has succeeded in achieving – with its partners – a range of high impact outcomes. ID is devising new and innovative ways for its partners' voices to be heard, and transforming the international political system in the process.

### **Refugees**

#### **Objectives**

- To ensure refugees have the diplomatic and public space to advocate for their interests.
- To ensure refugees have the skills, expertise and institutional capacity to exert an effective and sustained voice in policymaking.

#### **Context**

ID has helped to create, evolve and advise a global network of refugees, the Global Refugee-led Network (GRN). The impetus was our observation that refugee policy was missing any input from refugees themselves. The impact of GRN has been significant.

In 2020, against the backdrop of the COVID-19 pandemic, the work focused on ensuring that refugees were not left behind with respect to the international response to the pandemic.

#### **Activities and Outputs**

- In response to the COVID-19 pandemic, ID supported the GRN's work to ensure refugees are not left behind. The GRN called for international actors to think about how COVID-19 will impact the refugee community and hosted a Global Online Conference on Refugee Leadership in Response to COVID-19, where they convened over 100 refugee leaders and allies from around the world, virtually, to discuss the impact of COVID-19 on the refugee community and how other actors can engage.
- ID partnered with Open Society Foundations (OSF), Asylum Access, and others to launch a crowdfunding campaign to secure resources for 10 refugee-led organizations that were responding directly to the pandemic.

### **Mali**

#### **Objective**

- The implementation of the Mali Peace Agreement through the provision of professional diplomatic advice and services to the Coordination of Movements of the Azawad (CMA).

#### **Context**

The first six months of 2020 were significantly affected by the unilateral decision of the Malian government to hold legislative elections despite the lack of implementation of the administrative and electoral redistricting as foreseen by the Mali Peace Agreement. As the Independent Observer – in its April 2020 report – pointed out, the conditions under which the legislative elections took place were a blow to the decentralization process and resulted in the under-representation of northern regions. Moreover, the outbreak of COVID-19 shifted the attention away from the Mali Peace Process resulting in further delays in the sessions of the CSA (Peace Agreement implementation). Despite these challenges, ID's work with the CMA resulted in the CMA's continued constructive engagement in the Mali Peace Agreement, remaining one of the most committed actors to the process. The CMA's efforts have yet to be met with concrete progress for its constituency on the ground and the delivery of long-promised institutional and political reforms alongside steps to deliver basic social services in the North.

# INDEPENDENT DIPLOMAT

## TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

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### Activities and Outputs

- ID provided advice around the outbreak of COVID-19 in Mali and the specific effects this had on an already dire humanitarian situation in the North. It enabled the CMA to coordinate its response with UN agencies and Malian government.
- ID provided support to the CMA's follow-up of the Inclusive National Dialogue.
- ID conducted a strategy session with CMA representatives to the formal negotiations on Peace Agreement implementation (CSA) to help prepare for them.
- ID worked with CMA to develop a response to the Panel of Experts mid-term report in April 2020 which had an impact on the final report drafted by the Panel of Experts in August 2020. This helped ensure a more accurate and insightful report that could help better inform decisions of the Security Council and other international actors.
- ID developed together with the CMA an engagement plan for the CMA with the Human Rights Council and human-rights related bodies, which resulted in the first CMA briefing to the UN Missions in Geneva in June 2020.
- ID supported the women of the CMA to strengthen their cooperation with Malian civil society actors including by participating in the People's Coalition recently launched by a group of CSOs from Mali, Niger and Burkina Faso.

### Climate Change / Republic of the Marshall Islands (RMI) / High Ambition Coalition

#### Objective

- To support the Marshall Islands and the High Ambition Coalition (HAC) in its diplomatic efforts to avoid devastating climate impacts.

#### Context

ID's climate change work was made significantly more challenging by the emergence of COVID-19 in 2020. The pandemic's travel restrictions posed obstacles to our work, and it was difficult to achieve the same kind of outcomes that we would expect to see through in-person meetings, or to generate the momentum that might be created when everyone can be brought together in the same room. Despite this, ID managed to move to a fully virtual set-up without a significant drop in outputs, and even to support an expansion of the work of the High Ambition Coalition to respond to the urgent issue of a green and resilient recovery from the pandemic.

#### Activities and Outputs

- ID supported the RMI to convene a ministerial-level meeting of the High Ambition Coalition in June 2020 that set the coalition's direction for the remainder of the year, and identified 3 focus areas: ensuring a resilient COVID recovery that aligns with the Paris Agreement, ensuring NDC delivery this year, and maintaining momentum to the COP26 climate talks, which were rescheduled for 2021.
- The Green Recovery working group met throughout the summer, and in November, leaders in the HAC launched the *Statement on Resilient Recovery*. This statement set out a raft of policy commitments for signatories to undertake in order to deliver a green recovery, nationally and internationally.

### Yemen

#### Objectives

- Southern Transitional Council (STC): Advise the STC and enhance its diplomatic engagement within the UN-led political process towards a solution for the South Yemen issue;
- Yemeni women: Support South Yemeni women to shape international policymaking on the South issue and broader Yemeni crisis.

# **INDEPENDENT DIPLOMAT**

## **TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020**

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### **Context**

The Riyadh Agreement signed on 5 November 2019 remains a key focus of policymaking on the Southern issue, including its link to the UN-led political process in Yemen. Throughout 2020, the Southern Transitional Council and Yemeni Government engaged in talks to advance the implementation of the Agreement. In a July 2020 round of talks, a new power sharing arrangement was agreed which secured ministerial representation for the STC within a new government – a critical step for inclusion of the Southern voice in political efforts to end the Yemeni conflict.

In light of COVID-19, the humanitarian situation became even more of an acute priority in the South. Alongside ID's advice to support the STC's diplomatic and international engagement, ID intensified its support on the humanitarian and human rights fronts for the STC's various teams on the ground and abroad.

### **Activities and Outputs**

- ID worked with the STC to facilitate its engagement with international partners with the goal of articulating concrete proposals to enable an inclusive political solution.
- ID supported two high-level visits led by the STC's Europe representative to Geneva in the margins of the Human Right Council session in February 2020. This visit was followed shortly by a STC women-led visit to Brussels in March to engage with the EU and European Member States on Yemeni women's political participation.
- ID provided support to Southern women and civil society voices, including by facilitating panel discussions.

### **Western Sahara (Frente POLISARIO)**

#### **Objectives**

- To achieve progress towards a negotiated political solution that provides for the self-determination of the people of Western Sahara, in accordance with international law;

#### **Context**

Despite active efforts by the Frente POLISARIO to kick-start a meaningful peace process for the people of Western Sahara, the political track remained stalled throughout 2020. The UN Secretary-General did not appoint a new Personal Envoy for Western Sahara, effectively leaving the position vacant for over 12 months.

#### **Activities and Outputs**

With international attention to Western Sahara limited, ID worked with the Frente POLISARIO to develop a strategy for activity beyond the stalled UN process, including working with regional allies such as South Africa. In New York, South Africa championed a new 'Friends of Western Sahara' group.

### **Women's Political Participation in Peacebuilding**

#### **Objectives**

- Track I peace processes are more inclusive of women, and female political leaders are well-prepared to participate assertively in political negotiations; peace agreements forged are gender sensitive.

#### **Context**

ID continued to work with women leaders to ensure greater gender parity in Track I peace processes. For the first time, ID finalized a partnership with UN Women that enabled ID to provide rapid support to women involved in peace negotiations.

ID launched a two-day workshop for the female representatives of the Venezuelan Interim Government (VIG) to build their capacity as Ambassadors, strengthen their confidence in engaging with the media, and bolster their profiles within the VIG as constructive decision-makers. ID also continued to work with female stakeholders in peace processes in Yemen, Myanmar, and Western Sahara to identify entry points into what remain male-dominated peace processes.



# **INDEPENDENT DIPLOMAT**

## **TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020**

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### **Activities and outputs**

- Capacity Building Training: ID held a two-day workshop for female Ambassadors of the Venezuelan Interim Government. The workshop provided the opportunity to develop a joint strategy to increase women's representation within the peace process.
- Partnerships: ID launched a new partnership with UN Women which will enable ID to provide rapid support to female negotiators in peace processes.

### **Rohingya**

#### **Objective**

- To assist an emerging group of Rohingya representatives to play a greater role in influencing the diplomatic response to the crisis, with a particular focus on accountability.

#### **Context**

ID's Rohingya partners maintained a high level of diplomatic activity over the first half of 2020, rapidly adapting to the emergence of COVID-19 to ensure virtual engagement of key international interlocutors.

The first quarter of 2020 saw a significant breakthrough in the pursuit of justice and accountability, with the International Court of Justice releasing a favorable provisional opinion ordering Myanmar to preserve evidence of war crimes and end any future genocidal actions. As the OIC, led by Gambia, spearheaded the case, ID's partners pursued support for the case through the delivery of thematic interventions on issues such as sexual violence.

#### **Activities and Outputs**

- In early March, ID supported a visit for our partners from inside Myanmar and the diaspora to London, Brussels, and Paris to push for action on accountability.
- As COVID-19 made further in-person diplomacy impossible, ID moved quickly to ensure Rohingya voices remained at the forefront of policymakers' minds. Given the dire threat posed by COVID-19 to Rohingya refugees and displaced persons in Cox's Bazar and Rakhine State, ID ensured the Rohingya developed and articulated constructive policy positions on an inclusive COVID-19 response, organizing meetings with the EU, UN Security Council, UK and UN Special Envoy.

### **Meet the Parties (MTP)**

#### **Objectives**

- Meet the Parties (MTP) initiative contributes to more inclusive decision-making and sustainable outcomes at the UN Security Council (UNSC), Human Rights Council (HRC), and EU.

#### **Context**

ID's planning for MTP was significantly disrupted by COVID-19. As the UN Security Council and EU Political and Security Committee shifted to virtual operations, all but urgent deliberations were deprioritized. This made it more complicated to secure adequate buy-in from Member States to engage with the MTP initiative as they had done previously. However, ID adapted quickly to modify the concept and accelerate already in-progress work to take forward Virtual MTP (vMTP) meetings while in-person meetings were not feasible.

#### **Activities and Outputs**

- ID developed a concept for adapting MTP to a virtual platform while COVID-19 restrictions were in place.
- By the end of 2020, ID had restarted MTP meetings in virtual format.

# **INDEPENDENT DIPLOMAT**

## **TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)** **FOR THE YEAR ENDED 31 DECEMBER 2020**

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### **Financial review**

#### **Overview**

ID US solicits and receives donations to support the projects and general operations of both ID and ID US, and will transfer such funds as necessary to support the ongoing operations of ID.

#### **Reserve policy**

ID strives to maintain reserves in cases of unforeseen expenditures – for example if a non-fee paying client is engaged before we have the opportunity to raise the funds ourselves – and to build greater resiliency against unforeseen loss of revenue, such as the failure of an anticipated grant to materialize.

- i. General operations expenditure cannot wait, ID will access these funds. Otherwise, we build into our budget projections at least 5% for building reserves.
- ii. Risk assessment: The trustees acknowledge their responsibility for ID's risk management. Because ID is so small and closely knit, regular and open communication among staff and trustees, and collaborative decisionmaking that ensures that action taken is in line with the trustees' expectations were seen as adequate.
- iii. Fundraising activities: ID's fundraising strategy is based on the assumption that diverse sources of funding increase organisational sustainability and longevity. Our 'model' and objective is that the organisation's funding should be diverse and avoid excessive concentrations in any single source or sources. Towards the end of 2020, ID made significant progress in achieving this objective and balancing its funding sources.

The Trustees have assessed the major risks to which Independent Diplomat is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

### **Structure, governance and management**

Type of governing document: Memorandum of Association

How the charity is constituted: Company limited by guarantee

Trustee selection method: Appointed

The Trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Carne Ross

Stefanie Grant

Edward Mortimer

Gardner Thompson

Francesc Vendrell

Nicholas Stadlen

(Resigned 1 December 2020)

(In Memoriam: 18 June 2021)

# INDEPENDENT DIPLOMAT

## TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2020**

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### **Names and background information on advisers**

Independent Diplomat is guided by an advisory council of experienced former and serving diplomats, international lawyers and leaders of human rights organisations:

Gareth Evans

President Emeritus of International Crisis Group; Chancellor of the Australian National University; Honorary Professorial Fellow at the University of Melbourne; Co-Chair of the International Commission on Nuclear Non Proliferation and Disarmament; author of *The Responsibility to Protect: Ending Mass Atrocity Crimes Once and For All* (Brookings, 2008) and former Foreign Minister of Australia (1988-96).

Edward Mortimer (In Memoriam)

Distinguished Fellow, All Souls College in Oxford, England. Also Senior Program Advisor and former Senior Vice-President and Chief Programme Officer of the Salzburg Global Seminar; until end-2006 Director of Communications, Executive Office of the UN Secretary-General and former Foreign Affairs Editor, *Financial Times*.

Thomas R. Pickering

Vice Chairman of Hills & Company; former Senior Vice President, International Relations of Boeing Company; former U.S. Under Secretary of State for Political Affairs; former US Ambassador to the Russian Federation, India, Israel, El Salvador, Nigeria, Jordan and the United Nations; former Assistant Secretary of State for Oceans and International Environmental and Scientific Affairs and Chairman of the American Academy of Diplomacy.

Marjatta Rasi

Former Finnish Ambassador to India, Sri Lanka, Bangladesh, Nepal, Bhutan (1991-95); Director General of the Department of International Development Cooperation within the Finnish MFA (1995-1998); former Finnish Permanent Representative to the UN in New York (1998-2005); former Member of the Board of the International Peace Academy (2000-2002); Vice President of ECOSOC (2002-2003); And Chairman of ECOSOC (2004-2005); Under Secretary of State for Development Policy at the Finnish MFA (2005-2009); Ambassador to Austria and Permanent Representative to UN organisations in Vienna until 2013.

Danilo Türk

Former Slovenian Permanent Representative to the United Nations; former Assistant Secretary-General of the UN Department of Political Affairs; President of Slovenia from December 2007 until December 2012.

Francesc Vendrell

Senior Visiting Fellow at the Liechtenstein Institute on Self-Determination (LISD) and the Frederick H. Schultz Professor of International Policy at the Woodrow Wilson School; former EU Special Representative in Afghanistan; former UN Special Representative in Afghanistan and former Assistant Secretary-General, Department of Political Affairs, UN Secretariat.

### **Disabled persons**

Independent Diplomat's policy is to consult and discuss with employees, through unions, staff councils and at meetings, matters likely to affect employees' interests.

Information of matters of concern to employees is given through information bulletins and reports which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the group's performance.

# INDEPENDENT DIPLOMAT

## TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2020**

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### **Employee involvement**

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment within Independent Diplomat continues and that the appropriate training is arranged. It is the policy of Independent Diplomat that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

The Trustees report was approved on behalf of the Board of Trustees.

*Carne Ross*

.....  
Carne Ross

**Trustee**

Date: 7 Feb 2022

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# INDEPENDENT DIPLOMAT

## INDEPENDENT EXAMINER'S REPORT

### TO THE TRUSTEES OF INDEPENDENT DIPLOMAT

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I report to the Trustees on my examination of the financial statements of Independent Diplomat (the Independent Diplomat) for the year ended 31 December 2020.

#### Responsibilities and basis of report

As the Trustees of the Independent Diplomat (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

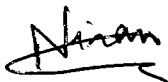
Having satisfied myself that the financial statements of the Independent Diplomat are not required to be audited for this year under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the Independent Diplomat's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

#### Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the Independent Diplomat as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.



.....  
**Nirav Sheth member of ICAEW and ACCA**  
**for and on behalf of Charterhouse (Accountants) Limited**

Charterhouse (Accountants) Limited  
166 College Road  
Harrow  
Middlesex  
HA1 1RA

Dated: 8/2/2022

# INDEPENDENT DIPLOMAT

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	2020 £	2019 £
<b><u>Income from:</u></b>			
Grants and fees	<b>2</b>	69,747	371,022
Interest received	<b>3</b>	-	9
<b>Total income</b>		<u>69,747</u>	<u>371,031</u>
<b><u>Expenditure on:</u></b>			
Charitable activities	<b>4</b>	<u>65,736</u>	<u>351,600</u>
<b>Net Income for the year/ Net movement in funds</b>		4,011	19,431
Fund balances at 1 January 2020		<u>50,760</u>	<u>31,329</u>
<b>Fund balances at 31 December 2020</b>		<u><u>54,771</u></u>	<u><u>50,760</u></u>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

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

# INDEPENDENT DIPLOMAT

## BALANCE SHEET

AS AT 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
<b>Current assets</b>					
Debtors	6	74,149		129,877	
Cash at bank and in hand		-		99,480	
		<u>74,149</u>		<u>229,357</u>	
<b>Creditors: amounts falling due within one year</b>	7	(19,378)		(178,597)	
Net current assets			<u>54,771</u>		<u>50,760</u>
<b>Income funds</b>					
Unrestricted funds			<u>54,771</u>		<u>50,760</u>
			<u>54,771</u>		<u>50,760</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2020.

The Trustees acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 7 Feb 2022

*Carne Ross*  
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Carne Ross  
Trustee

**Company Registration No. 05401515**

# INDEPENDENT DIPLOMAT

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

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### 1 Accounting policies

#### Charity information

Independent Diplomat is a private company limited by guarantee incorporated in England and Wales. The registered office is 166 College Road, Harrow, Middlesex, HA1 1RA.

#### 1.1 Accounting convention

The financial statements have been prepared in accordance with the Independent Diplomat's Memorandum of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The Independent Diplomat is a Public Benefit Entity as defined by FRS 102.

The Independent Diplomat has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The accounts are prepared in sterling, which is the functional currency of Independent Diplomat. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

At the time of approving the accounts, the Trustees have a reasonable expectation that Independent Diplomat has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the accounts.

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

#### 1.2 Incoming resources

Income is recognised when Independent Diplomat is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once Independent Diplomat has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income from government and other grants is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably.



# INDEPENDENT DIPLOMAT

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 1 Accounting policies (Continued)

##### 1.3 Resources expended

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

All expenditures are accounted for on an accrual basis and have been included under expense categories that aggregate all costs for allocation to activities. Where cost amounts can be directly attributable to particular activities they have been allocated on a basis consistent with the use of the resources.

Charitable activities include those costs associated with meeting constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

##### 1.4 Financial instruments

Independent Diplomat has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in Independent Diplomat's balance sheet when Independent Diplomat becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### *Basic financial assets*

Basic financial assets, which include debtors and cash and bank balances, are measured at transaction price including transaction costs. Financial assets classified as receivable within one year are not amortised.

##### *Basic financial liabilities*

Basic financial liabilities, including creditors are recognised at transaction price. Financial liabilities are not amortised.

##### 1.5 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

##### 1.6 Taxation

The company is not subject to taxation on its charitable activities.

##### 1.7 Fund Accounting

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity.

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

# INDEPENDENT DIPLOMAT

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

### 2 Grants and fees

	2020	2019
	£	£
Grants and fees	69,747	371,022

### 3 Interest received

	2020	2019
	£	£
Bank interest	-	9

### 4 Charitable activities

	2020	2019
	£	£
Staff costs including contractors	458,967	419,666
Consultants fees	2,231	102,405
Recharge of costs incurred on behalf of ID Inc.	(414,628)	(303,349)
Insurance	1,155	5,405
Printing, postage and stationery	881	673
Advertising	-	53
Telephone	-	421
Travelling expenses	3,859	116,993
Legal and professional	3,666	2,211
Audit and accountancy fees	9,600	7,298
Bank charges	5	69
Subscriptions	-	56
Sundry costs	-	141
	65,736	351,600

Staff costs include £414,628 (2019: £145,663) of employment related costs recharged to Independent Diplomat Inc.

# INDEPENDENT DIPLOMAT

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

### 5 Employees

The average monthly number of employees during the year was:

2020 Number	2019 Number
4	5

#### Employment costs

	£	£
Wages and salaries	403,081	369,021
Social security costs	51,198	50,645
Other pension costs	4,688	-
	<u>458,967</u>	<u>419,666</u>

The number of employees whose annual remuneration was more than £60,000 is as follows:

2020 Number	2019 Number
3	1

Number of employees paid more than £60,000

### 6 Debtors

#### Amounts falling due within one year:

	2020 £	2019 £
Trade debtors	-	129,877
Other debtors	74,149	-
	<u>74,149</u>	<u>129,877</u>

### 7 Creditors: amounts falling due within one year

	2020 £	2019 £
Other taxation and social security	14,757	25,071
Other creditors	1,021	149,714
Accruals and deferred income	3,600	3,812
	<u>19,378</u>	<u>178,597</u>

# **INDEPENDENT DIPLOMAT**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

***FOR THE YEAR ENDED 31 DECEMBER 2020***

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### **8 Related party transactions**

Included within other debtors as at the balance sheet date is an amount of £74,149 (2019: other creditor £149,714) owed by Independent Diplomat Inc., a sister organisation. This is an American registered not-for-profit organisation.

During the year the company recharged expenses amounting to £414,628 (2019: £303,349) to Independent Diplomat Inc. and has also been charged expenses of £Nil (2019: £104,322) by Independent Diplomat Inc.