

# INSTITUTE FOR STRATEGIC DIALOGUE

England & Wales · Charity number 1141069

## Details

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**Status** Registered

**Legal form** Charitable company

**Company number** [06581421](#)

**Registered** 2011-04-01

**Register** [View on the Charity Commission register](#)

## Contact

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**Website** [www.isdglobal.org](http://www.isdglobal.org)

## Activities

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**Objects:** 1) THE ADVANCEMENT OF THE EDUCATION OF THE PUBLIC IN THE UNITED KINGDOM AND ELSEWHERE IN RELATION TO GOVERNMENT, ECONOMICS, POLITICS, LAW, ADMINISTRATION AND SOCIAL SCIENCES; 2) THE PROMOTION OF HUMAN RIGHTS (AS SET OUT IN THE UNIVERSAL DECLARATION OF HUMAN RIGHTS AND SUBSEQUENT UNITED NATIONS CONVENTIONS AND DECLARATIONS) IN THE UNITED KINGDOM AND ELSEWHERE BY ALL OR ANY OF THE FOLLOWING MEANS: A) RAISING AWARENESS OF HUMAN RIGHTS ISSUES; B) EDUCATING THE PUBLIC ABOUT HUMAN RIGHTS; C) COMMISSIONING AND/OR CARRYING OUT RESEARCH INTO HUMAN RIGHTS ISSUES; AND D) CONTRIBUTING TO THE SOUND ADMINISTRATION OF HUMAN RIGHTS LAW; 3) THE PROMOTION OF NATIONAL AND INTERNATIONAL CONFLICT RESOLUTION AND RECONCILIATION FOR THE PUBLIC BENEFIT IN THE UNITED KINGDOM AND ELSEWHERE WITH A VIEW TO MAINTAINING SOCIAL COHESION AND TRUST WITHIN AND BETWEEN COMMUNITIES DIVIDED BY ETHNICITY, RELIGION, POLITICS AND BACKGROUND BY ALL OR ANY OF THE FOLLOWING MEANS: A) INVESTIGATING AND IDENTIFYING PROBABLE CAUSES OF CONFLICT WITH A VIEW TO PREVENTING THE OCCURRENCE OF CONFLICT; B) COMMISSIONING AND/OR CARRYING OUT RESEARCH TO IDENTIFY POSSIBLE SOLUTIONS TO ISSUES OF CONFLICT; C) MEDIATING WITH PARTIES TO THE CONFLICT AND OTHERS TOGETHER TO DISCUSS POSSIBLE SOLUTIONS ENABLING THEM TO BUILD TRUST; AND D) RECOMMENDING TO THE PUBLIC AND PARTIES INVOLVED, MEASURES WHICH ARE LIKELY TO RESULT IN THE RESOLUTION OR PREVENTION OF A POTENTIAL OR MANIFEST CONFLICT; AND 4) SUCH OTHER CHARITABLE PURPOSES AS THE TRUSTEES SHALL FROM TIME TO TIME THINK FIT.

**Activities:** AN INDEPENDENT THINK TANK WORKING WITH LEADERS IN GOVERNMENT, BUSINESS, MEDIA AND ACADEMIA TO DEVELOP MULTI-COUNTRY RESPONSES TO THE MAJOR SECURITY AND SOCIO-ECONOMIC CHALLENGES OF OUR TIME AND TO ENHANCE EUROPE'S CAPACITY TO ACT EFFECTIVELY IN THE GLOBAL ARENA. ACTIVITIES INCLUDE RESEARCH, SPECIALISED TASK FORCES, HIGH LEVEL POLICY BRIEFINGS AND CROSS BORDER NETWORKS.

## Classification

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- **How:** Provides Advocacy/advice/information, Sponsors Or Undertakes Research, Acts As An Umbrella Or Resource Body, Other Charitable Activities
- **What:** General Charitable Purposes, Education/training
- **Who:** The General Public/mankind

## Geography

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- **Area of benefit:** THROUGHOUT ENGLAND AND WALES
- Canada
- France
- Germany
- United States
- Throughout England And Wales

## Finances

| Period end | Income     | Expenditure | Assets     | Employees |
|------------|------------|-------------|------------|-----------|
| 2024-12-31 | £6,125,835 | £5,999,340  | £786,953   | 42        |
| 2023-12-31 | £5,716,592 | £5,937,942  | £660,458   | 43        |
| 2022-12-31 | £6,014,739 | £6,802,997  | £881,808   | 51        |
| 2021-12-31 | £6,829,100 | £6,930,060  | £1,670,066 | 48        |
| 2020-12-31 | £5,648,164 | £5,187,784  | £1,771,026 | 49        |

## Trustees

| Name                    | Role | Appointed  |
|-------------------------|------|------------|
| Baroness Joanna Shields |      | 2025-09-08 |
| Dr Serra Kirdar         |      | 2019-01-01 |
| Edward Williams         |      | 2019-12-10 |
| Lord Aamer Sarfraz      |      | 2024-06-04 |
| Stephen Zinser          |      | 2022-12-20 |
| Stuart Fiertz           |      |            |

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# Accounts

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**Charity registration number    1141069**

**Company registration number   06581421 (England and Wales)**



**INSTITUTE FOR STRATEGIC DIALOGUE  
(A COMPANY LIMITED BY GUARANTEE)  
ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

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## LEGAL AND ADMINISTRATIVE INFORMATION

|                          |                                                                   |                                                         |
|--------------------------|-------------------------------------------------------------------|---------------------------------------------------------|
| <b>Trustees</b>          | Mr Michael Lewis                                                  |                                                         |
|                          | Mr Stuart Fiertz                                                  |                                                         |
|                          | Mr Mark Bergman                                                   | (Resigned 31 December 2024)                             |
|                          | Dr Serra Kirdar                                                   |                                                         |
|                          | Mr Edward Williams                                                |                                                         |
|                          | Mr Konstantin Von Unger                                           | (Resigned 31 December 2024)                             |
|                          | Mr Stephen Zinser                                                 |                                                         |
|                          | Sir Michael Davis                                                 | (Appointed 22 January 2024)                             |
|                          | Mr Christopher Rice                                               | (Appointed 24 April 2024,<br>Resigned 31 December 2024) |
|                          | Lord Aamer Sarfraz                                                | (Appointed 4 June 2024)                                 |
|                          | Baroness Joanna Shields                                           | (Appointed 8 September 2025)                            |
| <b>Charity number</b>    | 1141069                                                           |                                                         |
| <b>Company number</b>    | 06581421                                                          |                                                         |
| <b>Registered office</b> | 3 <sup>rd</sup> Floor<br>45 Albemarle Street<br>London<br>W1S 4JL |                                                         |
| <b>Auditor</b>           | Sayer Vincent LLP<br>110 Golden Lane<br>London<br>EC1Y 0TG        |                                                         |
| <b>Bankers</b>           | Lloyds Bank plc.<br>25 Gresham Street<br>London<br>EC2V 7HN       |                                                         |

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of the Institute for Strategic Dialogue (the company) for the year ended 31 December 2024.

The Trustees confirm that the annual report and financial statements of the company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP), 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).

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Constitution**

The company is registered as a charitable company limited by guarantee (registered charity number 1141069) and was set up by a Memorandum of Association on 30 April 2008.

The charity is constituted under a Memorandum of Association and is a registered charity.

### **Organisational Structure and Decision Making**

The Institute for Strategic Dialogue (ISD/ ISD UK) has a Board of Trustees that meets three times a year. There is a Chair of the Board and Treasurer. The Institute also has an active Finance Committee, made up of the Chair and Treasurer, which meets regularly and works closely with the Leadership Team and Director of Finance.

The Leadership Team is supported by a senior management team responsible for the execution of the organisational objectives. All Trustees and Staff are required to report any potential or actual conflicts of interest immediately to the Chair and/ or COO.

### **Global ISD Governance, Entities and Structure**

ISD UK is one of a network of five ISD entities, with sister organisations in the US, Germany, France and Jordan. They are separate legal entities that share a vision and mission:

- The Institute for Strategic Dialogue US (ISD US) is a non-political, non-profit corporation registered in the District of Columbia with 501(c)(3) status (Tax ID number 27-1282489).
- The Institute for Strategic Dialogue gmbH (ISD Germany) is a limited liability company with a charitable purpose ('gemeinnützige Gesellschaft mit beschränkter Haftung') registered in Berlin, registration number AG Berlin-Charlottenburg HRB 207 328B.
- The Institut pour le Dialogue Stratégique (ISD France) is registered as a non-profit Association in Paris with number W751256497.
- The New Institute for Strategic Dialogue for Experimental Research and Development (ISD Jordan) is a non-profit Limited Liability Company with company number 1425.

ISD France is accounted for as a branch of ISD UK. The other entities are not included in this set of financial statements. Separate financial statements are produced in each country in accordance with local statutory requirements.

The network of ISD entities seeks to maintain consistency in approach to key operational and programmatic issues. However, as a legally separate entity, ISD UK makes all its own decisions on key strategic, programmatic and operating policies.

### **Trustee Recruitment, Induction and Training**

The management of the company is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association. The recruitment of Trustees is based on an assessment of the Board's strengths and areas where further experience and expertise are required. Trustees are appointed by the Board of Directors to fill these expertise gaps based on their skills and experience relevant to ISD's aims and objectives. Candidates are interviewed by the Chair and at least one other Trustee to assess suitability, before being proposed at a Board meeting for approval by a majority of the Board ahead of an invitation to join being extended. Board members are appointed for a term consistent with the Articles of Association and Bylaws.

An induction and training process is managed by the COO to ensure Trustees/ Directors understand their responsibilities and how the Board works. They meet with members of the leadership team to have a deep-dive induction into ISD's programming and strategy and are sent recent ISD publications. They are sent Charity Commission guidance on Trustee responsibilities and are given information on ISD's governance, strategy and goals. Trustees are provided with copies of the governance documents, previous board papers and minutes, and other relevant documents.

### **Remuneration of staff and key management personnel**

ISD's staff remuneration policy is designed to ensure that staff salaries remain competitive so that ISD can attract and retain the exceptional team needed to achieve our ambitious goals and mission.

ISD holds two performance review cycles annually and awards promotions and pay increases for staff that have demonstrated outstanding performance or are taking on additional responsibilities. Salary scales are published on the organisation's intranet so are transparent to all staff and salary increases are awarded in line with pre-determined pay points. Pay brackets are benchmarked against the sector by reviewing salaries of competitor organisations and advertised salaries of comparative roles.

### **Risk Management**

The Trustees have assessed the major risks to which the company is exposed, particularly those related to the operations and finances of the organisation, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks. These are all captured in an annually reviewed Risk Register which is compiled and maintained by the leadership of the organisation. This Risk Register grades 45 identified risks across categories (governance, strategic, reputational, legal, financial, security, health & safety and HR) with a RAG rating scale and outlines the controls in place to mitigate these.

Key risks are identified as those with a potentially medium or high impact on the organisation even after accounting for the mitigation controls in place. These are:

| Key Risks                                                                                                                                                                                          | Mitigation Measures                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Libel &amp; Defamation:</b> A case is mounted against ISD by the subject of a piece of research or publication, whether in good faith or vexatiously.                                           | All publications reviewed and edited for legal risk clearance; all publications which pass a risk threshold are reviewed by a libel Barrister ahead of publication; right-to-respond protocols in place for named actors in publications; Complaints Policy published on website.                                                                                                                                                                                      |
| <b>Institutional:</b> The operating environments in which ISD works becomes hostile or politicised. ISD is subject of legal action brought in bad faith to undermine work.                         | Lawyers retained to help guard against and advise upon ongoing institutional protection; pro bono lawyers engaged for support on specific issues; scenario planning exercises undertaken and Risk Register updated regularly; risk averse approach taken for institutional protection.                                                                                                                                                                                 |
| <b>Staff Safety:</b> Online and offline targeting results in intimidation, harassment or acts of violence against staff (which may be ideologically or politically motivated based on ISD's work). | Pentests and digital hygiene guidance issued to staff; protocols for managing the risk of harm on social media in place; psychosocial and wellbeing support (mental health first aider; harmful content & flagging protocol; counselling; health & wellbeing offer); protocols to maintain security of staff information like addresses; outside-office physical security review of staff to be conducted in 2025; Critical Incident Management Plan enhanced in 2024. |
| <b>Cyber Security &amp; Data Protection:</b> Data protection failure or cybersecurity attack on ISD.                                                                                               | Trusted IT & security providers retained; encrypted hardware, enhanced software and restricted server access; SOC service constantly monitoring cyber threats; training for all staff on identifying and avoiding phishing scams; dedicated cybersecurity staff; audit of all Data Protection policies and improvements to all DP systems conducted in 2024, with findings fully implemented in 2025.                                                                  |

## Public Benefit

The Trustees confirm that they have complied with the duty in section 4 of the Charities Act 2006 to have due regard to the Charity Commission's general guidance on public benefit, 'Charities and Public Benefit'. All the activities that are undertaken by the charity are for the advancement of the objectives and the activities that are undertaken by the charity to further its charitable purposes are for the public benefit.

## Going Concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

## Objectives And Activities

The Institute for Strategic Dialogue (ISD) is an independent 'think and do' tank that studies and develops policy and operational responses to the hybridised threats of extremism, weaponised hate and information operations. Combining research and analysis with policy advisory, training, capacity building and educational programmes, ISD is at the forefront of forging real-world, evidence-based responses to these challenges.

The principal objects of the charity and company are:

- The advancement of the education of the public in the UK and elsewhere in relation to government, economics, politics, law, administration and social services;
- The advancement of human rights, conflict resolution or reconciliation or the promotion of religious or racial harmony or equality and diversity;
- Such other charitable purposes as the Trustees shall from time to time think fit.

## STRATEGIES & ACTIVITIES FOR ACHIEVING OBJECTIVES

Since its formation, ISD has been at the forefront of solutions that combat extremism, weaponised hate and information operations. At a time when these pose immediate threats to safety, security and democratic civil culture and institutions, ISD is working to enable individuals, organisations and communities to turn the tide against these threats.

## ACHIEVEMENTS AND PERFORMANCE

ISD delivered impactful work in 2024 to safeguard public safety, national security and democracy, and to deliver to its mission of educating the public on the issue areas of extremism, weaponised hate and information operations. We achieved our charitable objectives against a challenging geopolitical backdrop through our three types of activity:

1. **RESEARCH & ANALYSIS** – ISD combines sector-leading expertise and research with advanced digital analysis that identifies and tracks information operations, weaponised hate, terrorism and extremism in real time. Our Digital Analysis Unit has been at the forefront of analysing audiences, networks and content online to accurately interpret the risks posed by the hybridised nature of these threats. This ensures that ISD is consistently ahead of the curve in predicting and understanding developments in these areas.
2. **POLICY & ADVISORY SERVICES** – Our research shapes policy makers' and the public's understanding of evolving threats in the issue areas on which we work. ISD provides strategic advice, support and training to practitioners, local and national governments, multilateral institutions and the public. We also convene policy makers and inter-governmental groups for information exchanges.
3. **ACTION PROGRAMMING** – ISD innovates, trials and scales cutting-edge interventions that empower cities, practitioners, individuals and civil society organisations to understand and mitigate the harms posed by weaponised hate, extremism and information operations. From our digital education and communications programmes to our training and direct interventions

with at-risk individuals, we build resilience both on and offline. We work to empower and facilitate civil society, fostering networks of community groups and influencers to take the lead, applying their granular expertise and credibility in a way that delivers impact at scale. ISD has pioneered the application of data, technology and marketing tactics to mount a proportional response to extremist messaging.

ISD's performance and impact are defined and reviewed against a programming strategy which is developed every 2-3 years. This strategy is based upon and links to our Theory of Change, and it is against the goals set out in these documents that ISD uses a performance monitoring system to measure each project and programme's impact.

Frequently used performance indicators include key reach metrics for published reports and other public-facing outputs. We also track, for example, the number of stakeholders reached through programming and examples of uptake and use of ISD's research findings.

In 2024, key indicators of performance against our three areas of activity were set as the following, and all were achieved as outlined in the description of programming captured below:

| Research & Analysis                                                                                                                                                                                                                                                                                                                                                                                                   | Policy & Advisory Services                                                                                                                                                                                                                                                                                                                                                                                                                       | Action Programming                                                                                                                                                                                                                                                                                                                                    |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> <li>• Monitor, research and provide analysis on ISD's issue areas as relate to 4 global elections</li> <li>• Produce case studies on information operations and hostile state activity in the context of 4 global elections</li> <li>• Provide commentary over 100 times in national media on ISD's issue areas</li> <li>• Publish 50 reports, explainers or dispatches</li> </ul> | <ul style="list-style-type: none"> <li>• Publish 1 UK-focused policy paper on the hybridised threat landscape</li> <li>• Produce 1 internationally focused policy paper on ISD's issue areas</li> <li>• Provide analysis and briefings to 3 UK government departments and/or Parliament on ISD's issue areas</li> <li>• Respond to emerging national and international events with rapid briefings, policy and action recommendations</li> </ul> | <ul style="list-style-type: none"> <li>• Engage with 250+ cities through Strong Cities</li> <li>• Host 1 Strong Cities Global Summit attended by 100 cities</li> <li>• Map violent extremism initiatives through 3 Strong Cities Regional Hubs</li> <li>• Deliver training to 100 practitioners, policy makers or local government leaders</li> </ul> |

All new projects and funding opportunities are assessed against a number of criteria, including relevance to ISD's organisational Theory of Change. Once funding is secured, a detailed workplan is developed and used to monitor progress during weekly and monthly project meetings. Objectives are reviewed for relevance and progress throughout the project lifecycle. As part of the reporting process, we capture lessons learnt in terms of methodology and findings and share these with our donors and partners to enable continuous learning.

The following areas of programming constituted particular highlights of the organisation's work in 2024:

## **Research & Analysis**

- **The Southport Riots:** 2024 saw the largest far-right mobilisation in the UK in decades, with riots occurring in multiple locations targeting Muslims and migrants following the tragic murder of three young girls in Southport. Our UK team mobilised rapidly, delivering critical research and commentary to international media outlets. ISD researchers produced analysis of the online hysteria around the [identity of the attacker](#) and demonstrated how such content [can lead to violent mobilisation](#) against marginalised communities, fuelled by widely shared rhetoric that 'others' these groups. We examined the [role of 'alt tech' social media in organising and mobilising far-right groups](#) and crafted a [brief on longer term policy implications](#) emerging from the riots. ISD provided analysis on the Southport riots to dozens of international outlets including the [Guardian](#), the [Financial Times](#), [France 24](#), [Reuters](#), the [Wall Street Journal](#) and more. Multiple members of our team also appeared on live television broadcasts offering insights into the Southport rioting, including the [BBC's Newsnight](#), [Sky News](#) and [CNN](#).
- **Democratic Safeguarding and Election Integrity:** ISD produced sector-leading research on elections in [Ireland](#), [South Africa](#), [Germany](#), the [US](#) and the [UK](#) throughout 2024. In our post-election assessment of Ireland's local and European Parliament elections, our researchers [identified numerous incidents](#) of politically motivated violence, intimidation and harassment throughout the campaign. We also tracked the Irish far-right's evolving focus on [abortion](#) as part of their ethnonationalist agenda; documented trends in [anti-migrant violence](#); and exposed an [Irish alternative media network](#) using AI to spread disinformation. Alongside other expert groups, we launched a long-awaited [conspiracy guide](#) for MPs and election candidates, commissioned by House of Commons Leader Penny Mordaunt. In August, we published an [overview](#) of online gender-based violence (OGBV) and disinformation targeting women politicians during South Africa's general election.
- **Israel-Gaza conflict:** We delivered five investigative reports on information operations related to the events of the Israel-Hamas conflict in 2024, and published a report evidencing the rise in [antisemitism and anti-Muslim hate](#) following October 7. In October 2024 we published an investigation into how a pro-Kremlin ad campaign [used the Israel-Hamas conflict to spread propaganda in France and Germany](#), and secured extensive coverage of this investigation from the Süddeutsche Zeitung in their [Dossier newsletter](#). Released on the first anniversary of the October 7 attack, a second [Digital Dispatch](#) quantitatively investigated misinformation and conspiracy theories which deny or justify Hamas' actions and received [coverage](#) from Tagesschau. The team regularly briefed on these research findings at high-level roundtables and conferences, including the EU Disinfo Lab annual conference and DisinfoCon 3.0.
- **Climate Disinformation:** In September, we [published a 10-page briefing](#) titled 'Digital Landscape of Climate Mis- and Disinformation in the UK'. The paper provided an overview of false and misleading narratives relating to climate science, solutions and policy, as relevant to UK audiences on X (formerly Twitter), Facebook and the encrypted app Telegram. The research was presented by the Global Action Plan (GAP) in a side event at the Labour Party Conference, serving to inform new cohorts in Whitehall and Westminster. In October, ISD contributed to a 60-page report titled [Extreme Weather, Extreme Content: How Big Tech Enables Climate Disinformation in a World on the Brink](#), as well as published a [rapid-response brief](#) mapping the

prevalence of antisemitic conspiracy theories and calls to violence in the wake of Hurricanes Helene and Milton in the US and a [second Digital Dispatch](#) mapping Russian propaganda around the crisis.

- **EU Digital Services Act (DSA) Compliance Monitoring:** In April 2024, ISD began a project to monitor compliance to the EU Digital Services Act (DSA), which requires intensive monitoring and analysis across eight European languages to assess the compliance of five Very Large Online Platforms (VLOPs) – Facebook, Instagram, YouTube, X and TikTok – with the DSA. As part of a larger consortia, ISD provided the Directorate-General for Communications Networks, Content and Technology (DG Connect) with monthly reports; completed an internally shared report on the Doppelgänger disinformation campaign on Meta’s advertising platform; and delivered an internal report focusing on terrorist and violent extremist content and activity on X.

### **Policy & Advisory**

- **Strategic UK Counter-Extremism Policy Engagement:** The election of a new UK government in July 2024 provided an opportunity for ISD to inform the new government’s long-term counter-extremism strategy. We established a renewed strategic approach to public affairs, with the aim of supporting the creation of an All-Party Parliamentary Group (APPG) on Extremism and Democracy as an effective vehicle to build cross-party consensus and bring together MPs with interest in a range of relevant policy areas.
- **Evidence Support for UK Government Review of 2022 Leicester Unrest:** In August, ISD was commissioned by the Ministry of Housing, Communities and Local Government to produce a rapid evidence review on the role of Islamist and Hindutva ideology in violent unrest which took place in the city of Leicester in 2022, to support a government commission chaired by leading policy makers, experts and community figures. ISD analysts produced a comprehensive [40-page policy paper](#) drawing on expert interviews, demographic data, a survey of the ideological landscape, as well as analysis of online fora to inform evidence-based recommendations for national and local government. These considerations took on a new resonance in the context of the far-right rioting which followed the Southport attack, allowing ISD to lay out a broader policy framework which considered the implications of such violence for social cohesion policy and counter-extremism approaches.
- **Digital Policy:** In 2024 we continued to deliver impactful work through the [Digital Policy Lab](#), the inter-governmental working group and policy initiative facilitated by ISD Germany and ISD UK. In October, we convened the second Digital Policy Lab Summit, at which 65 decision-makers, regulators and experts met at the Canadian Embassy in Berlin to discuss the EU’s DSA and UK’s Online Safety Act, enhancing data access for researchers and regulators, and addressing AI’s impact on online safety. Participants included Digital Services Coordinators and officials from Germany, Belgium, Ireland, Slovakia, Switzerland, the UK, Canada, the Netherlands, the US, the European Commission, and the United Nations.

## **Action programming**

- **Strong Cities:** ISD's [Strong Cities Network](#) continued to support and facilitate conversations between cities facing hate, polarisation and the local impacts of global crises in 2024. Strong Cities' membership grew to 252 cities and 17 local governments from 13 countries joined the network, including Leeds in the UK, Sofia in Bulgaria, Bukavu in the Democratic Republic of Congo, Kinston in North Carolina, Toronto in Canada, and Kandy in Sri Lanka. Through city-specific, national and regional activities, [Regional Hubs](#) directly responded to the needs of cities and ensured city-to-city lesson sharing. In December, the [Strong Cities](#) team hosted the Fifth Global Summit in Cape Town, convening mayors and other local leaders, local government practitioners, civil society actors and national and international partners from around the world to showcase how cities – whether urban or rural, big or small – can prevent and respond to hate, polarisation and extremism.
- **Coalition to Counter Online Antisemitism (CCOA):** ISD UK staff continued to play a key role in the delivery of this flagship ISD Germany project throughout 2024, with notable progress made in addressing online antisemitism throughout Europe. The CCOA team conducted regional workshops in Paris, Rome and Stockholm, allowing the team to engage with local partners and identify specific needs at the national and local levels and culminating in a comprehensive CCOA [Policy roadmap](#). The team released research-based resources for its members, including one focusing on [online Holocaust denial and distortion](#), and provided four microgrants to foster creative local projects aimed at tackling online antisemitism. In November, the CCOA successfully convened a European Dialogue Conference in Warsaw, centered on "Mainstreaming (Digital) Human Rights: A Unified Approach to Countering Online Antisemitism Beyond 2024".

## **MEDIA AND COMMUNICATIONS**

During 2024, ISD published 36 report-style publications along with 92 Digital Dispatches and 10 Explainers, which were created to achieve our charitable objective of informing the public, policy makers and other stakeholders on trends and analysis on hate, extremism and information operations. These publications included analysis of online activity, with accompanying policy recommendations, related to major events such as the Southport riots, the Israel-Gaza conflict, and elections in [Germany](#), [South Africa](#), [Ireland](#), the [UK](#) and more.

A peak of media requests occurred in October 2024, following the surge of conspiracy theories, some of which were antisemitic, in the wake of hurricanes Helene and Milton in the US. ISD analysts quickly produced a Dispatch on attempts to exploit the hurricanes by [pro-Kremlin networks](#), [extremists](#), and [some politicians](#). Our work received extensive coverage across a wide spectrum of outlets, including [The New York Times](#), [The Globe and Mail](#), [Forbes](#), [Mother Jones](#), [Wired](#), [MSNBC](#), [Fox](#), [The Associated Press](#), [The Guardian](#) and more.

ISD's sector-leading analysis on multiple elections across 2024 also received consistent news coverage across the globe. As a result of our work on the Irish elections, ISD analysts contributed to 21 separate pieces of media on radio, TV, newspapers and digital media during the project period. This includes [front page coverage](#) of ISD's political violence analysis; [two op-eds](#) on far-right trends during the elections; and eight radio interviews discussing events such the Coolock anti-immigration riots and the popularity

of far-right conspiracy theories in Ireland, with ISD commentary featured in the [Irish Times](#), the [Journal, RTÉ](#) and more. The [conspiracy guide](#) for MPs and election candidates that ISD fed into alongside other expert groups received significant media attention, including from the [Guardian](#), the [BBC](#), [Jewish News](#) and [Metro](#).

Finally, the Israel-Gaza conflict remained a major focus of our work in 2024 and continued to appear in international media coverage, with our team speaking to the [New York Times](#) and [Bloomberg](#) about foreign actors' online activity regarding protests over the war in Gaza taking place across US campuses.

## OPERATIONS

We completed a number of important initiatives in support of ISD's operations in 2024, including a data protection audit, governance audit, and an internal review of all our safeguarding and wellbeing policies and practices. We rolled out additional IT & cybersecurity measures; thoroughly reviewed and updated our policies, handbooks, resources and training across the organisation; and updated all our governance structures. These improvements to our core systems and processes meant that we started 2025 in a robust organisational position.

ISD actively managed approximately 41 concurrent projects valued at £4.9 million throughout their lifecycles in 2024, with £4.5 million generated in restricted income. In addition to managing this large portfolio, we invested in improving project data and better sharing project information across the organisation. Throughout 2024, we held regular workstream and entity-level dashboard meetings that allow the leadership team and Directors to track resources and progress against our strategic priorities. Over the last quarter of 2024, we also used data collected from the dashboards to provide Directors with a baseline for setting priorities for their workstreams for the coming year, refining their strategic decision-making and planning through this data-driven approach.

ISD continued to play a significant role in the expansion of work situated in our sister entities in 2024, with staff providing effective support to other ISD teams delivering strategically important projects. This included supporting on the rapid response analysis work delivered by ISD-US in the lead up to and after the 2024 US Election; securing and delivering a €1m grant by the European Commission Directorate-General for Communications Networks, Content and Technology to ISD Germany; and supporting on a successful tender submission for the second phase of this work.

## FUTURE PLANS

In 2025, ISD will continue to deliver its work internationally and work with partners, including our sister organisations in the US, Germany, France and Jordan.

Implementation of the Foreign Influence Registration Scheme (FIRS), commencing on 1 July 2025, will provide ISD with further opportunities to engage government on adequately tackling hybridised threats from state actors. Given that both UK and European policy stakeholders have a renewed interest in collaboration and convergence, we will be able to focus on creating shared understanding and transnational policy and practical responses.

We will continue to lean into engagement with the 'Four Eyes' countries in 2025. Our partnership with the Canadian government has substantially grown over the last few years and is set to further expand across our extremism and foreign interference areas of work. We also see new opportunities for engagement with the Australian government, having fed into their counter-extremism strategy, and our long-standing relationship with New Zealand will likely continue.

In fundraising, we will seek to secure more multi-year contracts and grants, and develop funding relationships with foundations in the UK and Europe as well as building more programmes as part of consortia. We will also focus fundraising efforts on increasing the number of service contracts delivered.

### **Financial review**

Total income in 2024 was £6.1 million (2023: £5.7 million) representing funding from a diverse, global group of Non-Profit Partners, Trusts and Foundations, Government and Multilateral Institutions, Individuals and Corporates. We achieved 7% growth this year and expect continued growth in 2025.

We have undertaken an ambitious portfolio of projects and programmes in 2024 and have ensured that our key activities are well funded. Our expenditure includes £2.9m (2023: £2.1m) for Research & Digital Analysis; £1.7m (2023: £1.8m) for Policy & Advisory; and £1.4m (2023: £2.0m) for Action Programming. We have continued investing in dedicated business development personnel in 2024 - £35,029 (2023: £46,891). Net income for the year was £126,495 (2023: (£221,350) Net expenditure). £219,781 of this is unrestricted exceeding our reserves plan by £113,991.

At 31st December 2024, unrestricted funds were £477,541 (2023: £257,760) and restricted funds were £309,412 (2023: £402,698) demonstrating that we are achieving our five-year financial sustainability model and are utilising project restricted funding efficiently and prioritising programme delivery.

### **Fundraising standards**

We raise funds to support our charitable activities from Government and Multilateral Institutions, Trusts and Foundations, Corporates and Non-Profit Partners.

We also receive grants from other ISD entities and individual donations and major gifts mostly from Trustees. These are summarised in our Related party transactions Note 10.

ISD does not participate in public fundraising activities and is therefore not registered by a fundraising regulator. No third parties, professional fundraisers or commercial participators were used to undertake any fundraising activities. During 2024, as with all previous years, we received no complaints about any of our fundraising activities.

We are committed to protecting vulnerable people and maintain high standards to ensure our donors' privacy, dignity and wellbeing are protected. This is achieved by having personal interaction with all individual donors and only accepting donations from those donors who we have an established relationship with. We also publish a Complaints Policy on our website.

### **Reserves Policy**

The Board regularly reviews progress against our reserves policy and five-year financial sustainability model (2023-2027) that will progress the institution and enable us to withstand external shocks, leverage more project funding opportunities, and promote longer-term budgeting and decision making. Beyond holding sufficient levels of reserves to ensure we can pay our immediate administrative and operational liabilities and remain a going concern, this policy asserts that from 2024 ISD will work towards building up the reserves necessary to pre-finance projects paid in arrears; to fund short term project financing gaps; and to mitigate against FX losses.

With our donor portfolio evolving with more income paid in arrears on delivery, we will need to increase our reserves level to ensure we still have sufficient financial flexibility in place to support our growth. By the end of 2027 we aim to build reserves equivalent to 20%-30% of our total expenditure.

Total funds held at 31<sup>st</sup> December 2024 were £799,465 (2023: £660,458), of which:

- **£309,412** (2023: £402,698) was restricted towards projects ending after the reporting period and not available for general purposes.
- **£15,300** (2023: £34,238) was in a designated fund representing the Fixed Assets held at the end of the reporting period.
- **£462,241** (2023: £223,522) was free reserves, which is £112,241 higher than the Reserves Target at 31 December 2024 (£350,000). This has put us in a strong position to achieve the Reserves Target of at least £650,000 by 31 December 2025. This is needed to grow reserves in line with the 2023-2027 reserves plan.

### **Going Concern**

At the time of approving the financial statements, after making appropriate enquiries, the Trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

## **STATEMENT OF TRUSTEE RESPONSIBILITIES**

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

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company or group for that period. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice

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 charity will continue in operation

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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 financial statements may differ from legislation in other jurisdictions.

The Trustees of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 December 2024 was 7 (2023: 7). The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

#### **Disclosure of information to auditor**

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The Trustees report was approved by the Board of Trustees.

**Mr Stuart Fiertz**

Chair of Trustees

Dated:

22 September 2025

## Opinion

We have audited the financial statements of Institute for Strategic Dialogue (the 'charitable company') for the year ended 31 December 2024 which comprise the statement of financial activities, 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 FRS 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 December 2024 and of its incoming resources and application of resources, including its income and expenditure for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006

## 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 Institute for Strategic Dialogue'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 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 within 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 has 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. 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, or returns adequate for our audit have not been received from branches not visited by us; 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

## **Responsibilities of trustees**

As explained more fully in the statement of 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 misstatement 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 committee, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating 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 charity 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 charity 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 is available on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## **Use of our report**

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

Noelia Serrano (Senior statutory auditor)  
Date 23 September 2025  
for and on behalf of Sayer Vincent LLP, Statutory Auditor  
110 Golden Lane, LONDON, EC1Y 0TG

**Statement of Financial Activities** (Incorporating an income and expenditure account)

**For the year ended 31 December 2024**

|                                              |      | Unrestricted     | Restricted       | 2024<br>Total    | Unrestricted     | Restricted       | 2023<br>Total    |
|----------------------------------------------|------|------------------|------------------|------------------|------------------|------------------|------------------|
|                                              | Note | £                | £                | £                | £                | £                | £                |
| <b>Income from:</b>                          |      |                  |                  |                  |                  |                  |                  |
| Donations and legacies                       | 2    | 1,243,044        | -                | <b>1,243,044</b> | 931,826          | -                | 931,826          |
| Charitable activities                        |      |                  |                  |                  |                  |                  |                  |
| Research & Digital Analysis                  | 3    | 238,727          | 2,175,455        | <b>2,414,182</b> | 147,073          | 1,642,608        | 1,789,681        |
| Policy & Advisory                            | 3    | 87,998           | 1,251,029        | <b>1,339,027</b> | 1,316            | 1,348,740        | 1,350,056        |
| Action Programming                           | 3    | 30,302           | 1,050,214        | <b>1,080,516</b> | 3,279            | 1,438,630        | 1,441,909        |
| Other trading activities                     | 4    | 30,424           | -                | <b>30,424</b>    | 181,567          | -                | 181,567          |
| Investments                                  |      | 18,642           | -                | <b>18,642</b>    | 1,113            | -                | 1,113            |
| Other                                        |      | -                | -                | -                | 20,440           | -                | 20,440           |
| <b>Total income</b>                          |      | <b>1,649,137</b> | <b>4,476,698</b> | <b>6,125,835</b> | <b>1,286,614</b> | <b>4,429,978</b> | <b>5,716,592</b> |
| <b>Expenditure on:</b>                       |      |                  |                  |                  |                  |                  |                  |
| Raising funds                                | 5    | 35,029           | -                | <b>35,029</b>    | 46,891           | -                | 46,891           |
| Charitable activities                        |      |                  |                  |                  |                  |                  |                  |
| Research & Digital Analysis                  | 5    | 607,234          | 2,258,438        | <b>2,865,672</b> | 544,469          | 1,554,222        | 2,098,691        |
| Policy & Advisory                            | 5    | 425,900          | 1,232,822        | <b>1,658,722</b> | 386,605          | 1,439,903        | 1,826,508        |
| Action Programming                           | 5    | 361,193          | 1,078,724        | <b>1,439,917</b> | 444,802          | 1,521,050        | 1,965,852        |
| <b>Total expenditure</b>                     |      | <b>1,429,356</b> | <b>4,569,984</b> | <b>5,999,340</b> | <b>1,422,767</b> | <b>4,515,175</b> | <b>5,937,942</b> |
| <b>Net income/(expenditure) for the year</b> | 7    | <b>219,781</b>   | <b>(93,286)</b>  | <b>126,495</b>   | <b>(136,153)</b> | <b>(85,197)</b>  | <b>(221,350)</b> |
| Transfers between funds                      |      | -                | -                | -                | (8,430)          | 8,430            | -                |
| <b>Net movement in funds</b>                 |      | <b>219,781</b>   | <b>(93,286)</b>  | <b>126,495</b>   | <b>(144,583)</b> | <b>(76,767)</b>  | <b>(221,350)</b> |
| <b>Reconciliation of funds:</b>              |      |                  |                  |                  |                  |                  |                  |
| Total funds brought forward                  |      | 257,760          | 402,698          | <b>660,458</b>   | 402,343          | 479,465          | 881,808          |
| <b>Total funds carried forward</b>           |      | <b>477,541</b>   | <b>309,412</b>   | <b>786,953</b>   | <b>257,760</b>   | <b>402,698</b>   | <b>660,458</b>   |

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 16a to the financial statements.

Balance Sheet

Company no. 06581421

For the year ended 31 December 2024

|                                                | Note | £                | 2024<br>£      | £         | 2023<br>£ |
|------------------------------------------------|------|------------------|----------------|-----------|-----------|
| <b>Fixed assets:</b>                           |      |                  |                |           |           |
| Tangible assets                                | 12   |                  | <b>15,300</b>  |           | 34,238    |
|                                                |      |                  | <b>15,300</b>  |           | 34,238    |
| <b>Current assets:</b>                         |      |                  |                |           |           |
| Debtors                                        | 13   | <b>529,485</b>   |                | 802,377   |           |
| Cash at bank and in hand                       |      | <b>553,190</b>   |                | 247,504   |           |
|                                                |      | <b>1,082,675</b> |                | 1,049,881 |           |
| <b>Liabilities:</b>                            |      |                  |                |           |           |
| Creditors: amounts falling due within one year | 14   | <b>(311,022)</b> |                | (423,661) |           |
| <b>Net current assets</b>                      |      |                  | <b>771,653</b> |           | 626,220   |
| <b>Total assets less current liabilities</b>   |      |                  | <b>786,953</b> |           | 660,458   |
| <b>Total net assets</b>                        |      |                  | <b>786,953</b> |           | 660,458   |
| <b>The funds of the charity:</b>               | 16a  |                  |                |           |           |
| Restricted income funds                        |      |                  | <b>309,412</b> |           | 402,698   |
| Unrestricted income funds:                     |      |                  |                |           |           |
| Designated funds (Fixed Assets)                |      | <b>15,300</b>    |                | 34,238    |           |
| General funds                                  |      | <b>462,241</b>   |                | 223,522   |           |
| Total unrestricted funds                       |      |                  | <b>477,541</b> |           | 257,760   |
| <b>Total charity funds</b>                     |      |                  | <b>786,953</b> |           | 660,458   |

Approved by the trustees on 22 September 2025 and signed on their behalf by

Mr Stuart Fiertz  
Chair

Statement of Cash Flows

For the year ended 31 December 2024

|                                                                                                       | 2024                 |                | 2023            |                           |
|-------------------------------------------------------------------------------------------------------|----------------------|----------------|-----------------|---------------------------|
|                                                                                                       | £                    | £              | £               | £                         |
| <b>Cash flows from operating activities</b>                                                           |                      |                |                 |                           |
| Net income / (expenditure) for the reporting period<br>(as per the statement of financial activities) | 126,495              |                | (221,350)       |                           |
| Depreciation charges                                                                                  | 18,673               |                | 29,632          |                           |
| Dividends, interest and rent from investments                                                         | (18,642)             |                | (1,113)         |                           |
| Loss on the disposal of fixed assets                                                                  | 8,471                |                | 1,131           |                           |
| Decrease in debtors                                                                                   | 272,892              |                | 297,639         |                           |
| Decrease in creditors                                                                                 | (112,639)            |                | (141,612)       |                           |
| <b>Net cash provided by / (used in) operating activities</b>                                          | <b>295,250</b>       |                | <b>(35,673)</b> |                           |
| <b>Cash flows from investing activities:</b>                                                          |                      |                |                 |                           |
| Dividends, interest and rents from investments                                                        | 18,642               |                | 1,113           |                           |
| Purchase of fixed assets                                                                              | (8,206)              |                | (21,741)        |                           |
| <b>Net cash (used in) investing activities</b>                                                        | <b>10,436</b>        |                | <b>(20,628)</b> |                           |
| <b>Change in cash and cash equivalents in the year</b>                                                | <b>305,686</b>       |                | <b>(56,301)</b> |                           |
| Cash and cash equivalents at the beginning of the year                                                | 247,504              |                | 303,805         |                           |
| <b>Cash and cash equivalents at the end of the year</b>                                               | <b>553,190</b>       |                | <b>247,504</b>  |                           |
| <b>Analysis of cash and cash equivalents and of net debt</b>                                          |                      |                |                 |                           |
|                                                                                                       | At 1 January<br>2024 | Cash flows     |                 | At 31<br>December<br>2024 |
|                                                                                                       | £                    | £              |                 | £                         |
| Cash at bank and in hand                                                                              | 247,504              | 305,686        |                 | 553,190                   |
| <b>Total cash and cash equivalents</b>                                                                | <b>247,504</b>       | <b>305,686</b> |                 | <b>553,190</b>            |

**1 Accounting policies**

**a) Statutory information**

Institute for Strategic Dialogue is a charitable company limited by guarantee and is incorporated in England and Wales.

The registered office address is 3rd Floor, 45 Albemarle Street, Mayfair, London, W1S 4JL.

**b) Basis of preparation**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - (Charities SORP FRS 102), The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006/Charities Act 2011.

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

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

**c) Public benefit entity**

The charity meets the definition of a public benefit entity under FRS 102.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

**d) Going concern**

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern. The Trustees have a reasonable expectation that the Charity has adequate resources to support the current level of expenditure and to continue in operational existence for the foreseeable future.

The Trustees approved a 5 year (2023-2027) global financial sustainability plan in October 2023 including an assessment of the required reserves level to ensure that ISD could mitigate any significant financial risks and had sufficient cash available to continue to operate. Progress against this plan has so far been successful and this was reviewed again by the Board in July 2025. Robust monitoring processes are in place to ensure ISD remains agile and can adapt to any downturn in income. This includes regularly reviewing expenditure commitments, secured income, project forecasts, and ensuring cash is freely available.

**e) Income**

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

Income from government and other grants, whether 'capital' grants or 'revenue' 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 and is not deferred.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

**f) Donations of gifts, services and facilities**

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

**g) Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

1 Accounting policies (continued)

h) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

i) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charity in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose
- Expenditure on charitable activities includes the costs of delivering programming, research, digital analysis, policy and Advisory services undertaken to further the purposes of the charity and their associated support costs

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

j) Grants payable

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.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

k) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned based on each charitable activity's proportion of total expenditure which is an estimate reflecting the staff time and resources attributable to each activity.

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

l) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

m) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Where fixed assets have been revalued, any excess between the revalued amount and the historic cost of the asset will be shown as a revaluation reserve in the balance sheet.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

- |                                 |                              |
|---------------------------------|------------------------------|
| • Leasehold land and buildings  | 5 years straight line method |
| • Fixtures and fittings         | 25% reducing balance method  |
| • Computer and office equipment | 3 years straight line method |

**1 Accounting policies (continued)**

**n) Foreign currency**

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction generated by the accounting system. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date, and the gains and losses on translation are included in the statement of financial activities.

**o) Debtors**

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

**p) Short term deposits**

Short term deposits includes cash balances that are invested in accounts with a maturity date of between 3 and 12 months.

**q) 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.

**r) 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. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

**2 Income from donations and legacies**

|                                | Unrestricted<br>£ | Restricted<br>£ | 2024<br>Total<br>£ | Unrestricted<br>£ | Restricted<br>£ | 2023<br>Total<br>£ |
|--------------------------------|-------------------|-----------------|--------------------|-------------------|-----------------|--------------------|
| Grants from other ISD entities | 1,134,755         | -               | <b>1,134,755</b>   | 907,607           | -               | 907,607            |
| Trusts and Foundations         | -                 | -               | -                  | 15,000            | -               | 15,000             |
| Individuals and Major Gifts    | 108,289           | -               | <b>108,289</b>     | 9,219             | -               | 9,219              |
|                                | <b>1,243,044</b>  | -               | <b>1,243,044</b>   | <b>931,826</b>    | -               | <b>931,826</b>     |

Grants from other ISD entities, specifically from ISD-US, were made to ISD to support the achievement of shared charitable objectives. Income from Individuals and Major Gifts includes £38,527 Gift Aid (2023: Nil).

Notes to the financial statements

For the year ended 31 December 2024

3 Income from charitable activities

|                                                   | Unrestricted<br>£ | Restricted<br>£  | 2024<br>Total<br>£ | Unrestricted<br>£ | Restricted<br>£  | 2023<br>Total<br>£ |
|---------------------------------------------------|-------------------|------------------|--------------------|-------------------|------------------|--------------------|
| Government and Multilateral Institutions          | 131,935           | 1,064,192        | <b>1,196,127</b>   | -                 | 587,164          | 587,164            |
| Trusts and Foundations                            | -                 | 540,462          | <b>540,462</b>     | -                 | 538,307          | 538,307            |
| Corporates                                        | 52,828            | -                | <b>52,828</b>      | -                 | 179,701          | 179,701            |
| Non-Profit Partners                               | 53,964            | 570,801          | <b>624,765</b>     | 147,073           | 337,436          | 484,509            |
| <b>Sub-total: Research &amp; Digital Analysis</b> | <b>238,727</b>    | <b>2,175,455</b> | <b>2,414,182</b>   | <b>147,073</b>    | <b>1,642,608</b> | <b>1,789,681</b>   |
| Government and Multilateral Institutions          | 456               | 861,119          | <b>861,575</b>     | 261               | 1,257,032        | 1,257,293          |
| Trusts and Foundations                            | -                 | 238,924          | <b>238,924</b>     | -                 | 16,302           | 16,302             |
| Corporates                                        | 78,638            | 106,217          | <b>184,855</b>     | -                 | 59,474           | 59,474             |
| Non-Profit Partners                               | 8,904             | 44,769           | <b>53,673</b>      | 1,055             | 15,932           | 16,987             |
| <b>Sub-total: Policy &amp; Advisory</b>           | <b>87,998</b>     | <b>1,251,029</b> | <b>1,339,027</b>   | <b>1,316</b>      | <b>1,348,740</b> | <b>1,350,056</b>   |
| Government and Multilateral Institutions          | 13                | 899,568          | <b>899,581</b>     | -                 | 1,272,424        | 1,272,424          |
| Trusts and Foundations                            | -                 | 83,499           | <b>83,499</b>      | -                 | 114,002          | 114,002            |
| Corporates                                        | -                 | -                | -                  | 2,155             | -                | 2,155              |
| Non-Profit Partners                               | 30,289            | 67,147           | <b>97,436</b>      | 1,124             | 52,204           | 53,328             |
| <b>Sub-total: Action Programming</b>              | <b>30,302</b>     | <b>1,050,214</b> | <b>1,080,516</b>   | <b>3,279</b>      | <b>1,438,630</b> | <b>1,441,909</b>   |
| <b>Total income from charitable activities</b>    | <b>357,027</b>    | <b>4,476,698</b> | <b>4,833,725</b>   | <b>151,668</b>    | <b>4,429,978</b> | <b>4,581,646</b>   |

ISD receive Income from Governments and Multilateral Institutions directly and as sub-awards from other ISD entities.

This funding is from: US Department of State, European Union, UK Foreign, Commonwealth & Development Office, UK Department for Culture, Media and Sport, UK Home Office, Australian Government Department of Foreign Affairs, Danish Ministry of Foreign Affairs, New Zealand Department of Internal Affairs, Public Safety Canada, Canadian Privy Council, UNESCO, German Government and Ministerium der Finanzen des Landes.

4 Income from other trading activities

|                 | 2024<br>Total<br>£ | 2023<br>Total<br>£ |
|-----------------|--------------------|--------------------|
| Sublease income | <b>30,424</b>      | 181,567            |
|                 | <b>30,424</b>      | 181,567            |

All income from trading activities is unrestricted.

## 5a Analysis of expenditure (current year)

|                                          | Charitable activities |                                |                   |                    |                     |               |               |           |       |
|------------------------------------------|-----------------------|--------------------------------|-------------------|--------------------|---------------------|---------------|---------------|-----------|-------|
|                                          | Raising funds         | Research &<br>Digital Analysis | Policy & Advisory | Action Programming | Governance<br>costs | Support costs | 2024<br>Total | 2023      | Total |
|                                          | £                     | £                              | £                 | £                  | £                   | £             | £             |           | £     |
| Staff costs (Note 8)                     | 35,029                | 1,207,621                      | 644,530           | 421,467            | 13,652              | 330,515       | 2,652,814     | 2,770,232 |       |
| Consultants and Employer of Record Staff |                       | 320,868                        | 238,413           | 255,453            | -                   | -             | 814,734       | 1,074,309 |       |
| Events and Convening                     | -                     | 6,265                          | 253,819           | 253,885            | -                   | -             | 513,969       | 660,882   |       |
| Partners, Grants and Service Providers   | -                     | 851,015                        | 155,349           | 164,060            | -                   | -             | 1,170,424     | 399,988   |       |
| Office and Operating costs               | -                     | 15,921                         | 37,085            | 36,153             | -                   | 151,283       | 240,442       | 367,716   |       |
| Travel costs                             | -                     | 29,316                         | 44,401            | 49,882             | -                   | -             | 123,599       | 191,819   |       |
| Communications and Publishing            | -                     | 12,272                         | 41,060            | 45,084             | -                   | 15,490        | 113,906       | 187,493   |       |
| IT and Cyber Security                    | -                     | 19,803                         | 5,771             | 6,879              | -                   | 130,688       | 163,141       | 123,758   |       |
| Finance and Legal                        | -                     | 4,088                          | 2,111             | 1,289              | 16,750              | 54,120        | 78,358        | 77,503    |       |
| HR and Organisational Development        | -                     | 9                              | 5,524             | 5,533              | -                   | 90,571        | 101,637       | 54,610    |       |
| Depreciation                             | -                     | -                              | -                 | -                  | -                   | 26,316        | 26,316        | 29,632    |       |
|                                          | 35,029                | 2,467,178                      | 1,428,063         | 1,239,685          | 30,402              | 798,983       | 5,999,340     | 5,937,942 |       |
| Support costs                            | -                     | 383,887                        | 222,204           | 192,892            | -                   | (798,983)     | -             | -         |       |
| Governance costs                         | -                     | 14,607                         | 8,455             | 7,340              | (30,402)            | -             | -             | -         |       |
| Total expenditure 2024                   | 35,029                | 2,865,672                      | 1,658,722         | 1,439,917          | -                   | -             | 5,999,340     |           |       |
| Total expenditure 2023                   | 46,891                | 2,098,691                      | 1,826,508         | 1,965,852          | -                   | -             |               | 5,937,942 |       |

Institute for Strategic Dialogue

Institute for Strategic Dialogue

Notes to the financial statements

For the year ended 31 December 2024

**5b Analysis of expenditure (prior year)**

|                                          | Raising funds<br>£ | Charitable activities               |                        |                         | Governance<br>costs<br>£ | Support costs<br>£ | 2023<br>Total<br>£ |
|------------------------------------------|--------------------|-------------------------------------|------------------------|-------------------------|--------------------------|--------------------|--------------------|
|                                          |                    | Research &<br>Digital Analysis<br>£ | Policy & Advisory<br>£ | Action Programming<br>£ |                          |                    |                    |
| Staff costs (Note 8)                     | 39,344             | 1,165,615                           | 545,252                | 657,307                 | 25,456                   | 337,258            | <b>2,770,232</b>   |
| Consultants and Employer of Record Staff | -                  | 378,861                             | 347,144                | 348,304                 | -                        | -                  | <b>1,074,309</b>   |
| Events and Convening                     | -                  | 16,943                              | 342,921                | 301,018                 | -                        | -                  | <b>660,882</b>     |
| Partners, Grants and Service Providers   | -                  | 131,591                             | 102,934                | 165,463                 | -                        | -                  | <b>399,988</b>     |
| Office and Operating costs               | -                  | 2,906                               | 15,581                 | 10,667                  | -                        | 338,562            | <b>367,716</b>     |
| Travel costs                             | -                  | 29,143                              | 80,356                 | 62,278                  | -                        | 20,042             | <b>191,819</b>     |
| Communications and Publishing            | -                  | 20,427                              | 77,032                 | 82,746                  | -                        | 7,288              | <b>187,493</b>     |
| IT and Cyber Security                    | -                  | 209                                 | 11,325                 | 9,857                   | -                        | 102,367            | <b>123,758</b>     |
| Finance and Legal                        | -                  | 14,591                              | 9,290                  | 11,529                  | -                        | 42,093             | <b>77,503</b>      |
| HR and Organisational Development        | -                  | 620                                 | 696                    | 279                     | -                        | 53,015             | <b>54,610</b>      |
| Depreciation                             | -                  | -                                   | -                      | -                       | -                        | 29,632             | <b>29,632</b>      |
|                                          | 39,344             | 1,760,906                           | 1,532,531              | 1,649,448               | 25,456                   | 930,257            | 5,937,942          |
| Support costs                            | 7,346              | 328,788                             | 286,147                | 307,976                 | -                        | (930,257)          | -                  |
| Governance costs                         | 201                | 8,997                               | 7,830                  | 8,428                   | (25,456)                 | -                  | -                  |
| <b>Total expenditure 2023</b>            | <b>46,891</b>      | <b>2,098,691</b>                    | <b>1,826,508</b>       | <b>1,965,852</b>        | <b>-</b>                 | <b>-</b>           | <b>5,937,942</b>   |

# Institute for Strategic Dialogue

## Notes to the financial statements

For the year ended 31 December 2024

### 6 Grant making

|                                          | 2024<br>£ | 2023<br>£ |
|------------------------------------------|-----------|-----------|
| <b>Grantee</b>                           |           |           |
| Institute for Strategic Dialogue-US      | 363,710   | 310,188   |
| Institute for Strategic Dialogue gGmbH   | 229,152   | 42,750    |
| CASM Technology LLP                      | 44,356    | -         |
| Agence France-Presse Gestion Commerciale | 12,850    | -         |
| Individualland                           | 395       | 27,831    |
| Talented Youth Network (TYN)             | -         | 6,272     |
| CEAPIRE                                  | -         | 4,397     |
| Fan Coaching asbl                        | -         | 4,867     |
| Roots                                    | -         | 3,683     |
| At the end of the year                   | 650,463   | 399,988   |

In respect of the year ended 31 December 2024, of the total grants paid of £650,464 (2023: £399,988), £166,807 (2023: £Nil) is attributable to unrestricted funds and £483,262 (2023: £399,988) is attributable to restricted funds. No grants were made to individuals.

### 7 Net income/(expenditure) for the year

This is stated after charging / (crediting):

|                                            | 2024<br>£ | 2023<br>£ |
|--------------------------------------------|-----------|-----------|
| Depreciation                               | 18,673    | 29,632    |
| Loss on disposal of fixed assets           | 8,471     | 351       |
| Operating lease rentals payable:           |           |           |
| Property                                   | 117,395   | 237,823   |
| Auditor's remuneration (excluding VAT):    |           |           |
| Institutional audit                        | 16,750    | 15,000    |
| Project-specific audits and other services | 2,400     | 14,700    |
| Foreign exchange losses                    | 47,818    | 9,202     |

**8 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel**

Staff costs were as follows:

|                                                                       | 2024             | 2023             |
|-----------------------------------------------------------------------|------------------|------------------|
|                                                                       | £                | £                |
| Salaries and wages                                                    | 2,272,947        | 2,405,733        |
| Social security costs                                                 | 236,515          | 271,880          |
| Employer's contribution to defined contribution pension schemes       | 94,423           | 92,619           |
| One-off employer contribution to defined contribution pension schemes | 48,929           | -                |
|                                                                       | <b>2,652,814</b> | <b>2,770,232</b> |

The pension scheme changed from a Net pay scheme to a salary sacrifice scheme in April 2024. There was a one-off employer contribution to defined contribution pension schemes for some employees relating to a recalculation of contributions from previous years.

The following number of employees received employee benefits (excluding employer pension costs and employer's national insurance) during the year between:

|                     | 2024<br>No. | 2023<br>No. |
|---------------------|-------------|-------------|
| £60,000 - £69,999   | 3           | 4           |
| £70,000 - £79,999   | 4           | 3           |
| £80,000 - £89,999   | 1           | 2           |
| £90,000 - £99,999   | -           | 1           |
| £100,000 - £109,999 | 1           | 1           |
| £110,000 - £119,999 | 1           | 1           |
|                     | <b>10</b>   | <b>12</b>   |

The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel were £257,511 (2023: £214,431).

The charity trustees were neither paid nor received any other benefits from employment with the charity in the year (2023: £nil). No charity trustee received payment for professional or other services supplied to the charity (2023: £nil).

**9 Staff numbers**

The average number of employees (head count based on number of staff employed) during the year was 42 (2023: 43). The reduction in headcount correlates with an increase in both programmatic and operational roles across our sister entities in the US and Germany.

Staff are split across the activities of the charity as follows (% basis):

|                       | 2024      | 2023      |
|-----------------------|-----------|-----------|
|                       | %         | %         |
| Raising funds         | 1%        | 2%        |
| Charitable activities | 86%       | 85%       |
| Support               | 12%       | 12%       |
| Governance            | 1%        | 1%        |
|                       | <b>42</b> | <b>43</b> |

Average number of employees during the year

# Institute for Strategic Dialogue

## Notes to the financial statements

For the year ended 31 December 2024

### 10 Related party transactions

Donations of £69,500 (2023: £23,000) were received during the year from Trustees and from entities connected with Trustees. The Net funding received from other ISD entities connected with the Trustees are stated below.

| Net funding received from other ISD entities: | 2024<br>£ | 2023<br>£ |
|-----------------------------------------------|-----------|-----------|
| Institute for Strategic Dialogue-US           | 1,427,646 | 911,643   |
| Institute for Strategic Dialogue gGmbH        | 1,034,719 | 1,139,557 |

There are no other donations from related parties which are outside the normal course of business and no restricted donations from related parties.

### 11 Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

### 12 Tangible fixed assets

| Cost                     | Leasehold<br>land and<br>buildings<br>£ | Fixtures and<br>fittings<br>£ | Computer and<br>office<br>equipment<br>£ | Website<br>£ | Total<br>£ |
|--------------------------|-----------------------------------------|-------------------------------|------------------------------------------|--------------|------------|
| At the start of the year | 39,226                                  | 18,243                        | 112,912                                  | 5,000        | 175,381    |
| Additions in year        | -                                       | -                             | 8,206                                    | -            | 8,206      |
| Disposals in year        | (39,226)                                | (18,243)                      | (8,729)                                  | (5,000)      | (71,198)   |
| At the end of the year   | -                                       | -                             | 112,389                                  | -            | 112,389    |
| <b>Depreciation</b>      |                                         |                               |                                          |              |            |
| At the start of the year | 37,313                                  | 16,597                        | 87,233                                   | -            | 141,143    |
| Charge for the year      | 1,913                                   | -                             | 16,760                                   | -            | 18,673     |
| Eliminated on disposal   | (39,226)                                | (16,597)                      | (6,904)                                  | -            | (62,727)   |
| At the end of the year   | -                                       | -                             | 97,089                                   | -            | 97,089     |
| <b>Net book value</b>    |                                         |                               |                                          |              |            |
| At the end of the year   | -                                       | -                             | 15,300                                   | -            | 15,300     |
| At the start of the year | 1,913                                   | 1,646                         | 25,679                                   | 5,000        | 34,238     |

All of the above assets are used for charitable purposes.

The disposals relate to office fixings and layout improvements that no longer had any value once we terminated our lease. Some furniture and equipment was sold and this is disclosed as other income in our Statement of Financial Activities.

Notes to the financial statements

For the year ended 31 December 2024

**13 Debtors**

|                | 2024<br>£      | 2023<br>£      |
|----------------|----------------|----------------|
| Trade debtors  | 188,963        | 449,908        |
| Other debtors  | 48,343         | 75,796         |
| Prepayments    | 48,996         | 100,813        |
| Accrued income | 243,183        | 175,860        |
|                | <b>529,485</b> | <b>802,377</b> |

**14 Creditors: amounts falling due within one year**

|                              | 2024<br>£      | 2023<br>£      |
|------------------------------|----------------|----------------|
| Trade creditors              | 111,926        | 111,392        |
| Accruals                     | 175,237        | 128,230        |
| Taxation and social security | 23,859         | 108,399        |
| Other creditors              | -              | 36,762         |
| Deferred income              | -              | 38,878         |
|                              | <b>311,022</b> | <b>423,661</b> |

**15a Analysis of net assets between funds (current year)**

|                                       | General<br>unrestricted<br>£ | Designated<br>£ | Restricted<br>£ | Total funds<br>£ |
|---------------------------------------|------------------------------|-----------------|-----------------|------------------|
| Tangible fixed assets                 | -                            | 15,300          | -               | 15,300           |
| Net current assets                    | 462,241                      | -               | 309,412         | 771,653          |
| <b>Net assets at 31 December 2024</b> | <b>462,241</b>               | <b>15,300</b>   | <b>309,412</b>  | <b>786,953</b>   |

**15b Analysis of net assets between funds (prior year)**

|                                       | General<br>unrestricted<br>£ | Designated<br>£ | Restricted<br>£ | Total funds<br>£ |
|---------------------------------------|------------------------------|-----------------|-----------------|------------------|
| Tangible fixed assets                 | -                            | 34,238          | -               | 34,238           |
| Net current assets                    | 223,522                      | -               | 402,698         | 626,220          |
| <b>Net assets at 31 December 2023</b> | <b>223,522</b>               | <b>34,238</b>   | <b>402,698</b>  | <b>660,458</b>   |

**16a Movements in funds (current year)**

|                                 | At 1 January<br>2024<br>£ | Income & gains<br>£ | Expenditure &<br>losses<br>£ | Transfers<br>£ | At 31 December<br>2024<br>£ |
|---------------------------------|---------------------------|---------------------|------------------------------|----------------|-----------------------------|
| <b>Restricted funds:</b>        |                           |                     |                              |                |                             |
| Research & Digital Analysis     | 185,036                   | 2,175,455           | (2,258,440)                  | -              | <b>102,051</b>              |
| Policy & Advisory               | 91,519                    | 1,251,029           | (1,232,821)                  | -              | <b>109,727</b>              |
| Action Programming              | 126,143                   | 1,050,214           | (1,078,723)                  | -              | <b>97,634</b>               |
| <b>Total restricted funds</b>   | <b>402,698</b>            | <b>4,476,698</b>    | <b>(4,569,984)</b>           | <b>-</b>       | <b>309,412</b>              |
| <b>Unrestricted funds:</b>      |                           |                     |                              |                |                             |
| Designated funds:               |                           |                     |                              |                |                             |
| Fixed Asset fund                | 34,238                    | -                   | (18,938)                     | -              | <b>15,300</b>               |
| <b>Total designated funds</b>   | <b>34,238</b>             | <b>-</b>            | <b>(18,938)</b>              | <b>-</b>       | <b>15,300</b>               |
| <b>General funds</b>            | <b>223,522</b>            | <b>1,649,137</b>    | <b>(1,410,418)</b>           | <b>-</b>       | <b>462,241</b>              |
| <b>Total unrestricted funds</b> | <b>257,760</b>            | <b>1,649,137</b>    | <b>(1,429,356)</b>           | <b>-</b>       | <b>477,541</b>              |
| <b>Total funds</b>              | <b>660,458</b>            | <b>6,125,835</b>    | <b>(5,999,340)</b>           | <b>-</b>       | <b>786,953</b>              |

The narrative to explain the purpose of each fund is given at the foot of the note below.

**16b Movements in funds (prior year)**

|                                 | At 1 January<br>2023<br>£ | Income & gains<br>£ | Expenditure &<br>losses<br>£ | Transfers<br>£ | At 1 January<br>2024<br>£ |
|---------------------------------|---------------------------|---------------------|------------------------------|----------------|---------------------------|
| <b>Restricted funds:</b>        |                           |                     |                              |                |                           |
| Research & Digital Analysis     | 96,628                    | 1,642,608           | (1,554,222)                  | 22             | <b>185,036</b>            |
| Policy & Advisory               | 175,817                   | 1,348,740           | (1,439,903)                  | 6,865          | <b>91,519</b>             |
| Action Programming              | 207,020                   | 1,438,630           | (1,521,050)                  | 1,543          | <b>126,143</b>            |
| <b>Total restricted funds</b>   | <b>479,465</b>            | <b>4,429,978</b>    | <b>(4,515,175)</b>           | <b>8,430</b>   | <b>402,698</b>            |
| <b>Unrestricted funds:</b>      |                           |                     |                              |                |                           |
| Designated funds:               |                           |                     |                              |                |                           |
| fixed asset reserve             | 43,260                    | -                   | (9,022)                      | -              | <b>34,238</b>             |
| <b>Total designated funds</b>   | <b>43,260</b>             | <b>-</b>            | <b>(9,022)</b>               | <b>-</b>       | <b>34,238</b>             |
| <b>General funds</b>            | <b>359,083</b>            | <b>1,286,614</b>    | <b>(1,413,745)</b>           | <b>(8,430)</b> | <b>223,522</b>            |
| <b>Total unrestricted funds</b> | <b>402,343</b>            | <b>1,286,614</b>    | <b>(1,422,767)</b>           | <b>(8,430)</b> | <b>257,760</b>            |
| <b>Total funds</b>              | <b>881,808</b>            | <b>5,716,592</b>    | <b>(5,937,942)</b>           | <b>-</b>       | <b>660,458</b>            |

Purposes of restricted funds

Restricted funds are funds donated to the charity to aid its work in one or more of the following ways:

- 1. Research & Digital Analysis** - ISD combines sector-leading expertise and research with advanced digital analysis that identifies and tracks information operations, weaponised hate, terrorism and extremism in real time.
- 2. Policy & Advisory** - Our research shapes policy makers’ and the public’s understanding of evolving threats in the issue areas on which we work. ISD provides strategic advice, support and training and also convenes policy makers and inter-governmental groups for information exchanges.
- 3. Action Programming** - ISD innovates, trials and scales cutting-edge interventions that empower cities, practitioners, individuals and civil society organisations to understand and mitigate the harms posed by weaponized hate, extremism and information operations.

Purposes of unrestricted funds

We hold a designated fund representing the value of unrestricted funds held as fixed assets at the year end. Our General funds represent our free reserves.  
Transfers occur when expenditure is originally allocated to a restricted fund but is subsequently adjusted and allocated to general funds because of a lack of restricted project funds available.

17 Operating lease commitments payable as a lessee

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods. Our lease ended in 2024 and that lease commitment is no longer payable.

|                    | 2024          | 2023          |
|--------------------|---------------|---------------|
|                    | £             | £             |
| Less than one year | 33,518        | 64,506        |
| One to five years  | -             | -             |
|                    | <u>33,518</u> | <u>64,506</u> |

18 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

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# Accounts

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**Charity registration number: 1141069**

**Company registration number: 06581421 (England and Wales)**



**INSTITUTE FOR STRATEGIC DIALOGUE**

**(A COMPANY LIMITED BY GUARANTEE)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023**

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## LEGAL AND ADMINISTRATIVE INFORMATION

|                          |                                                                |                              |
|--------------------------|----------------------------------------------------------------|------------------------------|
| <b>Trustees</b>          | Mr Michael Lewis                                               |                              |
|                          | Mr Stuart Fiertz                                               |                              |
|                          | Mr Mark Bergman                                                |                              |
|                          | Dr Serra Kirdar                                                |                              |
|                          | Mr Edward Williams                                             |                              |
|                          | Mr Konstantin Von Unger                                        | (Appointed 28 February 2023) |
|                          | Mr Stephen Zinser                                              | (Appointed 1 January 2023)   |
|                          | Sir Michael Davis                                              | (Appointed 22 January 2024)  |
|                          | Mr Christopher Rice                                            | (Appointed 24 April 2024)    |
|                          | Lord Aamer Sarfraz                                             | (Appointed 4 June 2024)      |
| <b>Charity number</b>    | 1141069                                                        |                              |
| <b>Company number</b>    | 06581421                                                       |                              |
| <b>Registered office</b> | 3rd Floor<br>45 Albemarle Street<br>Mayfair, London<br>W1S 4JL |                              |
| <b>Auditor</b>           | Sayer Vincent LLP<br>110 Golden Lane London<br>EC1Y 0TG        |                              |
| <b>Banker</b>            | Lloyds Bank plc.<br>25 Gresham Street<br>London<br>EC2V 7HN    |                              |

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of The Institute for Strategic Dialogue (the company) for the year ended 31 December 2023.

The Trustees confirm that the annual report and financial statements of the company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP), 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).

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Constitution**

The company is registered as a charitable company limited by guarantee (registered charity number 1141069) and was set up by a Memorandum of Association on 30 April 2008.

The charity is constituted under a Memorandum of Association and is a registered charity.

### **Organisational Structure and Decision Making**

The Institute for Strategic Dialogue (ISD) has a Board of Trustees that meets three times a year. There is a Chair of the Board and Treasurer. The Institute also has an active Finance Committee, made up of the Chair and Treasurer, which meets regularly and works closely with the Chief Executive Officer (CEO), Chief Operating Officer (COO) and Director of Finance.

Until September 2023, when she moved to ISD-US, responsibility for day-to-day management matters and the implementation of policy was delegated to the CEO, within a clearly understood framework of strategic control. From September 2023, the key management personnel functions are performed jointly by the Chief Operating Officer and Managing Director (MD).

The CEO, COO and MD are supported by a senior management team responsible for the execution of the organisational objectives. All Trustees and Staff are required to report any potential or actual conflicts of interest immediately to the Chair and/ or COO.

### **Global ISD Governance, Entities and Structure**

ISD UK is one of a network of five ISD entities globally, with sister organisations in the US, Germany, France and Jordan. They are separate legal entities that share a vision and mission:

- The Institute for Strategic Dialogue US (ISD-US) is a non-political, non-profit corporation registered in the District of Columbia with 501(c)(3) status (Tax ID number 27-1282489).
- The Institute for Strategic Dialogue gGmbH (ISD Germany) is a limited liability company with a charitable purpose ('gemeinnützige Gesellschaft mit beschränkter Haftung') registered in Berlin, registration number AG Berlin-Charlottenburg HRB 207 328B.
- The Institut pour le Dialogue Stratégique (ISD France) is registered as a non-profit Association in Paris with number W751256497.

- The New Institute for Strategic Dialogue for Experimental Research and Development (ISD Jordan) is a non-profit Limited Liability Company with company number 1425.

ISD France is accounted for as a branch of ISD UK. The other entities are not included in this set of financial statements. Separate financial statements are produced in each country in accordance with local statutory requirements.

The network of ISD entities seeks to maintain consistency in approach to key operational and programmatic issues. However, as a legally separate entity, ISD UK makes all its own decisions on key operating policies.

### **Trustee Recruitment, Induction and Training**

The management of the company is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association. The recruitment of Trustees is based on an assessment of the Board's strengths and areas where further experience and expertise are required. Trustees are appointed by the Board of Directors to fill these expertise gaps based on their skills and experience relevant to ISD's aims and objectives. Candidates are interviewed by the Chair and at least one other Trustee to assess suitability, before being proposed at a Board meeting for approval by a majority of the Board ahead of an invitation to join being extended. Board members are appointed for a term consistent with the Articles of Association and Bylaws.

An induction and training process is managed by the COO to ensure Trustees/ Directors understand their responsibilities and how the Board works. They meet with members of the leadership team to have a deep-dive induction into ISD's programming and strategy and are sent recent ISD publications. They are sent Charity Commission guidance on Trustee responsibilities and are given information on ISD's governance, strategy, and goals. Trustees are provided with copies of the governance documents, previous board papers and minutes, and other relevant documents.

### **Remuneration of staff and key management personnel**

ISD's staff remuneration policy is designed to ensure that staff salaries remain competitive so that ISD can attract and retain the exceptional team needed to achieve our ambitious goals and mission.

ISD holds two performance review cycles annually and awards promotions and pay increases for staff that have demonstrated outstanding performance or are taking on additional responsibilities. Salary scales are published on the organisation's intranet so are transparent to all staff and salary increases are awarded in line with pre-determined pay points. Pay brackets are benchmarked against the sector by reviewing salaries of competitor organisations and advertised salaries on comparative roles.

In September 2023, the key management personnel responsibilities changed from residing in one role (CEO) to two roles (the Managing Director and Chief Operating Officer). These responsibilities were divided between the MD and COO.

## Risk Management

The Trustees have assessed the major risks to which the company is exposed, particularly those related to the operations and finances of the company, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks. These are all captured in an annually reviewed Risk Register which is compiled and maintained by the leadership of the organisation. This Risk Register grades 45 identified risks across categories (governance, strategic, reputational, legal, financial, security, health & safety and HR) with a RAG rating scale and outlines the controls in place to mitigate these.

Key risks are identified as those with a potentially medium or high impact on the organisation even after accounting for the mitigation controls in place. These are:

| Key Risks                                                                                                                                                                                                                  | Mitigation Measures                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Libel &amp; Defamation:</b> A case is mounted against ISD by the subject of a piece of research or publication, whether in good faith or vexatiously.                                                                   | All publications reviewed and edited by COO for legal risk clearance; all publications which pass a risk threshold or name individuals are reviewed by a libel Barrister ahead of publication; right-to-reply protocols in place for named actors; Complaints Policy published on website.                                                                                                                                                                  |
| <b>Institutional:</b> The operating environments in areas of work become hostile to research into hate, extremism and disinformation, or ISD is subject of legal action brought in bad faith to undermine this vital work. | Lawyers retained in each jurisdiction to help guard against and advise upon ongoing institutional protection; pro bono lawyers engaged for support on specific issues; scenario planning exercises being undertaken in 2024; risk averse approach taken for institutional protection.                                                                                                                                                                       |
| <b>Staff Safety:</b> Online and offline targeting results in intimidation, harassment or acts of violence against staff (which may be ideologically or politically motivated based on ISD's work).                         | Pentests and digital hygiene guidance issued to at-risk staff; protocols for managing harmful periods on social media in place; psychosocial and wellbeing support (mental health first aider; harmful content & flagging protocol; counselling; health & wellbeing offer); process to remove ISD staff from visibility at moments of risk; protocols to maintain security of staff information; physical security review of staff to be conducted in 2024. |
| <b>Cyber Security &amp; Data Protection:</b> Data protection failure or cybersecurity attack on ISD.                                                                                                                       | Trusted IT & security providers; encrypted hardware, enhanced software and restricted server access; SOC service constantly monitoring cyber threats; training for all staff on identifying and avoiding phishing scams; dedicated cybersecurity staff; audit of all Data Protection policies and systems conducted in 2024.                                                                                                                                |

## Public Benefit

The Trustees confirm that they have complied with the duty in section 4 of the Charities Act 2006 to have due regard to the Charity Commission's general guidance on public benefit, 'Charities and Public Benefit'. All the activities that are undertaken by the charity are for the advancement of the objectives and the activities that are undertaken by the charity to further its charitable purposes are for the public benefit.

## Going Concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

## Objectives And Activities

The Institute for Strategic Dialogue (ISD) is an independent 'think and do' tank that studies and develops policy and operational responses to the hybridised threats of extremism, hate and disinformation. Combining research and analysis with policy advisory, training, capacity building and educational programmes, ISD has been at the forefront of forging real-world, evidence-based responses to the challenges of extremism, hate and disinformation.

The principal objects of the charity and company are:

- The advancement of the education of the public in the UK and elsewhere in relation to government, economics, politics, law, administration and social services;
- The advancement of human rights, conflict resolution or reconciliation or the promotion of religious or racial harmony or equality and diversity;
- Such other charitable purposes as the Trustees shall from time to time think fit.

## STRATEGIES & ACTIVITIES FOR ACHIEVING OBJECTIVES

Since its formation, ISD has been at the forefront of solutions that combat hate, extremism and disinformation. At a time when these pose immediate threats to safety, security and democratic civil culture and institutions, ISD is working to enable individuals, organisations and nations to turn the tide against these threats.

ISD's work is delivered through three types of activity:

1. **RESEARCH & ANALYSIS** – ISD combines sector-leading expertise and research in global extremist movements with advanced digital analysis that identifies and tracks disinformation, weaponised hate and extremism in real time. Our Digital Analysis Unit has been at the forefront of analysing audiences, networks and content to accurately interpret the threat of disinformation, hate and extremism online. This, combined with ISD's ongoing anthropological research, has ensured that ISD has consistently been ahead of the curve in predicting developments at the nexus of disinformation and extremism. Our research informs responses to these emerging challenges, and shapes policy makers' and the public's understanding of evolving threats.
2. **POLICY & ADVISORY SERVICES** – ISD provides strategic advice, policy support and training to local and national governments and multilateral institutions worldwide, giving them the data, expertise and support needed to deliver evidence-based policy and programming. We lead inter-governmental policy initiatives on extremism, polarisation and digital regulation that optimise counter-extremism and integration policies and programming and safeguard democracy.
3. **ACTION PROGRAMMING** – ISD innovates, trials and scales cutting-edge interventions that empower cities, practitioners, employees and civic leaders to mitigate hate, extremism and

disinformation. From our digital education and communications programmes to our training and direct interventions with at-risk individuals, we build the resilience of communities both on and offline. We work to empower and facilitate civil society, fostering networks of community groups and influencers to take the lead, applying their granular expertise and credibility in a way that delivers impact at scale. ISD has pioneered the application of data, technology and marketing tactics to mount a proportional response to extremist messaging.

## ACHIEVEMENTS AND PERFORMANCE

2023 was a tumultuous year and polarisation, hate, extremism and disinformation continued to have a profound impact on society. Along with the devastating human cost of active conflicts in Europe and the Middle East, we witnessed hostile state actors, Islamist and far-right extremist groups exploit the situation to further their agendas and undermine democracy, human rights and social cohesion. Against this geopolitical backdrop, we achieved our charitable objectives in the year through three core operating areas: research and analysis; policy and advisory; and action programming.

ISD's performance and impact are defined and reviewed against a programming strategy which is developed every 2-3 years. This strategy is based upon and links to our Theory of Change, and it is against the goals set out in these documents that ISD uses a performance monitoring system to measure each project and programme's impact.

Frequently used performance indicators include key reach metrics for published reports and other public-facing outputs. We also track, for example, the number of stakeholders reached through tailored dissemination strategies (e.g. policymakers, civil society organisations, academics, journalists), and examples of uptake and use of ISD's research findings.

All new projects and funding opportunities are assessed against a number of criteria, including relevance to ISD's organisational Theory of Change. Once funding is secured, a detailed activity workplan is developed and used to monitor progress during weekly and monthly project meetings. Objectives are reviewed for relevance and assessment of progress throughout the project cycle and are integrated into donor reporting. As part of the reporting process, we capture lessons learnt in terms of methodology and findings and share these with our donors and partners to enable continuous learning.

The following areas of programming constituted particular highlights of the organisation's work in 2023:

### **Research & Analysis**

- **The Ukraine War:** Throughout 2023, ISD continued to research the Russian invasion of the Ukraine and the tactics being used to support pro-Kremlin information operations. This included publishing an investigation into a new set of tactics being run by Russian state-media in Germany to proliferate disinformation, and highlighting the ways in which pro-CCP information operations are increasingly supportive of Kremlin narratives on Ukraine. We researched Kremlin and pro-Kremlin efforts to engage and influence German audiences, and the impact of state and non-state actor influence operations globally. ISD's monitoring of the information landscape in relation to Ukraine evidenced the increasing penetration of Kremlin disinformation and rhetoric targeting both Ukraine and Ukrainian refugees in Europe. We continued to publish research and

analysis to a dedicated [space on our website](#) and delivered commentary on the conflict across international top-tier media.

- **Israel-Hamas War and the response to October 7:** In response to the horrific events of October 7 and the ensuing Israel-Hamas war, ISD stood up dedicated monitoring teams to track and mitigate the rise in hate, extremism and disinformation proliferating online. We briefed into governments, law enforcement, social media regulators and community organisations faced with rising hate. In October and November, ISD research demonstrated a dramatic [rise in antisemitism](#) on both mainstream and fringe social media platforms, much of it driven by [long-standing antisemitic narratives](#), as well as a dangerous [surge in anti-Muslim hate speech](#) online. We documented the opportunistic tactics of [Russia, China and Iran](#) in exploiting the conflict and exposed the violent and graphic content [being served to minors' accounts](#). We also [analysed the responses](#) of international Islamist groups as well as extremists and conspiracists in the [US](#), [UK](#) and [Germany](#). An ISD [investigation](#) showed how a pro-CCP network targeted Western audiences with AI images on the Israel-Hamas conflict with a view to influencing the US elections. Another [investigation](#) covered by the [New York Times](#) provided insight into how generative AI is being used to target pro-Ukraine Americans.
- **Expanded analysis of hate and extremism in Ireland:** Proving the importance of raising awareness of the problems posed by the intersection of hate, extremism and disinformation, ISD released the first landscape study of the [online disinformation ecosystem in Ireland](#) just days before a stabbing in Dublin led to a surge in anti-migrant hate, far-right activity and rioting. Senior Analysts Aoife Gallagher and Ciaran O'Connor spoke to the [New York Times](#), [The Irish Times](#) and [The Irish Examiner](#) and our research was featured across international media.
- **Exposing climate disinformation:** As part of the Climate Action Against Disinformation (CAAD) coalition, ISD spearheaded the [second](#) and [third](#) volumes of the flagship "Deny, Deceive, Delay" research series, along with publishing [Monthly Data Monitors](#) circulated to 1500+ subscribers globally. For COP28, ISD again led a real-time intelligence unit to produce numerous ["COP, Look, Listen"](#) briefings and a special report on the [rising threat against activists](#) both on and offline. We also worked closely with the UN's cross-agency Task Force on Information Integrity and briefed the Under-Secretary-General for Global Communications on how to tackle climate mis- and disinformation.
- **Harms impacting women and the LGBTQ+ community:** Our work on gender and anti-LGBTQ+ hate included a retrospective study on how [nine-real world events in 2022](#) served as catalysts for online gendered disinformation and abuse targeting high-profile public figures and women. Based on consultations with six governments, ISD's Digital Policy Lab compiled a set of [recommendations on online gender-based violence](#). ISD submitted evidence around gendered disinformation and abuse, including to the [UN Special Rapporteur](#) on Freedom of Expression and Meta's Oversight Board case on abortion misinformation. Our [UK](#) report on anti-drag mobilisation comprehensively mapped and analysed on- and offline targeting of LGBTQ+ communities and was featured in reporting from [The Guardian](#).

## **Policy & Advisory**

- **Evidencing online harms:** As part of a growing body of work to support the effective enforcement of social media regulation in liberal democracies, ISD's research partnership with the UK's Internet regulator Ofcom provided an important evidence base on the interconnected online landscape of hate speech, extremism, terrorism and harmful conspiracy movements. ISD also provided evidence to the European Commission in relation to their enforcement of the Digital Services Act. ISD continued to critique platforms for their role in harbouring terrorist, extremist and banned hostile state disinformation: research revealed both TikTok and Meta's failure to remove posts and advertisements glorifying the Wagner group and discrediting Ukraine. The latter piece on Meta received coverage by outlets including CNN, Euronews, and Foreign Policy. Other ISD research highlighted TikTok's failures in moderating terrorist content, including how the Christchurch terrorist attack content remains easily accessible on TikTok, and how a network of TikTok accounts supporting the Islamic State has continued to use the platform with impunity. Additional research showing a doubling in antisemitism on Twitter/X after Elon Musk's takeover was cited by the EU Coordinator on Antisemitism in a co-signed letter calling for Musk to take greater action on the issue.
- **Influencing digital policy and regulation:** Following years of work with partners to evidence and advocate systems-based regulation of social media, in 2023 we saw legislation in the EU and UK come into effect that will set the stage for new paradigms between governments, tech companies and civil society. In 2023, ISD continued to facilitate regular sessions of the Digital Policy Lab (DPL), an intergovernmental network that convenes policymakers and regulators from 14 countries and the European Commission to chart the path forward on digital policy. In September 2023, the DPL convened more than 50 network members, including the E-Safety Commissioner of Australia and the Head of the DSA Enforcement Team of the European Commission, for an in-person Summit in Berlin supported by the German Federal Foreign Office. We also began research using a range of digital research approaches to assess the compliance of Facebook, Instagram, YouTube, X (formerly Twitter) and TikTok with the Digital Services Act across Europe. This work will seek to mitigate systemic risks to the dissemination of illegal content (i.e. terrorism and hate speech), civic discourse, and electoral integrity.

Throughout the year, ISD hosted several multi-stakeholder DPL working groups to cover key topics in more depth, resulting in multiple policy briefs. ISD published work on misogyny and radicalisation, emerging platforms and technologies, algorithmic ranking systems, online crisis protocols, and access to social media data. ISD delivered this work while staying ahead of the curve in relation to the rapid pace of technological change. We began discussions with leading AI companies to help prevent the sort of misuse of their technology by bad actors and to lead on positive AI-based interventions in our domain.

## **Action programming**

- **The Strong Cities Network:** ISD's Strong Cities Network continued to support and guide cities facing hate, polarisation and the local impacts of global crises throughout 2023. In the course of the year, 59 cities – from Rio de Janeiro (Brazil) to Skopje (North Macedonia), Arusha (Tanzania), Marrakesh (Morocco), Larkana (Pakistan), San Francisco (USA) and Braga (Portugal) – joined the now 220-strong Network. With a new strategy and revitalised International Steering Committee in place, the launch of a new multilingual website further catalysed the Network's global reach, providing a gateway for more than 35,000 users to benefit from the practical tools and approaches in the online Resource Hub. This includes a multimedia Guide for Mayors and Guide for Cities, and new City Spotlights series designed to inspire and guide city-led action.

More than 1,200 mayors, city officials, practitioners and partners participated in more than 30 Strong Cities events and workshops in 2023. The capstone event was the Fourth Global Summit in New York, which convened more than 80 mayors and governors and 160 local and national government representatives and partners from more than 115 cities across 50 countries. With support from the EU, Denmark and the US, the Summit delivered a multi-dimensional programme of 11 events and a New York City Mayoral Declaration.

In 2023, Strong Cities also continued to build and strengthen national-local cooperation on preventing hate and violent extremism through programmes in Coastal West Africa, Southeast Asia and the Western Balkans, with support from Australia. The Network's Transatlantic Dialogue Initiative also continued to deliver impact, with workshops held in partnership with member cities, such as Berlin, Oslo and London, facilitating city learning, sharing and recommendations for mayors and practitioners on both sides of the Atlantic. The Strong Cities Regional Hubs provided resources and expertise to cities in their respective regions during their first year of operation, including to border cities and enhancing city-youth engagement in East & Southern Africa, MENA, South Asia and the Western Balkans.

- **Digital Literacy and education:** In the education sector, ISD advised the teaching support organisation Facing History & Ourselves on toolkits for UK secondary school educators on antisemitism and Islamophobia launched in the summer of 2023. The Islamophobia toolkit includes an ISD case study on anti-mosque mobilisation. Building on our work mapping Gen Z extremism in the US, in 2023 we convened extremism and youth engagement experts to develop a 'Playbook of the Possible' for online interventions that address the current extremist threat landscape. This work was achieved with a view to establishing a youth-led network and training programme for innovative and impactful youth-led interventions online.

## **MEDIA AND COMMUNICATIONS**

During 2023, ISD published 38 report-style publications along with 61 Digital Dispatches and 20 Explainers. These publications were created in order to achieve our charitable objective of informing the public, policy makers and other stakeholders on trends hate, extremism and disinformation.

ISD analysis and experts received top-tier news coverage across the globe. ISD analysis of surges in violent and extremist content sparked by the Israel-Hamas War was covered in [the New York Times](#) and [ABC News](#). [The New York Times](#) also referenced ISD work on the surge in hate after October 7. [Deutsche Welle](#) covered ISD research on Kremlin threats while [the New York Times](#) turned to ISD analysis in its coverage of multiple hostile state information threats. Throughout the year, ISD analysis of the convergence of technology and information operations in response to these wars received coverage in [the New York Times](#) and [Vice](#).

ISD work analysing threats and harassment targeting drag shows and the LGBTQ+ community in the US, the UK, France, and Australia featured across a wide range of media outlets. References to ISD work were found in [ABC](#), [NBC](#), [the Daily Beast](#), [USA Today](#), [WIRED](#), [the Independent](#), [the Guardian](#), [Gay Times](#), [Byline Times](#), and [Hunger Magazine](#). Elsewhere in the media, [the New York Times](#) covered ISD analysis on how pro-Kremlin actors use video game platforms to reach vulnerable young audiences. ISD's experts also featured in other US outlets, such as [NPR](#), [Rolling Stone](#), and [the Atlantic](#) commenting on a variety of topics. [CNN](#), [Euronews](#), [Foreign Policy](#), and [Sueddeutsche](#) referenced our Digital Dispatch analysing how content glorifying the Wagner group circulates on Meta platforms. Our Head of Climate Disinformation provided live commentary on TikTok's content removal policy targeting climate mis- and disinformation to [BBC's News and Radio 4's Today Programme](#). Commentary on other climate-related issues featured on [Euronews](#), [El Mundo](#), [Deutsche Welle](#), [the New York Times](#) and on [CNN](#).

## **OPERATIONS**

In 2023, ISD actively managed approximately 48 concurrent projects valued at £6.9 million throughout their lifecycles, with £4.4 million generated in restricted income. We made substantial improvements in project management, promoting transparency and accountability, and introduced new data systems for grant management to strengthen monitoring of key grants. We began a review of all our governance arrangements with a view to optimising this in preparation for further growth in the coming years.

Whilst 2023 saw a shrinking in real terms of ISD's UK portfolio, team and restricted income, this correlates to the significant expansion of our work and teams situated in our sister entities. ISD recognises that our global impact is best achieved by effective co-working between ISD UK and all other ISD entities, and so ISD invested in the growth and training of these teams as well as improved inter-entity working across all ISD's geographies.

## **FUTURE PLANS**

In 2024, ISD will continue to deliver its work internationally and working in a coordinated way with our sister organisations in the US, Germany and Jordan. We anticipate the start or continuation of many new multi-year grants and projects, particularly in relation to disinformation around elections as we enter "[the biggest election year in history](#)". In fundraising, we will seek to secure more multi-year contracts and grants, as well as building more programmes as part of consortia.

## **Financial review**

Total income in 2023 was £5.7 million (2022: £6 million) representing funding from a diverse, global group of Non-Profit Partners, Trusts and Foundations, Government and Multilateral Institutions, Individuals and Corporates.

Whilst a key focus of new programming and growth has been on the new ISD teams set up in US and

Germany, we expect this lower income to be temporary for 2023. We have undertaken an ambitious portfolio of projects and programmes in 2023 and have ensured that our key activities are well funded. Our expenditure includes £2.1m (2022: £2.9m) on Research & Digital Analysis; £1.8m (2022: £1.4m) on Policy & Advisory; and £2m (2022: £2.5m) on Action Programming. We have also begun investing in dedicated business development personnel in 2023 (£46,891).

Net expenditure for the year was £221,350 (2022: £788,258). £144,583 of this is unrestricted and offsets the £167,301 unrestricted surplus from 2022. This Net unrestricted expenditure was temporary and related to the timings of grants expected in Q4 2023 but received and recognised in Q1 2024.

At 31<sup>st</sup> December 2023, unrestricted funds were £257,760 (2022: £402,343) and restricted funds were £402,698 (2022: £479,465) demonstrating that we are utilising project restricted funding efficiently and prioritising programme delivery.

### **Fundraising standards**

We raise funds to support our charitable activities from Government and Multilateral Institutions, Trusts and Foundations, Corporates and Non-Profit Partners.

We also receive grants from other ISD entities and individual donations and major gifts mostly from Trustees. These are summarised in our Related party transactions Note 10.

ISD does not participate in public fundraising activities and is therefore not registered by a fundraising regulator. No third parties, professional fundraisers or commercial participators were used to undertake any fundraising activities. During 2023, as with all previous years, we received no complaints about any of our fundraising activities.

We are committed to protecting vulnerable people and maintain high standards to ensure our donors' privacy, dignity and wellbeing are protected. This is achieved by having personal interaction with all individual donors and only accepting donations from those donors who we have an established relationship with. We also publish a Complaints Policy on our website.

### **Reserves Policy**

The Trustees closely monitor the level of free reserves available to ensure there is sufficient financial flexibility in place. Until the end of 2023, the Reserve Policy was for ISD to hold a minimum of 3 months' administration and operating costs based on projected support costs and governance costs excluding depreciation, travel, communications and publishing.

Total funds held at 31<sup>st</sup> December 2023 were £660,458 (2022: £881,808), of which:

- **£402,698** (2022: £479,465) was restricted towards projects ending after the reporting period and not available for general purposes.
- **£34,238** (2022: £43,260) was in a designated fund representing the Fixed Assets held at the end of the reporting period.
- **£223,522** (2022: £359,083) was free reserves, which is £3,522 higher than the Reserves Policy requirement (£220,000).

In October 2023, the Board approved a new reserves policy and five-year financial sustainability model

that will progress the institution and enable us to withstand external shocks, leverage more project funding opportunities and promote longer-term budgeting and decision making. Beyond holding sufficient levels of reserves to ensure we can pay our immediate administrative and operational liabilities and remain a going concern, this policy asserts that from 2024 ISD will work towards building up the reserves necessary to pre-finance projects paid in arrears, to fund short term project financing gaps, and to mitigate against FX losses.

With ISD's donor portfolio evolving to more contracts and commercial income, generally paid in arrears on delivery, we will need to increase our reserves level to ensure we still have sufficient financial flexibility in place to support our growth. By the end of 2027 we aim to build reserves equivalent to 20%-30% of our total expenditure rather than 3 months' administrative costs, including an additional sum for working capital. As a step towards this, in 2024 we aim to hold £350,000 in reserve.

### **Going Concern**

At the time of approving the financial statements, after making appropriate enquiries, the Trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

## **STATEMENT OF TRUSTEE RESPONSIBILITIES**

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

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company or group for that period.

In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice 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 charity will continue in operation

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and group 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 financial statements may differ from legislation in other jurisdictions.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31<sup>st</sup> December 2023 was 7 (2022: 7). The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

**Disclosure of information to auditor**

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The Trustees report was approved by the Board of Trustees.

.....

**Mr Michael Lewis**

Chair of Trustees

Dated: 25 September 2024

## Opinion

We have audited the financial statements of Institute for Strategic Dialogue (the 'charitable company') for the year ended 31 December 2023 which comprise the statement of financial activities, 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 FRS 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 December 2023 and of its incoming resources and application of resources, including its income and expenditure for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006

## 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 Institute for Strategic Dialogue'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 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 within 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 has 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. 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, or returns adequate for our audit have not been received from branches not visited by us; 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

## Responsibilities of trustees

As explained more fully in the statement of 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 misstatement 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 committee, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating 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 charity 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 charity 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 is available on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### Use of our report

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

Noelia Serrano (Senior statutory auditor)  
Date 25 September 2024  
for and on behalf of Sayer Vincent LLP, Statutory Auditor  
110 Golden Lane, LONDON, EC1Y 0TG

**Statement of Financial Activities** (Incorporating an income and expenditure account)

**For the year ended 31 December 2023**

|                                       |      |                   |                  | <b>2023</b>        |                   |                  | 2022               |
|---------------------------------------|------|-------------------|------------------|--------------------|-------------------|------------------|--------------------|
|                                       | Note | Unrestricted<br>£ | Restricted<br>£  | <b>Total<br/>£</b> | Unrestricted<br>£ | Restricted<br>£  | <b>Total<br/>£</b> |
| <b>Income from:</b>                   |      |                   |                  |                    |                   |                  |                    |
| Donations and legacies                | 2    | 931,826           | -                | <b>931,826</b>     | 1,162,024         | -                | 1,162,024          |
| Charitable activities                 |      |                   |                  |                    |                   |                  |                    |
| Research & Digital Analysis           | 3    | 147,073           | 1,642,608        | <b>1,789,681</b>   | 189,853           | 2,121,560        | 2,311,413          |
| Policy & Advisory                     | 3    | 1,316             | 1,348,740        | <b>1,350,056</b>   | -                 | 1,078,408        | 1,078,408          |
| Action Programming                    | 3    | 3,279             | 1,438,630        | <b>1,441,909</b>   | -                 | 1,301,920        | 1,301,920          |
| Other trading activities              | 4    | 181,567           | -                | <b>181,567</b>     | 160,974           | -                | 160,974            |
| Investments                           |      | 1,113             | -                | <b>1,113</b>       | -                 | -                | -                  |
| Other                                 |      | 20,440            | -                | <b>20,440</b>      | -                 | -                | -                  |
| <b>Total income</b>                   |      | <b>1,286,614</b>  | <b>4,429,978</b> | <b>5,716,592</b>   | <b>1,512,851</b>  | <b>4,501,888</b> | <b>6,014,739</b>   |
| <b>Expenditure on:</b>                |      |                   |                  |                    |                   |                  |                    |
| Raising funds                         | 5    | 46,891            | -                | <b>46,891</b>      | -                 | -                | -                  |
| Charitable activities                 |      |                   |                  |                    |                   |                  |                    |
| Research & Digital Analysis           | 5    | 544,469           | 1,554,222        | <b>2,098,691</b>   | 588,404           | 2,325,075        | 2,913,479          |
| Policy & Advisory                     | 5    | 386,605           | 1,439,903        | <b>1,826,508</b>   | 284,534           | 1,124,336        | 1,408,870          |
| Action Programming                    | 5    | 444,802           | 1,521,050        | <b>1,965,852</b>   | 500,989           | 1,979,659        | 2,480,648          |
| <b>Total expenditure</b>              |      | <b>1,422,767</b>  | <b>4,515,175</b> | <b>5,937,942</b>   | <b>1,373,927</b>  | <b>5,429,070</b> | <b>6,802,997</b>   |
| <b>Net (expenditure) for the year</b> | 7    | <b>(136,153)</b>  | <b>(85,197)</b>  | <b>(221,350)</b>   | <b>138,924</b>    | <b>(927,182)</b> | <b>(788,258)</b>   |
| Transfers between funds               |      | (8,430)           | 8,430            | -                  | 28,377            | (28,377)         | -                  |
| <b>Net movement in funds</b>          |      | <b>(144,583)</b>  | <b>(76,767)</b>  | <b>(221,350)</b>   | <b>167,301</b>    | <b>(955,559)</b> | <b>(788,258)</b>   |
| <b>Reconciliation of funds:</b>       |      |                   |                  |                    |                   |                  |                    |
| Total funds brought forward           |      | 402,343           | 479,465          | <b>881,808</b>     | 235,042           | 1,435,024        | 1,670,066          |
| <b>Total funds carried forward</b>    |      | <b>257,760</b>    | <b>402,698</b>   | <b>660,458</b>     | <b>402,343</b>    | <b>479,465</b>   | <b>881,808</b>     |

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 17a to the financial statements.

## Balance Sheet

Company no. 06581421

For the year ended 31 December 2023

|                                                | Note | £                | 2023<br>£      | £         | 2022<br>£ |
|------------------------------------------------|------|------------------|----------------|-----------|-----------|
| <b>Fixed assets:</b>                           |      |                  |                |           |           |
| Tangible assets                                | 12   |                  | <b>34,238</b>  |           | 43,260    |
|                                                |      |                  | <b>34,238</b>  |           | 43,260    |
| <b>Current assets:</b>                         |      |                  |                |           |           |
| Debtors                                        | 13   | <b>802,377</b>   |                | 1,100,016 |           |
| Cash at bank and in hand                       |      | <b>247,504</b>   |                | 303,805   |           |
|                                                |      | <b>1,049,881</b> |                | 1,403,821 |           |
| <b>Liabilities:</b>                            |      |                  |                |           |           |
| Creditors: amounts falling due within one year | 14   | <b>(423,661)</b> |                | (565,273) |           |
| <b>Net current assets</b>                      |      |                  | <b>626,220</b> |           | 838,548   |
| <b>Total assets less current liabilities</b>   |      |                  | <b>660,458</b> |           | 881,808   |
| <b>Total net assets</b>                        |      |                  | <b>660,458</b> |           | 881,808   |
| <b>The funds of the charity:</b>               | 17a  |                  |                |           |           |
| Restricted income funds                        |      |                  | <b>402,698</b> |           | 479,465   |
| Unrestricted income funds:                     |      |                  |                |           |           |
| Designated funds (Fixed Assets)                |      | <b>34,238</b>    |                | 43,260    |           |
| General funds                                  |      | <b>223,522</b>   |                | 359,083   |           |
| Total unrestricted funds                       |      |                  | <b>257,760</b> |           | 402,343   |
| <b>Total charity funds</b>                     |      |                  | <b>660,458</b> |           | 881,808   |

Approved by the trustees on 25 September 2024 and signed on their behalf by

Mr Michael Lewis  
Chair

Dated: 25 September 2024

## Statement of Cash Flows

For the year ended 31 December 2023

|                                                                                              | 2023           |                 | 2022           |                  |
|----------------------------------------------------------------------------------------------|----------------|-----------------|----------------|------------------|
|                                                                                              | £              | £               | £              | £                |
| <b>Cash flows from operating activities</b>                                                  |                |                 |                |                  |
| Net (expenditure) for the reporting period<br>(as per the statement of financial activities) | (221,350)      |                 | (788,258)      |                  |
| Depreciation charges                                                                         | 29,632         |                 | 41,040         |                  |
| Dividends, interest and rent from investments                                                | 1,113          |                 | -              |                  |
| Loss on the disposal of fixed assets                                                         | 1,131          |                 | 6,591          |                  |
| Decrease in debtors                                                                          | 297,639        |                 | 212,371        |                  |
| Decrease in creditors                                                                        | (141,612)      |                 | (8,959)        |                  |
| <b>Net cash (used in) operating activities</b>                                               |                | <b>(33,447)</b> |                | <b>(537,215)</b> |
| <b>Cash flows from investing activities:</b>                                                 |                |                 |                |                  |
| Dividends, interest and rents from investments                                               | (1,113)        |                 | -              |                  |
| Purchase of fixed assets                                                                     | (21,741)       |                 | (23,093)       |                  |
| <b>Net cash (used in) investing activities</b>                                               |                | <b>(22,854)</b> |                | <b>(23,093)</b>  |
| <b>Change in cash and cash equivalents in the year</b>                                       |                | <b>(56,301)</b> |                | <b>(560,308)</b> |
| Cash and cash equivalents at the beginning of the year                                       |                | <b>303,805</b>  |                | <b>864,113</b>   |
| <b>Cash and cash equivalents at the end of the year</b>                                      |                | <b>247,504</b>  |                | <b>303,805</b>   |
| <b>Analysis of cash and cash equivalents and of net debt</b>                                 |                |                 |                |                  |
|                                                                                              | At 1 January   |                 | At 31          |                  |
|                                                                                              | 2023           | Cash flows      | December       |                  |
|                                                                                              | £              | £               | 2023           | £                |
| Cash at bank and in hand                                                                     | 303,805        | (56,301)        | <b>247,504</b> |                  |
| <b>Total cash and cash equivalents</b>                                                       | <b>303,805</b> | <b>(56,301)</b> | <b>247,504</b> |                  |

**1 Accounting policies**

**a) Statutory information**

Institute for Strategic Dialogue is a charitable company limited by guarantee and is incorporated in England and Wales.

The registered office address is 3rd Floor, 45 Albermarle Street, Mayfair, London, W1S 4JL.

**b) Basis of preparation**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - (Charities SORP FRS 102), The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006/Charities Act 2011.

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

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

**c) Public benefit entity**

The charity meets the definition of a public benefit entity under FRS 102.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

**d) Going concern**

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern. The Trustees have a reasonable expectation that the Charity has adequate resources to support the current level of expenditure and to continue in operational existence for the foreseeable future.

The Trustees approved a 5 year (2023-2027) global financial sustainability plan in October 2023 including an assessment of the required reserves level to ensure that ISD could mitigate any significant financial risks and had sufficient cash available to continue to operate. Robust monitoring processes are in place to ensure ISD remains agile and can adapt to any downturn in income. This includes regularly reviewing expenditure commitments, secured income, project forecasts, and ensuring cash is freely available.

**e) Income**

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

Income from government and other grants, whether 'capital' grants or 'revenue' 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 and is not deferred.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

**f) Donations of gifts, services and facilities**

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

**g) Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

1 Accounting policies (continued)

h) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

i) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charity in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose
- Expenditure on charitable activities includes the costs of delivering programming, research, digital analysis, policy and Advisory services undertaken to further the purposes of the charity and their associated support costs

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

j) Grants payable

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.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

k) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned based on each charitable activity's proportion of total expenditure which is an estimate reflecting the staff time and resources attributable to each activity.

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

l) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

m) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Where fixed assets have been revalued, any excess between the revalued amount and the historic cost of the asset will be shown as a revaluation reserve in the balance sheet.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

- |   |                               |                              |
|---|-------------------------------|------------------------------|
| ● | Leasehold land and buildings  | 5 years straight line method |
| ● | Fixtures and fittings         | 25% reducing balance method  |
| ● | Computer and office equipment | 3 years straight line method |
| ● | Website                       | 3 years straight line method |

**1 Accounting policies (continued)**

**n) Foreign currency**

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction generated by the accounting system. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date, and the gains and losses on translation are included in the statement of financial activities.

**o) Debtors**

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

**p) Short term deposits**

Short term deposits includes cash balances that are invested in accounts with a maturity date of between 3 and 12 months.

**q) 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. *Cash balances exclude any funds held on behalf of service users.*

**r) 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. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

**2 Income from donations and legacies**

|                                | Unrestricted<br>£ | Restricted<br>£ | 2023<br>Total<br>£ | Unrestricted<br>£ | Restricted<br>£ | 2022<br>Total<br>£ |
|--------------------------------|-------------------|-----------------|--------------------|-------------------|-----------------|--------------------|
| Grants from other ISD entities | 907,607           | -               | <b>907,607</b>     | 1,086,474         | -               | 1,086,474          |
| Trusts and Foundations         | 15,000            | -               | <b>15,000</b>      | 18,845            | -               | 18,845             |
| Individuals and Major Gifts    | 9,219             | -               | <b>9,219</b>       | 56,705            | -               | 56,705             |
|                                | <b>931,826</b>    | <b>-</b>        | <b>931,826</b>     | <b>1,162,024</b>  | <b>-</b>        | <b>1,162,024</b>   |

Grants from other ISD entities, specifically from ISD-US, were made to ISD to support the achievement of shared charitable objectives.

**3 Income from charitable activities**

|                                                   | Unrestricted<br>£ | Restricted<br>£  | 2023<br>Total<br>£ | Unrestricted<br>£ | Restricted<br>£  | 2022<br>Total<br>£ |
|---------------------------------------------------|-------------------|------------------|--------------------|-------------------|------------------|--------------------|
| Government and Multilateral Institutions          | -                 | 587,164          | <b>587,164</b>     | -                 | 405,665          | 405,665            |
| Trusts and Foundations                            | -                 | 538,307          | <b>538,307</b>     | -                 | 270,735          | 270,735            |
| Corporates                                        | -                 | 179,701          | <b>179,701</b>     | -                 | 336,501          | 336,501            |
| Non-Profit Partners                               | 147,073           | 337,436          | <b>484,509</b>     | 189,853           | 1,108,659        | 1,298,512          |
| <b>Sub-total: Research &amp; Digital Analysis</b> | <b>147,073</b>    | <b>1,642,608</b> | <b>1,789,681</b>   | <b>189,853</b>    | <b>2,121,560</b> | <b>2,311,413</b>   |
| Government and Multilateral Institutions          | 261               | 1,257,032        | <b>1,257,293</b>   | -                 | 986,478          | 986,478            |
| Trusts and Foundations                            | -                 | 16,302           | <b>16,302</b>      | -                 | -                | -                  |
| Corporates                                        | -                 | 59,474           | <b>59,474</b>      | -                 | 62,084           | 62,084             |
| Non-Profit Partners                               | 1,055             | 15,932           | <b>16,987</b>      | -                 | 29,846           | 29,846             |
| <b>Sub-total: Policy &amp; Advisory</b>           | <b>1,316</b>      | <b>1,348,740</b> | <b>1,350,056</b>   | <b>-</b>          | <b>1,078,408</b> | <b>1,078,408</b>   |
| Government and Multilateral Institutions          | -                 | 1,272,424        | <b>1,272,424</b>   | -                 | 1,118,864        | 1,118,864          |
| Trusts and Foundations                            | -                 | 114,002          | <b>114,002</b>     | -                 | -                | -                  |
| Corporates                                        | 2,155             | -                | <b>2,155</b>       | -                 | 75,980           | 75,980             |
| Non-Profit Partners                               | 1,124             | 52,204           | <b>53,328</b>      | -                 | 107,076          | 107,076            |
| <b>Sub-total: Action Programming</b>              | <b>3,279</b>      | <b>1,438,630</b> | <b>1,441,909</b>   | <b>-</b>          | <b>1,301,920</b> | <b>1,301,920</b>   |
| <b>Total income from charitable activities</b>    | <b>151,668</b>    | <b>4,429,978</b> | <b>4,581,646</b>   | <b>189,853</b>    | <b>4,501,888</b> | <b>4,691,741</b>   |

ISD receive Income from Governments and Multilateral Institutions directly and as sub-awards from other ISD entities.

This funding is from: US Department of State, European Union, UK Foreign, Commonwealth & Development Office, UK Department for Culture, Media and Sport, UK Home Office, Australian Government Department of Foreign Affairs, Danish Ministry of Foreign Affairs, New Zealand Department of Internal Affairs, Public Safety Canada, Canadian Privy Council, UNESCO, German Government and Ministerium der Finanzen des Landes.

**4 Income from other trading activities**

|                 | 2023<br>Total<br>£ | 2022<br>Total<br>£ |
|-----------------|--------------------|--------------------|
| Sublease income | <b>181,567</b>     | 160,974            |
|                 | <b>181,567</b>     | 160,974            |

All income from trading activities is unrestricted.

Institute for Strategic Dialogue

Notes to the financial statements

For the year ended 31 December 2023

5a Analysis of expenditure (current year)

|                                          | Charitable activities |                                     |                        |                         |                          |                    | 2023<br>Total<br>£ | 2022      | Total<br>£ |
|------------------------------------------|-----------------------|-------------------------------------|------------------------|-------------------------|--------------------------|--------------------|--------------------|-----------|------------|
|                                          | Raising funds<br>£    | Research &<br>Digital Analysis<br>£ | Policy & Advisory<br>£ | Action Programming<br>£ | Governance<br>costs<br>£ | Support costs<br>£ |                    |           |            |
| Staff costs (Note 8)                     | 39,344                | 1,165,615                           | 545,252                | 657,307                 | 25,456                   | 337,258            | <b>2,770,232</b>   | 2,936,099 |            |
| Consultants and Employer of Record Staff | -                     | 378,861                             | 347,144                | 348,304                 | -                        | -                  | <b>1,074,309</b>   | 851,688   |            |
| Events and Convening                     | -                     | 16,943                              | 342,921                | 301,018                 | -                        | -                  | <b>660,882</b>     | 296,506   |            |
| Partners, Grants and Service Providers   | -                     | 131,591                             | 102,934                | 165,463                 | -                        | -                  | <b>399,988</b>     | 1,784,482 |            |
| Office and Operating costs               | -                     | 2,906                               | 15,581                 | 10,667                  | -                        | 338,562            | <b>367,716</b>     | 378,209   |            |
| Travel costs                             | -                     | 29,143                              | 80,356                 | 62,278                  | -                        | 20,042             | <b>191,819</b>     | 233,740   |            |
| Communications and Publishing            | -                     | 20,427                              | 77,032                 | 82,746                  | -                        | 7,288              | <b>187,493</b>     | 48,401    |            |
| IT and Cyber Security                    | -                     | 209                                 | 11,325                 | 9,857                   | -                        | 102,367            | <b>123,758</b>     | 120,696   |            |
| Finance and Legal                        | -                     | 14,591                              | 9,290                  | 11,529                  | -                        | 42,093             | <b>77,503</b>      | 49,630    |            |
| HR and Organisational Development        | -                     | 620                                 | 696                    | 279                     | -                        | 53,015             | <b>54,610</b>      | 62,506    |            |
| Depreciation                             | -                     | -                                   | -                      | -                       | -                        | 29,632             | <b>29,632</b>      | 41,040    |            |
|                                          | 39,344                | 1,760,906                           | 1,532,531              | 1,649,448               | 25,456                   | 930,257            | 5,937,942          | 6,802,997 |            |
| Support costs                            | 7,346                 | 328,788                             | 286,147                | 307,976                 | -                        | (930,257)          | -                  | -         |            |
| Governance costs                         | 201                   | 8,997                               | 7,830                  | 8,428                   | (25,456)                 | -                  | -                  | -         |            |
| <b>Total expenditure 2023</b>            | <b>46,891</b>         | <b>2,098,691</b>                    | <b>1,826,508</b>       | <b>1,965,852</b>        | <b>-</b>                 | <b>-</b>           | <b>5,937,942</b>   |           |            |
| Total expenditure 2022                   | -                     | 2,913,479                           | 1,408,870              | 2,480,648               | -                        | -                  |                    | 6,802,997 |            |

Institute for Strategic Dialogue

Notes to the financial statements

For the year ended 31 December 2023

5b Analysis of expenditure (prior year)

|                                          | Charitable activities |                                     |                        |                         |                          | Support costs<br>£ | 2022 Total<br>£  |
|------------------------------------------|-----------------------|-------------------------------------|------------------------|-------------------------|--------------------------|--------------------|------------------|
|                                          | Raising funds<br>£    | Research &<br>Digital Analysis<br>£ | Policy & Advisory<br>£ | Action Programming<br>£ | Governance<br>costs<br>£ |                    |                  |
| Staff costs (Note 8)                     | -                     | 1,089,154                           | 526,682                | 927,348                 | 28,330                   | 364,585            | 2,936,099        |
| Consultants and Employer of Record Staff | -                     | 364,747                             | 176,381                | 310,560                 | -                        | -                  | 851,688          |
| Events and Convening                     | -                     | 126,983                             | 61,405                 | 108,118                 | -                        | -                  | 296,506          |
| Partners, Grants and Service Providers   | -                     | 764,230                             | 369,558                | 650,694                 | -                        | -                  | 1,784,482        |
| Office and Operating costs               | -                     | 25,425                              | 12,295                 | 21,648                  | -                        | 318,841            | 378,209          |
| Travel costs                             | -                     | 97,840                              | 47,313                 | 83,305                  | -                        | 5,282              | 233,740          |
| Communications and Publishing            | -                     | 17,049                              | 8,244                  | 14,516                  | -                        | 8,592              | 48,401           |
| IT and Cyber Security                    | -                     | -                                   | -                      | -                       | -                        | 120,696            | 120,696          |
| Finance and Legal                        | -                     | -                                   | -                      | -                       | -                        | 49,630             | 49,630           |
| HR and Organisational Development        | -                     | -                                   | -                      | -                       | -                        | 62,506             | 62,506           |
| Depreciation                             | -                     | -                                   | -                      | -                       | -                        | 41,040             | 41,040           |
|                                          | -                     | 2,485,428                           | 1,201,878              | 2,116,189               | 28,330                   | 971,172            | 6,802,997        |
| Support costs                            | -                     | 415,918                             | 201,125                | 354,129                 | -                        | (971,172)          | -                |
| Governance costs                         | -                     | 12,133                              | 5,867                  | 10,330                  | (28,330)                 | -                  | -                |
| <b>Total expenditure 2022</b>            | <b>-</b>              | <b>2,913,479</b>                    | <b>1,408,870</b>       | <b>2,480,648</b>        | <b>-</b>                 | <b>-</b>           | <b>6,802,997</b> |

**6 Grant making**

|                                        | 2023<br>£ | 2022<br>£ |
|----------------------------------------|-----------|-----------|
| <b>Grantee</b>                         |           |           |
| Institute for Strategic Dialogue-US    | 310,188   | 87,724    |
| Institute for Strategic Dialogue gGmbH | 42,750    | 362,795   |
| Individualland                         | 27,831    | 13,563    |
| Talented Youth Network (TYN)           | 6,272     | 18,652    |
| CEAPIRE                                | 4,397     | -         |
| Fan Coaching asbl                      | 4,867     | -         |
| Roots                                  | 3,683     | 5,474     |
| ACT                                    | -         | 94,780    |
| Midrift Hurinet Limited                | -         | 58,087    |
| Democracy Lab                          | -         | 57,021    |
| Youth Bila Noma                        | -         | 33,691    |
| WANA Institute                         | -         | 31,825    |
| Isiolo Peace Link                      | -         | 29,762    |
| CZO Skopje                             | -         | 7,017     |
| Isiolo Women of Faith                  | -         | 6,357     |
| Nakuru County Youth Bunge Forum        | -         | 5,336     |
| Jamji Action Centre                    | -         | 5,333     |
| Tim Parry Johnathan Ball Foundation    | -         | 2,997     |
| S.A.F.E.: Arts for Education           | -         | 2,733     |
| Pastoralist Women (PWLS)               | -         | 2,035     |
| At the end of the year                 | 399,988   | 825,182   |

In respect of the year ended 31 December 2023, of the total grants paid of £399,988 (2022: £825,182), £Nil (2022: £262,630) is attributable to unrestricted funds and £399,987 (2022: £562,552) is attributable to restricted funds. No grants were made to individuals.

**7 Net (expenditure) for the year**

This is stated after charging / (crediting):

|                                              | 2023<br>£ | 2022<br>£ |
|----------------------------------------------|-----------|-----------|
| Depreciation                                 | 29,632    | 41,040    |
| Loss or (profit) on disposal of fixed assets | 351       | (6,593)   |
| Operating lease rentals payable:             |           |           |
| Property                                     | 237,823   | 237,823   |
| Auditor's remuneration (excluding VAT):      |           |           |
| Institutional audit                          | 15,000    | 12,750    |
| Project-specific audits and other services   | 14,700    | 7,250     |
| Foreign exchange losses or (gains)           | 9,202     | (10,451)  |

**8 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel**

Staff costs were as follows:

|                                                                 | <b>2023</b>      | 2022      |
|-----------------------------------------------------------------|------------------|-----------|
|                                                                 | <b>£</b>         | <b>£</b>  |
| Salaries and wages                                              | <b>2,405,733</b> | 2,535,786 |
| Social security costs                                           | <b>271,880</b>   | 290,714   |
| Employer's contribution to defined contribution pension schemes | <b>92,619</b>    | 109,599   |
|                                                                 | <b>2,770,232</b> | 2,936,099 |

The following number of employees received employee benefits (excluding employer pension costs and employer's national insurance) during the year between:

|                     | <b>2023</b> | 2022       |
|---------------------|-------------|------------|
|                     | <b>No.</b>  | <b>No.</b> |
| £60,000 - £69,999   | <b>4</b>    | 8          |
| £70,000 - £79,999   | <b>3</b>    | -          |
| £80,000 - £89,999   | <b>2</b>    | 1          |
| £90,000 - £99,999   | <b>1</b>    | 1          |
| £100,000 - £109,999 | <b>1</b>    | 1          |
| £110,000 - £119,999 | <b>1</b>    | -          |
| £120,000 - £129,999 | <b>-</b>    | -          |
| £130,000 - £139,999 | <b>-</b>    | 1          |

The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel were £214,431 (2022: £154,745). In September 2023, the key management personnel responsibilities changed from residing in one role (CEO) to two roles (the Managing Director and Chief Operating Officer).

The charity trustees were neither paid nor received any other benefits from employment with the charity in the year (2022: £nil). No charity trustee received payment for professional or other services supplied to the charity (2022: £nil).

**9 Staff numbers**

The average number of employees (head count based on number of staff employed) during the year was 43 (2022: 51). The reduction in headcount correlates with an increase in both programmatic and operational roles across our sister entities in the US and Germany.

Staff are split across the activities of the charity as follows (% basis):

|                                             | <b>2023</b> | 2022     |
|---------------------------------------------|-------------|----------|
|                                             | <b>%</b>    | <b>%</b> |
| Raising funds                               | <b>2%</b>   | -        |
| Charitable activities                       | <b>85%</b>  | 86%      |
| Support                                     | <b>12%</b>  | 13%      |
| Governance                                  | <b>1%</b>   | 1%       |
| Average number of employees during the year | <b>43</b>   | 51       |

**10 Related party transactions**

Donations of £23,000 (2022: £74,000) were received during the year from Trustees and from entities connected with Trustees. The Net funding received from other ISD entities connected with the Trustees are stated below.

| Net funding received from other ISD entities: | 2023      | 2022      |
|-----------------------------------------------|-----------|-----------|
|                                               | £         | £         |
| Institute for Strategic Dialogue-US           | 911,643   | 1,981,118 |
| Institute for Strategic Dialogue gGmbH        | 1,139,557 | 286,839   |

There are no other donations from related parties which are outside the normal course of business and no restricted donations from related parties.

**11 Taxation**

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

**12 Tangible fixed assets**

|                               | Leasehold<br>land and<br>buildings<br>£ | Fixtures and<br>fittings<br>£ | Computer and<br>office<br>equipment<br>£ | Website<br>£ | Total<br>£ |
|-------------------------------|-----------------------------------------|-------------------------------|------------------------------------------|--------------|------------|
| <b>Cost</b>                   |                                         |                               |                                          |              |            |
| At the start of the year      | 39,226                                  | 20,787                        | 158,373                                  | -            | 218,386    |
| Additions in year             | -                                       | -                             | 16,741                                   | 5,000        | 21,741     |
| Disposals in year             | -                                       | (2,544)                       | (62,202)                                 | -            | (64,746)   |
| At the end of the year        | 39,226                                  | 18,243                        | 112,912                                  | 5,000        | 175,381    |
| <b>Depreciation</b>           |                                         |                               |                                          |              |            |
| At the start of the year      | 29,468                                  | 18,337                        | 127,321                                  | -            | 175,126    |
| Charge for the year           | 7,845                                   | 611                           | 21,176                                   | -            | 29,632     |
| Eliminated on disposal        | -                                       | (2,351)                       | (61,264)                                 | -            | (63,615)   |
| At the end of the year        | 37,313                                  | 16,597                        | 87,233                                   | -            | 141,143    |
| <b>Net book value</b>         |                                         |                               |                                          |              |            |
| <b>At the end of the year</b> | 1,913                                   | 1,646                         | 25,679                                   | 5,000        | 34,238     |
| At the start of the year      | 9,758                                   | 2,450                         | 31,052                                   | -            | 43,260     |

All of the above assets are used for charitable purposes.

The disposals relates to damaged equipment during office flooding in 2023. £20,440 compensation was received from an insurance claim and is disclosed as other income in our Statement of Financial Activities.

**13 Debtors**

|                | 2023<br>£      | 2022<br>£        |
|----------------|----------------|------------------|
| Trade debtors  | 449,908        | 688,737          |
| Other debtors  | 75,796         | 68,356           |
| Prepayments    | 100,813        | 111,362          |
| Accrued income | 175,860        | 231,561          |
|                | <b>802,377</b> | <b>1,100,016</b> |

**14 Creditors: amounts falling due within one year**

|                              | 2023<br>£      | 2022<br>£      |
|------------------------------|----------------|----------------|
| Trade creditors              | 111,392        | 254,072        |
| Taxation and social security | 108,399        | 94,854         |
| Other creditors              | 36,762         | 36,947         |
| Accruals                     | 128,230        | 142,326        |
| Deferred income              | 38,878         | 37,074         |
|                              | <b>423,661</b> | <b>565,273</b> |

**16a Analysis of net assets between funds (current year)**

|                                       | General<br>unrestricted<br>£ | Designated<br>£ | Restricted<br>£ | Total funds<br>£ |
|---------------------------------------|------------------------------|-----------------|-----------------|------------------|
| Tangible fixed assets                 | -                            | 34,238          | -               | 34,238           |
| Net current assets                    | 223,522                      | -               | 402,698         | 626,220          |
| <b>Net assets at 31 December 2023</b> | <b>223,522</b>               | <b>34,238</b>   | <b>402,698</b>  | <b>660,458</b>   |

**16b Analysis of net assets between funds (prior year)**

|                                       | General<br>unrestricted<br>£ | Designated<br>£ | Restricted<br>£ | Total funds<br>£ |
|---------------------------------------|------------------------------|-----------------|-----------------|------------------|
| Tangible fixed assets                 | -                            | 43,260          | -               | 43,260           |
| Net current assets                    | 359,083                      | -               | 479,465         | 838,548          |
| <b>Net assets at 31 December 2022</b> | <b>359,083</b>               | <b>43,260</b>   | <b>479,465</b>  | <b>881,808</b>   |

## 17a Movements in funds (current year)

|                                 | At 1 January<br>2023<br>£ | Income & gains<br>£ | Expenditure &<br>losses<br>£ | Transfers<br>£ | At 31 December<br>2023<br>£ |
|---------------------------------|---------------------------|---------------------|------------------------------|----------------|-----------------------------|
| <b>Restricted funds:</b>        |                           |                     |                              |                |                             |
| Research & Digital Analysis     | 96,628                    | 1,642,608           | (1,554,222)                  | 22             | <b>185,036</b>              |
| Policy & Advisory               | 175,817                   | 1,348,740           | (1,439,903)                  | 6,865          | <b>91,519</b>               |
| Action Programming              | 207,020                   | 1,438,630           | (1,521,050)                  | 1,543          | <b>126,143</b>              |
| <b>Total restricted funds</b>   | <b>479,465</b>            | <b>4,429,978</b>    | <b>(4,515,175)</b>           | <b>8,430</b>   | <b>402,698</b>              |
| <b>Unrestricted funds:</b>      |                           |                     |                              |                |                             |
| Designated funds:               |                           |                     |                              |                |                             |
| Fixed Asset fund                | 43,260                    | -                   | (9,022)                      | -              | <b>34,238</b>               |
| Total designated funds          | 43,260                    | -                   | (9,022)                      | -              | <b>34,238</b>               |
| <b>General funds</b>            | <b>359,083</b>            | <b>1,286,614</b>    | <b>(1,413,745)</b>           | <b>(8,430)</b> | <b>223,522</b>              |
| <b>Total unrestricted funds</b> | <b>402,343</b>            | <b>1,286,614</b>    | <b>(1,422,767)</b>           | <b>(8,430)</b> | <b>257,760</b>              |
| <b>Total funds</b>              | <b>881,808</b>            | <b>5,716,592</b>    | <b>(5,937,942)</b>           | <b>-</b>       | <b>660,458</b>              |

The narrative to explain the purpose of each fund is given at the foot of the note below.

## 17b Movements in funds (prior year)

|                                 | At 1 January<br>2022<br>£ | Income & gains<br>£ | Expenditure &<br>losses<br>£ | Transfers<br>£  | At 31 December<br>2022<br>£ |
|---------------------------------|---------------------------|---------------------|------------------------------|-----------------|-----------------------------|
| <b>Restricted funds:</b>        |                           |                     |                              |                 |                             |
| Research & Digital Analysis     | 280,708                   | 2,140,004           | (2,325,075)                  | 991             | <b>96,628</b>               |
| Policy & Advisory               | 251,165                   | 1,059,964           | (1,124,336)                  | (10,976)        | <b>175,817</b>              |
| Action Programming              | 903,151                   | 1,301,920           | (1,979,659)                  | (18,392)        | <b>207,020</b>              |
| <b>Total restricted funds</b>   | <b>1,435,024</b>          | <b>4,501,888</b>    | <b>(5,429,070)</b>           | <b>(28,377)</b> | <b>479,465</b>              |
| <b>Unrestricted funds:</b>      |                           |                     |                              |                 |                             |
| Designated funds:               |                           |                     |                              |                 |                             |
| fixed asset reserve             | 67,798                    | -                   | (24,538)                     | -               | <b>43,260</b>               |
| Total designated funds          | 67,798                    | -                   | (24,538)                     | -               | <b>43,260</b>               |
| <b>General funds</b>            | <b>167,244</b>            | <b>1,512,851</b>    | <b>(1,349,389)</b>           | <b>28,377</b>   | <b>359,083</b>              |
| <b>Total unrestricted funds</b> | <b>235,042</b>            | <b>1,512,851</b>    | <b>(1,373,927)</b>           | <b>28,377</b>   | <b>402,343</b>              |
| <b>Total funds</b>              | <b>1,670,066</b>          | <b>6,014,739</b>    | <b>(6,802,997)</b>           | <b>-</b>        | <b>881,808</b>              |

**Purposes of restricted funds**

Restricted funds are funds donated to the charity to aid its work as an independent think and do tank which studies and develops policy and operational responses to the challenges of hate, extremism and disinformation.

Transfers occur when expenditure is originally allocated to a restricted fund but is subsequently adjusted and allocated to general funds because of a lack of restricted project funds available.

**Purposes of designated funds**

We hold a designated fund representing the value of unrestricted funds held as fixed assets at the year end. Our General funds represent our free reserves.

18    Operating lease commitments payable as a lessee

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods

|                    | 2023   | 2022    |
|--------------------|--------|---------|
|                    | £      | £       |
| Less than one year | 64,506 | 237,823 |
| One to five years  | -      | 64,506  |
|                    | <hr/>  | <hr/>   |
|                    | 64,506 | 302,329 |
|                    | <hr/>  | <hr/>   |

19    Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

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# Accounts

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Charity registration number 1141069

Company registration number 06581421 (England and Wales)

**INSTITUTE FOR STRATEGIC DIALOGUE**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

**INSTITUTE FOR STRATEGIC DIALOGUE  
(A COMPANY LIMITED BY GUARANTEE)  
LEGAL AND ADMINISTRATIVE INFORMATION**

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|                          |                                                                                                                                               |                                                            |
|--------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------|
| <b>Trustees</b>          | Mr Michael Lewis<br>Mr Stuart Fiertz<br>Mr M Bergman<br>Dr Serra Kirdar<br>Mr Edward Williams<br>Mr Konstantin Von Unger<br>Mr Stephen Zinser | (Appointed 28 February 2023)<br>(Appointed 1 January 2023) |
| <b>Charity number</b>    | 1141069                                                                                                                                       |                                                            |
| <b>Company number</b>    | 06581421                                                                                                                                      |                                                            |
| <b>Registered office</b> | PO Box 75769<br>London<br>SW1P 9ER                                                                                                            |                                                            |
| <b>Auditor</b>           | Landau Morley LLP<br>325-327 Oldfield Lane North<br>Greenford<br>Middlesex<br>UB6 0FX                                                         |                                                            |

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# **INSTITUTE FOR STRATEGIC DIALOGUE (A COMPANY LIMITED BY GUARANTEE) CONTENTS**

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**INSTITUTE FOR STRATEGIC DIALOGUE  
(A COMPANY LIMITED BY GUARANTEE)  
TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)  
*FOR THE YEAR ENDED 31 DECEMBER 2022***

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The Trustees present their annual report and financial statements for the year ended 31 December 2022.

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of The Institute for Strategic Dialogue (the company) for the year ended 31 December 2022. The Trustees confirm that the annual report and financial statements of the company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP), 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).

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Constitution**

The company is registered as a charitable company limited by guarantee (registered charity number 1141069) and was set up by a Memorandum of Association on 30 April 2008.

The charity is constituted under a Memorandum of Association and is a registered charity.

**Method of Appointment or Election of Trustees**

The management of the company is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association.

**Organisational Structure and Decision Making**

The Institute for Strategic Dialogue (ISD) has a Board of Trustees that meets twice a year (until 2022), moving to three times a year from 2023. There is a Chair of the Board and Treasurer. The Institute also has an active Finance Committee, made up of the Chair and Treasurer, which meets regularly and works closely with the Chief Executive Officer (CEO) and Chief Operating Officer (COO).

Responsibility for day-to-day management matters and the implementation of policy is delegated to the CEO, within a clearly understood framework of strategic control. The CEO is supported by a leadership team and senior management team responsible for the execution of the organisational objectives. All Trustees and Staff are required to report any potential or actual conflicts of interest immediately to the Chair and/or CEO.

**Risk Management**

The Trustees have assessed the major risks to which the company is exposed, in particular those related to the operations and finances of the company, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

**Public Benefit**

The Trustees confirm that they have complied with the duty in section 4 of the Charities Act 2006 to have due regard to the Charity Commission's general guidance on public benefit, 'Charities and Public Benefit'. All of the activities that are undertaken by the charity are for the advancement of the objectives and the activities that are undertaken by the charity to further its charitable purposes are for the public benefit.

**INSTITUTE FOR STRATEGIC DIALOGUE  
(A COMPANY LIMITED BY GUARANTEE)  
TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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**Objectives and activities**

The Institute for Strategic Dialogue (ISD) is an independent 'think and do tank' that studies and develops policy and operational responses to the rising challenges of hate, polarisation and extremism. Combining research and analysis of disinformation, hate and extremism with government advisory work, training, capacity building and educational programmes, ISD has been at the forefront of forging real-world, evidence-based responses to the challenges of disinformation, extremism and polarisation.

The principal objects of the charity and company are:

- The advancement of the education of the public in the UK and elsewhere in relation to government, economics, politics, law, administration and social services;
- The advancement of human rights, conflict resolution or reconciliation or the promotion of religious or racial harmony or equality and diversity;
- Such other charitable purposes as the Trustees shall from time to time think fit.

**STRATEGIES & ACTIVITIES FOR ACHIEVING OBJECTIVES**

Since its formation, ISD has been at the forefront of solutions that combat extremism, hate speech and disinformation. At a time when these pose immediate threats to safety, security and democratic civil culture and institutions, ISD is working to enable individuals, organisations and nations to turn the tide.

ISD's work is delivered through three types of activity:

1. **RESEARCH & ANALYSIS** - ISD combines sector-leading expertise and research in global extremist movements with advanced digital analysis that identifies and tracks disinformation, weaponised hate and extremism in real time. Our Digital Analysis Unit has been at the forefront of analysing audiences, networks and content to accurately interpret the threat of disinformation, hate and extremism online. This, combined with ISD's ongoing anthropological research, has ensured that ISD has consistently been ahead of the curve in predicting developments at the nexus of disinformation and extremism. Our research informs responses to these emerging challenges, and shapes policy-makers' and the public's understanding of evolving threats.
2. **ACTION PROGRAMMING** - ISD innovates, trials and scales cutting-edge interventions that empower cities, practitioners and civic leaders to mitigate hate, polarisation and disinformation. From our digital education and communications programmes, to our training and direct interventions with at-risk individuals, we build the resilience of communities on and offline. We work to empower and facilitate civil society, fostering networks of community groups and influencers to take the lead, applying their granular expertise and credibility in a way that delivers impact at scale. ISD has pioneered the application of data, technology and marketing tactics to mount a proportional response to extremist messaging.
3. **POLICY & ADVISORY SERVICES** - ISD provides strategic advice, policy support and training to local and national governments and multilateral institutions worldwide, giving them the data, expertise and support needed to deliver evidence-based policy and programming. We lead inter-governmental policy initiatives on extremism, polarisation and digital regulation that optimise counter-extremism and integration policies and programming and safeguard democracy. ISD also provides high-level digital policy input to the tech sector to harmonise efforts with governments and civil society.

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FOR THE YEAR ENDED 31 DECEMBER 2022**

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**Achievements and performance**

Polarisation, hate, extremism and disinformation continued to have a profound impact on society throughout 2022, presenting real and immediate threats to cohesion and democracy worldwide. We achieved our charitable objectives in the year through three core operating areas: research and analysis; policy and advisory services; and action programming.

During 2022, ISD's research teams published work showing how extremists, conspiracy networks, hate groups and authoritarian states borrow from each other's playbooks and amplify each other's narratives. ISD's work showed how profits are being made from hate and disinformation and how social media products and algorithms are supercharging everything from electoral disinformation to misogyny. In 2022, our teams helped safeguard elections in the US, France, Kenya, and Australia; protect targeted communities from harassment and violence, and countered conspiracy and disinformation on Ukraine, climate, migration and public health. Our digital policy team used this insight to move the needle on tech platform action and regulation. Where bad actors seek to exacerbate division and undermine trust, we worked to deliver programming to meet the evolving challenge.

The following areas of programming constituted particular highlights of the organisation's work in 2022:

**Research & Analysis**

- **Research on conspiracy, extremism and hate:** 2022 once again saw a number of vicious attacks motivated by extremist ideologies and conspiracy theories. The mass shooting in a supermarket in Buffalo, New York in May was one of the deadliest and ISD experts spoke to NBC News about what the shooting can tell us about online extremist communities. We also discussed with BBC News the importance of disengaging people from conspiracies that have become mainstreamed; sounded the alarm over videos of the shooting that remained online with Bloomberg; and explained to Tortoise how gaming platforms can be a link to extremist communities, building on ISD's extensive analysis of extremism across gaming platforms. In 2022, ISD also produced four separate reports on how extremist actors use alternative platforms; produced one of the most comprehensive studies of Islamic State's social media ecosystem; and charted the numerous difficulties entailed in researching the evolving online ecosystem.
- **Misogyny and targeted hate against women and LGBTQ+ people:** In addition to a study of abusive hashtags recommended to users searching for female political candidates on social media, we produced one of the first pieces of its kind looking at algorithmic recommendation of misogynist content on YouTube and YouTube Shorts. For the award-winning Slow Newscast podcast, ISD experts explored how platforms with aggressive algorithms like TikTok are actively contributing to the popularity of misogynistic online content produced by Andrew Tate and others. We also published a study on gender-based harassment by QAnon supporters, and explainers about Incels and the Manosphere. Simultaneous with assaults on the rights of women, LGBTQ+ people increasingly had their rights and freedoms attacked in countries around the world. ISD published analysis of the 'groomer' narrative used to slander LGBTQ+ people as paedophiles for VICE, Euronews, and Insider; followed the harassment of drag queens reading to children for CNN; and explored the links between a Spanish-based advocacy group and the cancellation of a British children's sex education play for VICE. In the aftermath of the vicious attack on a gay club in Colorado Springs that left multiple people dead, ISD provided thought leadership on the international trend of anti-LGBTQ+ hate and demonstrated an increase in 'groomer' rhetoric on social media stemming from the attack.
- **Research and action on antisemitism:** In collaboration with UNESCO and B'nai B'rith International, ISD produced a first-of-its-kind toolkit for civil society and practitioners looking to combat online antisemitism. As part of our Explainer series, we published articles exploring common conspiracy theories that are often tinged with antisemitism - the New World Order and the Great Replacement - as well as shining a light on the antisemitic 'Khazarian Mafia' conspiracy theory circulating around the war in Ukraine. ISD also built and tested new tools which we deployed to detect antisemitic content online.

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- **Response to the Russian invasion of Ukraine:** The 2022 invasion of Ukraine marked a significant geopolitical shift in Europe and the trajectory of the war will in so many ways determine the balance of power between authoritarianism and liberal democracy on the global stage. ISD quickly mobilised in the immediate aftermath of the Russian invasion to track and monitor Kremlin information operations targeting global audiences, as well as technology platform performance in relation to stemming the tide of Russian disinformation regarding the war. Our objective was to provide vital information on one key question: how and where pro-Kremlin propaganda reaches foreign audiences. This work served to inform policy audiences at the highest levels in the UK (including foreign office briefings), the US (including White House briefings) and the EU. It also led to us securing funding to set up a monitoring taskforce contributing to the EU 'Disinformation Situation Centre' which exposes online disinformation about the conflict in Ukraine for the European Commission in the first instance but also to other government, media, corporate clients and the public.

We continued research on the war throughout 2022, creating a [resource page](#) on the Ukrainian war to provide analysis of the evolving threat landscape to policymakers, the media and wider public. This included the first analysis of [TikTok's role](#) in the info war; a dissection of pro-Kremlin operation [#IStandwithRussia](#); analysis of a [Chinese-linked network](#) supporting Russia; and numerous breakdowns of Russian state media's [circumvention of sanctions](#). Our expertise featured prominently in the media landscape, with Sasha Havlicek appearing on Sky's prime-time programme [The Great Debate](#) and BBC Radio 4's [Today](#) programme to discuss the war. We collaborated with the Washington Post to debunk [viral misinformation on TikTok](#); had our investigation of [atrocities denial in Bucha](#) covered by the Guardian; worked with BBC News to analyse networks of [Vladimir Putin 'superfans'](#); spoke to [Deutsche Welle](#) about RT's success in the Arabic-language information war; gave comment to Al Jazeera on the pro-Kremlin troll army [Cyber Front Z](#); and helped the [New York Times](#) understand Russia's information war past and present. Building on these insights, our teams have launched [counter disinformation education and communications programming](#) in countries heavily targeted by Russian propaganda.

- **Climate information operations analysis:** In 2022, ISD built on our work to provide real-time analysis of information manipulation related to the COP27 climate summit. We provided real-time intelligence for the duration of the climate negotiations in Sharm el-Sheikh as part of the [Climate Action Against Disinformation](#) coalition. During the event, the unit produced eight 'COP, Look, Listen' intelligence briefings, the equivalent of ~90 pages of data-driven evidence and case studies. These were circulated to a mailing list of 920 subscribers, nearly tripling the audience engaged in 2021. ISD also produced a landmark report on the state of climate disinformation: [Deny, Deceive, Delay](#), launched at the UN's [Climate Change Conference](#) in Bonn and covered across the media spectrum. Activity from the coalition generated over 300 media hits with coverage in [The Guardian](#), [The Independent](#), [Forbes](#) and [Newsweek](#).
- **Islamist Extremism:** In 2022, ISD's experts on Islamist extremism produced one of the most comprehensive social media analysis of [al-Shabaab and Islamic State networks on Facebook in Somali, Swahili, and Arabic](#), generating substantial coverage by the [Associated Press](#), the [Washington Post](#), and [Voice of America](#). The report was similarly featured in two of the largest daily newspapers in Kenya, [the Nation](#) and the [Standard](#). ISD's findings from the report were presented to the UK Home Office, the UK Research, Information and Communications Unit, the US State Department Bureau of Counterterrorism, the Global Coalition to Defeat Daesh, and the National Counterterrorism Centre of Kenya. The report highlighted the gaps in platform moderation during a highly contentious election year in Kenya and identified 168 calls for violence across Meta platforms. ISD experts similarly released a report highlighting the networks, supporters, and platforms affiliated with [Islamic State disinformation disseminators](#). The pro-Islamic State alternative news outlet ecosystem uncovered by ISD was exploiting platform inability to verify media sources, by masquerading as legitimate news outlets.

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- **Electoral Disinformation:** ISD continued its efforts to protect elections from information manipulation in an array of international contexts, working with coalitions of in-country partners to deliver real-time insights into the threat landscape and equip those at the front line with the data and capacity to respond. In 2022, these included the [Australian](#), [French](#), [Kenyan](#) and US midterm elections. ISD's growing election team continuously tracked threats of violence, [abuse](#), foreign and [domestic disinformation](#), voter intimidation, confusion or suppression tactics, as well as attacks on election infrastructure. We delivered flags of high risk activity, analysis and training to community organisations, governors, state secretaries, election officials, federal, state and local law enforcement agencies, working to protect communities from violence, safeguard the integrity of the election and [hold platforms to account](#). The New York Times covered our research on [short-form video platforms](#) and the spread of election disinformation, as well as on [disinformation efforts around election drop boxes](#), which became mainstreamed earlier this year. Our expert analysis was cited by CNN, Bloomberg, the NYT and Time Magazine on and after Election Day. ISD's Head of Election Integrity gave testimony before the [US House Committee on Administration](#) about the growing threat of election disinformation, and ISD's Head of Disinformation Research gave expert comment to [Bloomberg](#) about Meta's failures to curb election fraud content and to [NBC](#) and the [BBC](#) on state-backed information operations.

**Policy & Advisory**

- **Influencing Digital Policy:** Throughout the year, we continued to hold platforms to account over their failure to address extremist content and disinformation with over 25 [research reports](#), briefings and [Digital Dispatches](#) on the subject published over the course of the year. Our team sought to be agile and responsive to new threats exacerbated by platform failures and insufficient policies, focusing on the monetisation and algorithmic amplification that benefit malign actors. We explored how YouTube profits from [hateful Super Chats](#); assessed how algorithmic ranking practices [affect online discourse](#); analysed new and alternative platforms such as [Odyssey](#) and [Gettr](#); highlighted [inauthentic tactics](#) used by political campaigns; evaluated [platforms' implementation of EU sanctions](#) against Russian state media; produced [four separate reports](#) on how extremist actors use [alternative platforms](#); and published a [series of case studies](#) showing how a commercially motivated network has used conspiracy clickbait to make serious money. We also [assessed the platforms' responses](#) to the rollback of abortion rights in the wake of the *Dobbs* decision and the subsequent overturn of *Roe v. Wade*, documenting their inability to curb misinformation about reproductive rights [even 100 days](#) after the Supreme Court ruling.

Outside the Western context, we produced impactful research on the influence of Salafi-jihadist groups and other extremist actors in the Middle East and Africa. Our report highlighting [Facebook's failure to remove terrorist content](#) from their platform in Kenya was covered by [AP News](#), and saw Amnesty International [release a statement](#) calling on both Meta and the government to take action. We also released one of the most comprehensive studies of [Islamic State's social media ecosystem](#) completed to date, and ISD collaborated with the Syria Campaign on a [report looking at the human costs of disinformation](#) spread about the Syria conflict. Our Executive Director for Asia, the Middle East and Africa gave comment to [POLITICO](#) and [Washington Post](#) on the poor moderation of terrorist content in the region.

- **Digital policy and regulation:** ISD continued to work on digital policy and regulation in 2022 by convening the [Digital Policy Lab \(DPL\)](#). The DPL is an inter-governmental working group of Five Eyes and EU governments and regulators, funded by the German Foreign Office, focused on charting the regulatory and policy path forward on platform governance. [Digital Policy Digests](#) were published to track policy developments from across member countries as well as policy papers emanating from DPL Working Groups established on critical challenges including platform data access and algorithmic auditing. We hosted a series of DPL sessions in the year focused on risk-based policy responses, examining the parameters of formulating, designing and conducting risk assessments of online platforms, both within and beyond the context of the EU's Digital Services Act. ISD's research and policy analysis in this domain fed into advisory work with a range of governments and multi-stakeholder initiatives and ISD's CEO Sasha Havlicek had the honour of addressing the [Christchurch Call Leaders' Summit](#) in the margins of the UN General Assembly on the matter of algorithmic oversight and transparency. The Summit was attended by world leaders including former New Zealand President Jacinda Ardern, French President Emmanuel Macron and Canadian President Justin Trudeau.

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**Action programming**

- **The Strong Cities Network (SCN):** During 2022, our Strong Cities Network (SCN) launched four new Regional Hubs – in East and Southern Africa, MENA, South Asia and the Western Balkans – to serve as regional focal points for cities and to catalyse network engagement and support across these regions. These hubs will serve mayors and local leaders, sharing and delivering good practices and training to address threats where they are felt most acutely: at a local level within communities around the world. The team delivered two virtual regional summits (one in Africa and another in South Asia); organised an in-person city exchange in Kyrgyzstan; organised a Mombasa Governors roundtable on 'Delivering as One in Preventing Violent Extremism Conducive to Terrorism in Kenya'; hosted a US-Nordic exchange on city-level P/CVE in Helsinki; and carried out two city consultations in Slovakia. With support from the European Union, the SCN also convened over 100 mayors and other local government officials, as well as representatives from national governments, civil society organisations and multilateral bodies like the UN Office for Counter Terrorism and UN Women, in Nairobi, Kenya and Dakar, Senegal to explore how to enhance city-led efforts to prevent and counter extremism across the African continent. Finally, antisemitism, racially motivated extremism, far-right extremism, dis/misinformation and polarisation were key thematic foci for the Network's Transatlantic workstream, including workshops in Helsinki and Denver. This area of programming culminated in the endorsement of The Hague Mayoral Declaration by more than forty cities from both sides of the Atlantic – a demonstration of the commitment and determination of cities to work together to counter hate, extremism and polarisation, and to safeguard local democracy.

In 2022, we continued fruitful collaborations with partners such as Nordic Safe Cities through our Together for Safety series, which focused on Safeguarding Local Democracies and Safe City Governance and Regional Alliances. We also worked with new partners, such as the University of Denver's Colorado Resilience Collaborative, and with the Bertelsmann Foundation, a collaboration that produced a graphic animation of key mayoral decision points during and in the wake of the 2018 attack at the Tree of Life Synagogue in Pittsburgh, Pennsylvania. Stronger Than Hate, narrated by the former Mayor of Pittsburgh Bill Peduto, was one of five shorts nominated for Cannes Shorts' Best Animation Film this year. The SCN and ISD were also represented at a range of events, including at the Summit of the Americas in LA, where the SCN hosted a roundtable on city-led violence prevention.

- **Practitioner training:** Mass casualty attacks in the US in 2022 underscored the need for improved capacity at the front line of violence prevention. Through our partnership with the McCain Institute for International Leadership, we developed and delivered practice guides and training for US practitioners, equipping over 500 practitioners - including social and health care workers, education providers and law enforcement - with the capacity to respond to domestic extremism as part of the build-out of the first US prevention practitioners network.
- **Counter-extremism interventions playbook:** In September 2022, ISD began scoping models of interventions to counter Gen-Z youth radicalisation online based on our extensive research into the Gen-Z online extremism landscape. ISD analysts worked to identify key gaps in current interventions programming, and novel opportunities for online interventions. Following this analysis, we will produce a 'playbook of the possible' outlining innovative, experimental models for interventions. Working with an oversight board of subject matter experts, ISD will then test these interventions in a controlled environment to identify models with the potential for application in large-scale programming.
- **Counter-extremism educational resources:** In 2022, ISD completed a project in Québec to deliver interactive resources for teachers, youth workers and those engaged closely with young people, centered on exploring the first-hand stories of former extremists and survivors of violence. Part of the Extreme Dialogue programme run with partners Duckrabbit, The Tim Parry Johnathan Ball Peace Foundation, and the Montreal Centre for the Prevention of Radicalization Leading to Violence (CPRLV), this project produced two new films telling the stories of Sylvain and Junior, two French-speaking individuals who have both experienced forms of radicalisation and violence. They are accompanied by educational resources centered on experiential learning to ensure maximum impact on young people.

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FOR THE YEAR ENDED 31 DECEMBER 2022**

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**MEDIA AND COMMUNICATIONS**

During 2022, ISD published 64 report-style publications along with 92 Digital Dispatches in order to inform the public, policy makers and other stakeholders on trends and analysis on hate, extremism and disinformation. In addition, we launched our Explainers section - a glossary on different extremist narratives, movements and actors - of which we published 16 entries covering topics from the 'Great Replacement' theory to the Reichsbürger movement behind the failed coup in Germany.

In 2022, international news outlets sought ISD experts and analysis during important moments such as Russia-Ukraine War, the global freedom/trucker's convoys, multiple elections, Elon Musk's Twitter takeover, the UN's Climate Change conference (COP27), the coup plot in Germany, and more. In February, when Russia invaded Ukraine, we spoke to the New York Times, the BBC, the Washington Post, AP News, Al Jazeera, Politico, and others about the online war over information and the different pro-Kremlin tactics at play. We provided analysis to the Guardian and Slate on the Bucha atrocities, and CEO Sasha Havlicek featured on BBC Radio's news and current affairs program, Today, and also joined Sky News's the Great Debate answering the question, "can the West stop Vladimir Putin?"

Our analysis on the US elections featured in Bloomberg, the Washington Post, POLITICO, Axios, VICE News, and TIME, among others. Other US topics that garnered coverage included the overturning of Roe v. Wade, covered by Axios and Deutsche Welle; the Buffalo shooting, covered by NBC, ABC and BBC; and the FBI's search of Donald Trump's residence, covered by The Hill, ABC and NPR. A report we published exposing the state of Islamic State content on Facebook in East Africa prompted a response from Amnesty International and was covered by the BBC, Washington Post and AP. Work we did on anti-LGBTQ+ hatred was covered by VICE, CNN and Insider, and we spoke to NBC News, Metro Weekly and Washington Post, on the far right's reaction to the Colorado LGBTQ+-bar shooting. ISD researchers provided commentary to Bloomberg, AP News, the Washington Post, Euronews, on Musk's takeover later in the year, and featured in MIT's Technology Review talking about the risk of losing Twitter's digital and human history records. During COP27, we featured in Politico, and provided journalists with daily monitoring reports on mis- and disinformation trends through our participation in the Climate Action against Disinformation coalition. Our experts commented to Newsweek, Reuters, Vice News, and more, on the failed coup plot to overthrow the German government and its conspiratorial connections. ISD's CEO Sasha Havlicek also delivered high-level appearances, including at Eradicate Hate 2022 and alongside world leaders at the Christchurch Call Leaders' Summit, as well as being an expert panellist at Defence Disrupted and the Institute for Economics' 2022 Global Terrorism Index presentation. Her interview for the new Paramount Plus docuseries Indivisible: Healing Hate also premiered in 2022.

**OPERATIONS**

2022 was a significant year for ISD's institutional growth and operations. In addition to a number of exciting new hires to our UK team, we also achieved significant expansion of ISD's sister organisations ISD US and ISD Germany. ISD recognises that our global impact is best achieved by effective co-working between ISD UK and all other ISD entities, and so ISD invested in the growth and training of these teams as well as improved inter-entity working across all ISD's geographies.

During 2022, we actively managed approximately 45 concurrent projects valued at £14.2 million throughout their lifecycles, with £6.01 million generated in 2022 income. We made substantial improvements in project management, developing a versatile Project Management Toolkit and introducing dashboards for workstream oversight, promoting transparency, ownership, and accountability. Additionally, we strengthened business development oversight through focused weekly meetings and an improved automated system.

We recruited ISD's first Managing Director in Spring 2022, mandated to drive a number of priority institutional projects including building our capacity for internal knowledge and information flow and boosting management processes to support our growth and internalisation. She also provided leadership and management support to our senior teams. Meanwhile, our COO expanded her team to bring on additional operations staffing to support this growth, including a Head of Finance and additional HR and finance staff in the UK, Germany and the US.

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FOR THE YEAR ENDED 31 DECEMBER 2022**

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**FUTURE PLANS**

In 2023, ISD will continue to deliver its work internationally. We anticipate the start or continuation of many new multi-year grants and projects, particularly in relation to research and the Strong Cities Network. In fundraising, 2023 will see significant expansion of ISD's work in the United States through its sister organisation, the Institute for Strategic Dialogue-US.

In September 2023, ISD's co-Founder and CEO Sasha Havlicek will move from London to Washington DC to drive the growth of the global group of organisations from there. Once she is no longer an employee of ISD UK, responsibility for day-to-day management matters and the implementation of policy will be delegated from the Board directly to Sarah Kennedy, the Chief Operating Officer, and Arabella Phillimore, the Managing Director, within a clearly understood framework of strategic control.

**Financial review**

The results for the year show that there was net expenditure of £788,258 (2021: £100,960). The total incoming resources for the year were £6,014,739 (2021: £6,829,100).

The charity has been able to achieve its objectives as reserves have been maintained to enable it to do so.

At 31<sup>st</sup> December 2022, the unrestricted reserves amounted to £402,343 and restricted reserves amounted to £479,465.

**Reserves Policy**

The Trustees closely monitor the level of free reserves available to ensure there is sufficient financial flexibility in place. It is the Trustees' policy to accumulate reserves for future activities. The free reserves (net of restricted funds) available as at 31<sup>st</sup> December 2022 were £359,083 (2021: £167,244) - providing in excess of 3 months' administration costs in the following financial year at projected expenditure levels.

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Charity has adequate resources to support the current level of expenditure and to continue in operational existence for the foreseeable future.

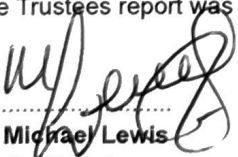
**Going Concern**

After making appropriate enquiries, the Trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

**Disclosure of information to auditor**

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The Trustees report was approved by the Board of Trustees.

  
.....  
**Mr Michael Lewis**

Chair of Trustees

Dated: 17 October 2023

**INSTITUTE FOR STRATEGIC DIALOGUE  
(A COMPANY LIMITED BY GUARANTEE)  
STATEMENT OF TRUSTEES RESPONSIBILITIES  
*FOR THE YEAR ENDED 31 DECEMBER 2022***

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The Trustees, who are also the directors of Institute for Strategic Dialogue for the purpose of company law, are responsible for preparing the Trustees Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the Trustees are required to:

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

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

# **INSTITUTE FOR STRATEGIC DIALOGUE (A COMPANY LIMITED BY GUARANTEE) INDEPENDENT AUDITOR'S REPORT**

## **TO THE TRUSTEES OF INSTITUTE FOR STRATEGIC DIALOGUE**

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### **Opinion**

We have audited the financial statements of Institute for Strategic Dialogue (the 'company') for the year ended 31 December 2022 which comprise the statement of financial activities, the balance sheet, the 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 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 December 2022 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 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 the 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 other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and 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.

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

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

**INSTITUTE FOR STRATEGIC DIALOGUE  
(A COMPANY LIMITED BY GUARANTEE)  
INDEPENDENT AUDITOR'S REPORT (CONTINUED)  
TO THE TRUSTEES OF INSTITUTE FOR STRATEGIC DIALOGUE**

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**Responsibilities of Trustees**

As explained more fully in the statement of Trustees responsibilities, the Trustees, who are also the directors of the company for the purpose 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 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**

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our sector experience through discussion with management (as required by auditing standards).
- We had regard to laws and regulations in areas that directly affect the financial statements including financial reporting and taxation legislation. We considered the extent of compliance with those laws and regulations as part of our procedures on the related financial statement items.
- Except for any known or possible non-compliance, and as required by auditing standards, our work in respect of these included enquiry of management about the company's policies, procedures, and related controls regarding compliance with laws and regulations and if there are any known instances of noncompliance.
- We tested the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.
- We performed analytical procedures to identify any unusual or unexpected relationships.
- We examined supporting documents for all material balances, transactions and disclosures.
- We evaluated the selection and application of accounting policies related to subjective measurements and complex transactions.
- We reviewed the board of trustees' minutes.

Owing to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements of the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

The potential effects of inherent limitations are particularly significant in the case of misstatement resulting from fraud because fraud may involve sophisticated and carefully organized schemes designed to conceal it, including deliberate failure to record transactions, collusion or intentional misrepresentations being made to us.

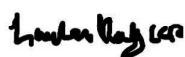
**INSTITUTE FOR STRATEGIC DIALOGUE  
(A COMPANY LIMITED BY GUARANTEE)  
INDEPENDENT AUDITOR'S REPORT (CONTINUED)  
TO THE TRUSTEES OF INSTITUTE FOR STRATEGIC DIALOGUE**

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A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://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 charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



**Landau Morley LLP**

25 October 2023

**Chartered Accountants  
Statutory Auditor**

325-327 Oldfield Lane North  
Greenford  
Middlesex  
UB6 0FX

Landau Morley LLP is eligible for appointment as auditor of the company by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

**INSTITUTE FOR STRATEGIC DIALOGUE  
(A COMPANY LIMITED BY GUARANTEE)  
STATEMENT OF FINANCIAL ACTIVITIES  
INCLUDING INCOME AND EXPENDITURE ACCOUNT**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

|                                                           |       | Unrestricted<br>funds<br>2022<br>£ | Restricted<br>funds<br>2022<br>£ | Total<br>2022<br>£ | Unrestricted<br>funds<br>2021<br>£ | Restricted<br>funds<br>2021<br>£ | Total<br>2021<br>£ |
|-----------------------------------------------------------|-------|------------------------------------|----------------------------------|--------------------|------------------------------------|----------------------------------|--------------------|
|                                                           | Notes |                                    |                                  |                    |                                    |                                  |                    |
| <b>Income from:</b>                                       |       |                                    |                                  |                    |                                    |                                  |                    |
| Charitable activities                                     | 3     | 1,512,851                          | 4,501,888                        | 6,014,739          | 699,797                            | 6,129,303                        | 6,829,100          |
| <b>Expenditure on:</b>                                    |       |                                    |                                  |                    |                                    |                                  |                    |
| Charitable activities                                     | 4     | 1,373,927                          | 5,429,070                        | 6,802,997          | 841,646                            | 6,088,414                        | 6,930,060          |
| <b>Net incoming/(outgoing) resources before transfers</b> |       |                                    |                                  |                    |                                    |                                  |                    |
|                                                           |       | 138,924                            | (927,182)                        | (788,258)          | (141,849)                          | 40,889                           | (100,960)          |
| Gross transfers between funds                             |       | 28,377                             | (28,377)                         | -                  | (16,779)                           | 16,779                           | -                  |
| <b>Net income/(expenditure) for the year/</b>             |       |                                    |                                  |                    |                                    |                                  |                    |
| <b>Net movement in funds</b>                              |       | 167,301                            | (955,559)                        | (788,258)          | (158,628)                          | 57,668                           | (100,960)          |
| Fund balances at 1 January 2022                           |       | 235,042                            | 1,435,024                        | 1,670,066          | 393,670                            | 1,377,356                        | 1,771,026          |
| <b>Fund balances at 31 December 2022</b>                  |       | 402,343                            | 479,465                          | 881,808            | 235,042                            | 1,435,024                        | 1,670,066          |

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.

**INSTITUTE FOR STRATEGIC DIALOGUE  
(A COMPANY LIMITED BY GUARANTEE)  
BALANCE SHEET**

**AS AT 31 DECEMBER 2022**

|                                                       | Notes | 2022<br>£        | £              | 2021<br>£        | £                |
|-------------------------------------------------------|-------|------------------|----------------|------------------|------------------|
| <b>Fixed assets</b>                                   |       |                  |                |                  |                  |
| Tangible assets                                       | 11    |                  | 43,260         |                  | 67,798           |
| <b>Current assets</b>                                 |       |                  |                |                  |                  |
| Debtors                                               | 12    | 1,100,016        |                | 1,312,387        |                  |
| Cash at bank and in hand                              |       | 303,805          |                | 864,113          |                  |
|                                                       |       | <u>1,403,821</u> |                | <u>2,176,500</u> |                  |
| <b>Creditors: amounts falling due within one year</b> | 13    | <u>(565,273)</u> |                | <u>(574,232)</u> |                  |
| Net current assets                                    |       |                  | 838,548        |                  | 1,602,268        |
| <b>Total assets less current liabilities</b>          |       |                  | <u>881,808</u> |                  | <u>1,670,066</u> |
| <b>Income funds</b>                                   |       |                  |                |                  |                  |
| Restricted funds                                      | 14    |                  | 479,465        |                  | 1,435,024        |
| Unrestricted funds                                    |       |                  | 402,343        |                  | 235,042          |
|                                                       |       |                  | <u>881,808</u> |                  | <u>1,670,066</u> |

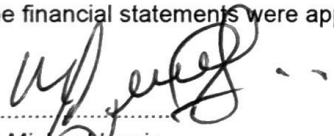
The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2022, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, 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 17 October 2023.

  
Mr Michael Lewis  
Trustee

**Company Registration No. 06581421**

**INSTITUTE FOR STRATEGIC DIALOGUE**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

|                                                  | Notes | 2022<br>£ | £         | 2021<br>£ | £         |
|--------------------------------------------------|-------|-----------|-----------|-----------|-----------|
| <b>Cash flows from operating activities</b>      |       |           |           |           |           |
| Cash absorbed by operations                      | 18    |           | (537,215) |           | (433,779) |
| <b>Investing activities</b>                      |       |           |           |           |           |
| Purchase of tangible fixed assets                |       | (23,093)  |           | (34,226)  |           |
| <b>Net cash used in investing activities</b>     |       |           | (23,093)  |           | (34,226)  |
| <b>Net cash used in financing activities</b>     |       |           | -         |           | -         |
| <b>Net decrease in cash and cash equivalents</b> |       |           | (560,308) |           | (468,005) |
| Cash and cash equivalents at beginning of year   |       |           | 864,113   |           | 1,332,118 |
| <b>Cash and cash equivalents at end of year</b>  |       |           | 303,805   |           | 864,113   |

**INSTITUTE FOR STRATEGIC DIALOGUE  
(A COMPANY LIMITED BY GUARANTEE)  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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**1 Accounting policies**

**Charity information**

Institute for Strategic Dialogue is a private company limited by guarantee incorporated in England and Wales. The registered office is PO Box 75769, London, SW1P 9ER. The members of the company are the Trustees named on legal and administrative page. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

**1.1 Accounting convention**

The financial statements have been prepared in accordance with the charity's governing document, 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)" (as amended for accounting periods commencing from 1 January 2019). The company is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared under the historical cost convention, modified to include certain financial instruments at fair value. The principal accounting policies adopted are set out below.

**1.2 Going concern**

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Charity has adequate resources to support the current level of expenditure and to continue in operational existence for the foreseeable future.

**1.3 Charitable funds**

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

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the company.

**1.4 Income**

Income is recognised when the company 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 the company 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.

Legacies are recognised on receipt or otherwise if the company has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

**INSTITUTE FOR STRATEGIC DIALOGUE**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

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**1 Accounting policies**

**(Continued)**

**1.5 Expenditure**

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. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

All expenditure is inclusive of irrecoverable VAT.

**1.6 Tangible fixed assets**

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

|                               |                             |
|-------------------------------|-----------------------------|
| Leasehold land and buildings  | 20% straight line method    |
| Fixtures and fittings         | 25% reducing balance method |
| Computer and office equipment | 33.33% straight line method |

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

**1.7 Impairment of fixed assets**

At each reporting end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

**1.8 Cash and cash equivalents**

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

**1.9 Financial instruments**

The company 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 the company's balance sheet when the company 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.

**INSTITUTE FOR STRATEGIC DIALOGUE  
(A COMPANY LIMITED BY GUARANTEE)  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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**1 Accounting policies**

**(Continued)**

***Basic financial assets***

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

***Basic financial liabilities***

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

***Derecognition of financial liabilities***

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

**1.10 Employee benefits**

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

**2 Critical accounting estimates and judgements**

In the application of the company's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

**INSTITUTE FOR STRATEGIC DIALOGUE**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

**3 Charitable activities**

|                    | <b>2022</b>      | 2021             |
|--------------------|------------------|------------------|
|                    | <b>£</b>         | <b>£</b>         |
| Programmes         | 4,501,888        | 6,129,303        |
| Core               | 1,512,851        | 699,797          |
|                    | <u>6,014,739</u> | <u>6,829,100</u> |
| Analysis by fund   |                  |                  |
| Unrestricted funds | 1,512,851        | 699,797          |
| Restricted funds   | 4,501,888        | 6,129,303        |
|                    | <u>6,014,739</u> | <u>6,829,100</u> |

**4 Charitable activities**

|                                          | <b>2022</b>      | <b>2021</b>      |
|------------------------------------------|------------------|------------------|
|                                          | <b>£</b>         | <b>£</b>         |
| Wages, salaries and consultants          | 3,394,871        | 2,269,923        |
| UK travel and hospitality                | 12,093           | 14,170           |
| Travel costs (staff)                     | 216,365          | 185,091          |
| Travel costs (participants)              | 296,506          | 53,211           |
| Occupancy costs and room rental          | 59,368           | 27,760           |
| Outside professional services            | 959,301          | 1,716,451        |
| Communications and technology            | 39,809           | 51,852           |
| Grants and awards to other organisations | 825,182          | 1,052,027        |
|                                          | <u>5,803,495</u> | <u>5,370,485</u> |
| Share of support costs (see note 6)      | 999,502          | 1,559,575        |
|                                          | <u>6,802,997</u> | <u>6,930,060</u> |
| <b>Analysis by fund</b>                  |                  |                  |
| Unrestricted funds                       | 1,373,927        | 841,646          |
| Restricted funds                         | 5,429,070        | 6,088,414        |
|                                          | <u>6,802,997</u> | <u>6,930,060</u> |

Direct Costs include the following:

Outside Professional Services: Includes technical and specialist consultants and suppliers such as filmmakers, content producers, educational resource specialists, trainers, researchers and translation services.

Communications and Technology: Includes telecommunications equipment, telephone calls, IT hardware, software, webhosting, social media and digital costs.

**INSTITUTE FOR STRATEGIC DIALOGUE**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

**5 Grants and awards payable**

|                                               | <b>2022</b>    | <b>2021</b>      |
|-----------------------------------------------|----------------|------------------|
|                                               | <b>£</b>       | <b>£</b>         |
| Grants and awards were paid to the following: |                |                  |
| ISD Germany                                   | 362,795        | 449,330          |
| ACT                                           | 94,780         | 43,800           |
| ISD USA                                       | 87,724         | -                |
| Midrift Hurinet Limited                       | 58,087         | 61,833           |
| Democracy Lab                                 | 57,021         | 43,968           |
| Youth Bila Noma                               | 33,691         | 29,538           |
| WANA Institute                                | 31,825         | 171,334          |
| Isiolo Peace Link                             | 29,762         | 85,802           |
| Talented Youth Network (TYN)                  | 18,652         | -                |
| Individualland                                | 13,563         | -                |
| CZO Skopje                                    | 7,017          | 18,717           |
| Isiolo Women of Faith                         | 6,357          | 7,851            |
| Roots                                         | 5,474          | -                |
| Nakuru County Youth Bunge Forum               | 5,336          | 9,263            |
| Jamji Action Centre                           | 5,333          | 7,956            |
| Tim Parry Johnathan Ball Foundation           | 2,997          | -                |
| Sponsored Arts for Education (SAFE)           | 2,733          | 7,438            |
| Pastoralist Women (PWLS)                      | 2,035          | 9,175            |
| HURIA                                         | -              | 26,963           |
| CASM Technology LLP                           | -              | 22,678           |
| Human Security Collective                     | -              | 18,264           |
| Hedayah                                       | -              | 11,855           |
| Hifswerk International                        | -              | 10,096           |
| Duckrabbit                                    | -              | 6,193            |
| Resource Development Foundation               | -              | 727              |
| Other                                         | -              | 9,247            |
|                                               | <u>825,182</u> | <u>1,052,028</u> |

In respect of the year ended 31 December 2022, of the total grants paid of £825,182 (2021: £1,052,028), £262,630 (2021: £147,625) is attributable to unrestricted funds and £562,552 (2021: £904,403) is attributable to restricted funds.

**INSTITUTE FOR STRATEGIC DIALOGUE**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

**6 Support costs**

|                                  | <b>Support costs</b> | <b>2022</b>    | <b>Support costs</b> | <b>2021</b>      |
|----------------------------------|----------------------|----------------|----------------------|------------------|
|                                  | <b>£</b>             | <b>£</b>       | <b>£</b>             | <b>£</b>         |
| Staff costs                      | 392,915              | 392,915        | 900,437              | 900,437          |
| Loss on disposal of fixed assets | 6,591                | 6,591          | 558                  | 558              |
| UK travel and hospitality        | 881                  | 881            | 3,234                | 3,234            |
| Travel costs (staff)             | 4,401                | 4,401          | 10,711               | 10,711           |
| Occupancy costs and room rental  | 322,701              | 322,701        | 313,198              | 313,198          |
| Outside professional services    | 181,005              | 181,005        | 162,713              | 162,713          |
| Office costs and communications  | 60,419               | 60,419         | 88,461               | 88,461           |
| Exchange loss/(gain)             | (10,451)             | (10,451)       | 24,815               | 24,815           |
| Depreciation                     | 41,040               | 41,040         | 55,448               | 55,448           |
|                                  | <u>999,502</u>       | <u>999,502</u> | <u>1,559,575</u>     | <u>1,559,575</u> |
| Analysed between                 |                      |                |                      |                  |
| Charitable activities            | <u>999,502</u>       | <u>999,502</u> | <u>1,559,575</u>     | <u>1,559,575</u> |

In respect of the year ended 31 December 2022, of the total Exchange gain of £10,451 (2021: Loss £24,815), a gain of £1,040 (2021: Loss £18,249) is attributable to unrestricted funds and a gain of £9,411 (2021: Loss £6,566) is attributable to restricted funds.

Outside professional services costs include £20,000 (2021: £21,000) in respect of auditor's remuneration.

**7 Auditor's remuneration**

The analysis of auditor's remuneration is as follows:

|                              | <b>2022</b>   | <b>2021</b>   |
|------------------------------|---------------|---------------|
|                              | <b>£</b>      | <b>£</b>      |
| Audit of the annual accounts | 12,750        | 12,750        |
| All other non-audit services | 7,250         | 8,250         |
| <b>Total fees</b>            | <u>20,000</u> | <u>21,000</u> |

**8 Trustees**

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the company during the year.

**INSTITUTE FOR STRATEGIC DIALOGUE**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

**9 Employees**

**Number of employees**

The average monthly number of employees during the year was:

| <b>2022</b>   | <b>2021</b>   |
|---------------|---------------|
| <b>Number</b> | <b>Number</b> |
| 51            | 48            |

**Employment costs**

|                       | <b>2022</b>      | <b>2021</b>      |
|-----------------------|------------------|------------------|
|                       | <b>£</b>         | <b>£</b>         |
| Wages and salaries    | 2,535,786        | 2,223,322        |
| Social security costs | 290,714          | 218,301          |
| Other pension costs   | 109,599          | 90,770           |
|                       | <u>2,936,099</u> | <u>2,532,393</u> |

Responsibility for day-to-day management matters and the implementation of policy is delegated to the Chief Executive Officer. Remuneration paid to the key management personnel of the charity in 2022 was £154,745 (2021: £150,208).

Of the employees whose emoluments exceed £60,000, 14 have retirement benefits accruing under defined contribution pension schemes, totaling £56,773 (2021: £42,811).

The number of employees whose annual remuneration was £60,000 or more were:

|                                 | <b>2022</b> | <b>2021</b> |
|---------------------------------|-------------|-------------|
| In the band £60,001 - £70,000   | 8           | 3           |
| In the band £70,001 - £80,000   | -           | 1           |
| In the band £80,001 - £90,000   | 1           | -           |
| In the band £90,001 - £100,000  | 1           | 1           |
| In the band £100,001 - £110,000 | 1           | -           |
| In the band £130,001 - £140,000 | 1           | 1           |

**10 Taxation**

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

**INSTITUTE FOR STRATEGIC DIALOGUE**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

**11 Tangible fixed assets**

|                                    | Leasehold<br>land and<br>buildings<br>£ | Fixtures and<br>fittings<br>£ | Computer and<br>office<br>equipment<br>£ | Total<br>£ |
|------------------------------------|-----------------------------------------|-------------------------------|------------------------------------------|------------|
| <b>Cost</b>                        |                                         |                               |                                          |            |
| At 1 January 2022                  | 39,226                                  | 25,479                        | 157,899                                  | 222,604    |
| Additions                          | -                                       | -                             | 23,094                                   | 23,094     |
| Disposals                          | -                                       | (4,692)                       | (22,620)                                 | (27,312)   |
| At 31 December 2022                | 39,226                                  | 20,787                        | 158,373                                  | 218,386    |
| <b>Depreciation and impairment</b> |                                         |                               |                                          |            |
| At 1 January 2022                  | 21,623                                  | 16,666                        | 116,516                                  | 154,805    |
| Depreciation charged in the year   | 7,845                                   | 5,197                         | 27,998                                   | 41,040     |
| Eliminated in respect of disposals | -                                       | (3,526)                       | (17,193)                                 | (20,719)   |
| At 31 December 2022                | 29,468                                  | 18,337                        | 127,321                                  | 175,126    |
| <b>Carrying amount</b>             |                                         |                               |                                          |            |
| At 31 December 2022                | 9,758                                   | 2,450                         | 31,052                                   | 43,260     |
| At 31 December 2021                | 17,603                                  | 8,813                         | 41,382                                   | 67,798     |

**12 Debtors**

|                                             | <b>2022</b><br>£ | <b>2021</b><br>£ |
|---------------------------------------------|------------------|------------------|
| <b>Amounts falling due within one year:</b> |                  |                  |
| Trade debtors                               | 688,737          | 726,751          |
| Other debtors                               | 68,356           | 78,720           |
| Prepayments and accrued income              | 342,923          | 506,916          |
|                                             | <u>1,100,016</u> | <u>1,312,387</u> |

**13 Creditors: amounts falling due within one year**

|                                    | <b>2022</b><br>£ | <b>2021</b><br>£ |
|------------------------------------|------------------|------------------|
| Other taxation and social security | 94,854           | 81,241           |
| Trade creditors                    | 254,072          | 258,532          |
| Other creditors                    | 36,947           | 36,785           |
| Accruals and deferred income       | 179,400          | 197,674          |
|                                    | <u>565,273</u>   | <u>574,232</u>   |

**INSTITUTE FOR STRATEGIC DIALOGUE**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

**14 Restricted funds**

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

|                  | <b>Movement in funds</b>             |                               |                               |                  | <b>Movement in funds</b>             |                               |                               |                  |                                            |
|------------------|--------------------------------------|-------------------------------|-------------------------------|------------------|--------------------------------------|-------------------------------|-------------------------------|------------------|--------------------------------------------|
|                  | <b>Balance at<br/>1 January 2021</b> | <b>Incoming<br/>resources</b> | <b>Resources<br/>expended</b> | <b>Transfers</b> | <b>Balance at<br/>1 January 2022</b> | <b>Incoming<br/>resources</b> | <b>Resources<br/>expended</b> | <b>Transfers</b> | <b>Balance at<br/>31 December<br/>2022</b> |
|                  | <b>£</b>                             | <b>£</b>                      | <b>£</b>                      | <b>£</b>         | <b>£</b>                             | <b>£</b>                      | <b>£</b>                      | <b>£</b>         | <b>£</b>                                   |
| Restricted Funds | 1,377,356                            | 6,129,303                     | (6,088,414)                   | 16,779           | 1,435,024                            | 4,501,888                     | (5,429,070)                   | (28,377)         | 479,465                                    |

Restricted funds are funds donated to the charity to aid its work as an independent 'think and do tank' for the study and development of policy and operational responses to the challenges of hate, polarisation and extremism.

The transfers from restricted funds to unrestricted funds totalling £28,377 (2021: £16,779) relate to activities and funds that have ceased to meet the conditions required for Institute for Strategic Dialogue to continue to retain these funds in restricted funds.

**INSTITUTE FOR STRATEGIC DIALOGUE**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

**15 Analysis of net assets between funds**

|                                                       | Unrestricted<br>funds<br>2022<br>£ | Restricted<br>funds<br>2022<br>£ | Total<br>2022<br>£ | Unrestricted<br>funds<br>2021<br>£ | Restricted<br>funds<br>2021<br>£ | Total<br>2021<br>£ |
|-------------------------------------------------------|------------------------------------|----------------------------------|--------------------|------------------------------------|----------------------------------|--------------------|
| Fund balances at 31 December 2022 are represented by: |                                    |                                  |                    |                                    |                                  |                    |
| Tangible assets                                       | 43,260                             | -                                | 43,260             | 67,798                             | -                                | 67,798             |
| Current assets/(liabilities)                          | 359,083                            | 479,465                          | 838,548            | 167,244                            | 1,435,024                        | 1,602,268          |
|                                                       | <u>402,343</u>                     | <u>479,465</u>                   | <u>881,808</u>     | <u>235,042</u>                     | <u>1,435,024</u>                 | <u>1,670,066</u>   |

**16 Operating lease commitments**

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

|                            | 2022<br>£      | 2021<br>£      |
|----------------------------|----------------|----------------|
| Within one year            | 237,823        | 237,823        |
| Between two and five years | 64,506         | 302,329        |
|                            | <u>302,329</u> | <u>540,152</u> |

**17 Related party transactions**

Donations of £74,000 (2021: £60,049) were received during the year from the Trustees and from entities connected with the Trustees.

**18 Cash generated from operations**

|                                                      | 2022<br>£        | 2021<br>£        |
|------------------------------------------------------|------------------|------------------|
| Deficit for the year                                 | (788,258)        | (100,960)        |
| Adjustments for:                                     |                  |                  |
| Loss on disposal of tangible fixed assets            | 6,591            | 558              |
| Depreciation and impairment of tangible fixed assets | 41,040           | 55,449           |
| Movements in working capital:                        |                  |                  |
| Decrease/(increase) in debtors                       | 212,371          | (475,562)        |
| (Decrease)/increase in creditors                     | (8,959)          | 86,736           |
| <b>Cash absorbed by operations</b>                   | <u>(537,215)</u> | <u>(433,779)</u> |

**19 Analysis of changes in net funds**

The company had no debt during the year.

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# Accounts

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**Charity registration number**  
**1141069 Company registration number 06581421**  
**(England and Wales)**

**INSTITUTE FOR STRATEGIC  
DIALOGUE (A COMPANY LIMITED  
BY GUARANTEE)  
ANNUAL REPORT AND FINANCIAL  
STATEMENTS FOR THE YEAR ENDED 31  
DECEMBER 2021**

# **INSTITUTE FOR STRATEGIC DIALOGUE (A COMPANY LIMITED LEGAL AND ADMINISTRATIVE INFORMATION**

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**Trustees**

Mr Michael Lewis  
Mr Stuart  
Fiertz Mr M  
Bergman Dr  
Serra Kirdar  
Mr Edward Williams

**Charity number**

1141069

**Company number**

06581421

**Registered office**

PO Box  
75769  
London  
SW1P 9ER

**Auditor**

Landau Morley LLP  
325-327 Oldfield Lane North  
Greenford  
Middlesex  
UB6 0FX



# **INSTITUTE FOR STRATEGIC DIALOGUE (A COMPANY LIMITED CONTENTS**

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# **INSTITUTE FOR STRATEGIC DIALOGUE (A COMPANY LIMITED TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2021**

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The Trustees present their annual report and financial statements for the year ended 31 December 2021.

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of The Institute for Strategic Dialogue (the company) for the year ended 31 December 2021. The Trustees confirm that the annual report and financial statements of the company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP), 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).

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Constitution**

The company is registered as a charitable company limited by guarantee (registered charity number 1141069) and was set up by a Memorandum of Association on 30 April 2008.

The charity is constituted under a Memorandum of Association and is a registered charity.

### **Method of Appointment or Election of Trustees**

The management of the company is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association.

### **Organisational Structure and Decision Making**

The Institute for Strategic Dialogue (ISD) has a Board of Trustees that meets twice a year. There is a Chair of the Board and Treasurer. The Institute also has an active Finance Committee, made up of the Chair and Treasurer, which meets regularly and works closely with the Chief Executive Officer (CEO) and Chief Operating Officer (COO).

Responsibility for day-to-day management matters and the implementation of policy is delegated to the CEO, within a clearly understood framework of strategic control. The CEO is supported by a leadership team and senior management team responsible for the execution of the organisational objectives. All Trustees and Staff are required to report any potential or actual conflicts of interest immediately to the Chair and/or CEO.

### **Risk Management**

The Trustees have assessed the major risks to which the company is exposed, in particular those related to the operations and finances of the company, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

### **Public Benefit**

The Trustees confirm that they have complied with the duty in section 4 of the Charities Act 2006 to have due regard to the Charity Commission's general guidance on public benefit, 'Charities and Public Benefit'. All of the activities that are undertaken by the charity are for the advancement of the objectives and the activities that are undertaken by the charity to further its charitable purposes are for the public benefit.

# **INSTITUTE FOR STRATEGIC DIALOGUE (A COMPANY LIMITED BY GUARANTEE) TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)**

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## **Objectives and activities**

The Institute for Strategic Dialogue (ISD) is an independent 'think and do tank' that studies and develops policy and operational responses to the rising challenges of hate, polarisation and extremism. Combining research and analysis of disinformation, hate and extremism with government advisory work, training, capacity building and educational programmes, ISD has been at the forefront of forging real-world, evidence-based responses to the challenges of disinformation, extremism and polarisation.

The principal objects of the charity and company are:

- The advancement of the education of the public in the UK and elsewhere in relation to government, economics, politics, law, administration and social services;
- The advancement of human rights, conflict resolution or reconciliation or the promotion of religious or racial harmony or equality and diversity;
- Such other charitable purposes as the Trustees shall from time to time think fit.

## **STRATEGIES & ACTIVITIES FOR ACHIEVING OBJECTIVES**

Since its formation, ISD has been at the forefront of solutions that combat extremism, hate speech and disinformation. At a time when these pose immediate threats to safety, security and democratic civil culture and institutions, ISD is working to enable individuals, organisations and nations to turn the tide.

ISD's work is delivered through three types of activity:

- **RESEARCH & ANALYSIS** - ISD combines sector-leading expertise and research in global extremist movements with advanced digital analysis that identifies and tracks disinformation, weaponised hate and extremism in real time. Our Digital Analysis Unit has been at the forefront of analysing audiences, networks and content to accurately interpret the threat of disinformation, hate and extremism online. This, combined with ISD's ongoing anthropological research, has ensured that ISD has consistently been ahead of the curve in predicting developments at the nexus of disinformation and extremism. Our research informs responses to these emerging challenges, and shapes policy-makers' and the public's understanding of evolving threats.
- **ACTION PROGRAMMING** - ISD innovates, trials and scales cutting-edge interventions that empower cities, practitioners and civic leaders to mitigate hate, polarisation and disinformation. From our digital education and communications programmes, to our training and direct interventions with at-risk individuals, we build the resilience of communities on and offline. We work to empower and facilitate civil society, fostering networks of community groups and influencers to take the lead, applying their granular expertise and credibility in a way that delivers impact at scale. ISD has pioneered the application of data, technology and marketing tactics to mount a proportional response to extremist messaging.
- **POLICY & ADVISORY SERVICES** - ISD provides strategic advice, policy support and training to local and national governments and multilateral institutions worldwide, giving them the data, expertise and support needed to deliver evidence-based policy and programming. We lead inter-governmental policy initiatives on extremism, polarisation and digital regulation that optimise counter-extremism and integration policies and programming and safeguard democracy. ISD also provides high-level digital policy input to the tech sector to harmonise efforts with governments and civil society.

# INSTITUTE FOR STRATEGIC DIALOGUE (A COMPANY LIMITED BY GUARANTEE) TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

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## Achievements and performance

The forces ISD seeks to fight - polarisation, hate, extremism and disinformation - continued to have profound impact throughout 2021, presenting real and immediate threats to cohesion and democracy in many countries worldwide. In a year which saw the international landscape of extremism continue to shift, our experts and researchers examined key trends globally and worked to combat these threats through three core operating areas: research and analysis; policy and advisory services; and action programming.

The following areas of programming constituted particular highlights of the organisation's work in 2021:

### Research & Analysis

- **Disinformation analysis:** Working with our technology partner CASM (the Centre for Analysis of Social Media), in 2021 we built-out and refined 'Beam', our award-winning technological tool for the identification and tracking of manipulation, covert information operations and weaponised hate and extremism online on a cross-platform basis. The tool is designed to deliver social science standards of data analysis that can be interrogated by peers and partners at the speed of the news cycle. We were thrilled that Beam won [the US-Paris Tech Challenge](#), an initiative sponsored by the Global Engagement Centre at the US State Department, NATO, the UK government and others to advance the development of promising and innovative technologies against disinformation and propaganda.
- **Climate change disinformation analysis:** Building on our work on electoral disinformation, in 2021 we applied our disinformation analysis techniques to understanding both key adversary networks and evolving anti-climate narratives. This work culminated in the design and delivery of a [COP26 'War Room'](#) where we supported the Cabinet Office and COP26 Presidency team with digital insights on disinformation attacks that might affect COP26, and a [daily briefing](#) sent to 300+ senior policy makers and key civil society organisations. We partnered with climate organisations to develop the data infrastructure needed to track climate-related information operations, publishing ground-breaking [research on climate-related online discourse](#) and enabling analysis of climate-related disinformation across multiple platforms. The early-warning flagging built into the system enabled ISD and our partners to identify disinformation that could undermine progress towards achieving COP26's objectives in real-time. Our climate work was covered by the [BBC](#), [NPR](#) and [the Guardian](#).
- **COVID-19:** From the very start of the pandemic, COVID-19 has been a crucible for all our areas of work, exemplifying the hybrid threat landscape of weaponised hate, disinformation and conspiratorial extremism. In 2021, our team tracked how extremists amplified their reach with COVID-19 from [Germany](#) to [the US](#), and examined anti-vaxx movements in [France](#), [Canada](#) and [Ireland](#). We continued to expose platform failures to address the infodemic across [YouTube](#), [Amazon](#), [TikTok](#) and [Facebook](#), (including with the [Washington Post](#)) providing an evidentiary basis for ISD's digital policy advisory work. We also charted the [explosion of online antisemitism](#) during the pandemic for the EU Commission feeding into the EU's strategy on countering antisemitism.
- **Gaming & Extremism:** As part of a series on the evolution of the extremist landscape, we sought to better understand the concerning exploitation of gaming platforms by extremists targeting ever younger constituencies online. In our [Gaming and Extremism series](#) we examined right-wing extremism across [Steam](#), [Discord](#), [Twitch](#) and [DLive](#). This analysis was covered in [Wired](#) and also on [BBC Click](#). ISD subsequently helped co-found the extremism and gaming research network ([EGRN](#)) with the aim of engaging policy makers in the gaming space on this topic.
- **Islamist Extremism:** In 2021, ISD's experts on Islamist extremism uncovered and analysed one of the largest global repositories of [Islamic State materials](#); analysis that then fed into our pioneering work on developing counter-curricula for children indoctrinated in ISIS schools. In November, we published a [ground-breaking series](#) providing insight into [Generation Z and contemporary Salafism](#), from TikTok influencers to [alt-right/Salafi-jihadist](#)

# INSTITUTE FOR STRATEGIC DIALOGUE (A COMPANY LIMITED BY GUARANTEE) TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

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[crossovers](#). Our cross-platform data snapshot of English, Arabic and German Salafi content included completely new insights on emerging ideological trends which have seen large online communities merging Salafist ideas with alt-right memes and gaming subcultures, presenting a concerning example of the increasingly hybridised threat characterising contemporary extremism.

- Alongside briefing policy communities across the Atlantic and [addressing](#) the Program on Extremism at George Washington University, this work has received substantial coverage in [POLITICO](#), [WIRED](#), and [MEL](#) and resulted in high-level briefings on effective strategies and proportionate civil society responses for policymakers at the German Ministry of the Interior, the German Civic Education Ministry, the German Federal Foreign Office, across the UK government, the US Department for Homeland Security, the US State Department and the US National Security Council.
- Creating a typology of Far Right extremism: As part of an expert working group co-chaired with leading US academic Cynthia Miller-Idriss of [Polarization and Extremism Research and Innovation Lab \(PERIL\)](#) at American University, ISD brought together the leading thinkers on the topic of the Far Right from across the US. The group will convene in the coming months and years to consider the [new conceptual frameworks](#) needed to cut through an increasingly confused definitional landscape, one in which terms like 'the extreme right wing' fail to reflect the evolving spectrum of hybridised threats we face. The group will also assess the implications of these developments for policy and practice. This initiative is designed to unpick some of the thorny conceptual challenges around the contemporary extremist landscape in the US, including how to address an ideologically diffuse conspiracy space alongside an increasingly post-organisational extremist and terrorist threat.
- **Electoral Disinformation:** Building on a year-long partnership with organisations across the US to understand and mitigate the forces [leading up to the January 6th Capitol insurrection](#), ISD turned its attention to both [state](#) and [federal](#) elections in Germany, [noting a similar playbook in voter fraud misinformation](#) as in the [US elections and exposing a similar trend in gendered differences in discourse](#) about candidates. ISD Germany's team provided ongoing insights to Germany's electoral commission and training to political parties on disinformation threats, while [exposing platforms' failure](#) to check digital threats to democracy.

## **Policy & Advisory**

- **Future of Extremism:** In 2021, we launched our [Future of Extremism](#) series, bringing together expertise from across ISD on the fast-evolving environment in which the interplay of state and non-state actor disinformation, conspiracy and weaponised hate present an increasingly hybrid threat landscape, mainstreaming extremism and division. Drawing on ISD's 15 years of experience at the forefront of counter-extremism and counter-terrorism policy, we convened a range of stakeholder consultations and produced a [policy paper](#) designed to start a conversation about the paradigm shift required in how governments and societies approach extremism prevention, reflecting the lessons we have learned and the dramatic transformation of the extremist landscape that we've witnessed over the past two decades. We called for a human rights centered paradigm for extremism prevention, arguing that countering extremism – defined in terms of supremacist ideologies that undermine universal rights – must at its heart be treated as an exercise in safeguarding human rights, rather than merely preventing violence.
- **Influencing Digital Policy:** Throughout the year, we continued to research and then speak to policy makers about the changes needed in the digital policy landscape to effect significant change on these issues. Our analysis exposed the algorithmic amplification of hate and conspiracy across major platforms, including the promotion of white supremacist materials on [Amazon with USA Today](#). In September 2021, we published one of the world's

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TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)  
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first comprehensive studies of [hateful and extremist content on TikTok](#), feeding into ISD's presentation on algorithmic amplification to the [EU Internet Forum](#) and underpinning our calls for improved transparency and accountability in tech governance. In December we launched the second phase of the [Digital Policy Lab](#) which convenes regulators and policymakers from the EU and 13 European and Five Eyes countries to help chart a course forward on digital policy and regulation. Early in 2021, ISD experts briefed the new US administration at the White House on our calls for democratic digital regulation. ISD also hosted an official side event at President Biden's [Summit for Democracy](#) in December 2021 to convene global experts on the issue of data access from technology platforms, which will feed into the administration's ongoing efforts to design US policy on technology and democracy. This closed discussion on the issue of platform data access for research is part of a wider agenda on improving transparency, a central focus for ISD's digital policy work in 2022.

# INSTITUTE FOR STRATEGIC DIALOGUE (A COMPANY LIMITED BY GUARANTEE) TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

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- **New Zealand:** Two years on from the horrific terrorist attack in Christchurch, ISD continued to develop its long-term partnership with the Government of New Zealand to respond to online extremism in all its forms. In 2021, [ISD released a public report](#) providing a data-driven snapshot of the state of play of online extremism in New Zealand, mapping far-right, Islamist and far-left extremist communities, as well as the growing grey area between conspiracy theories and extremism online. [The research](#), which analysed both mainstream social media platforms and a range of 'alt tech' platforms, found an active and internationally networked ecosystem of online extremists in New Zealand, comparable in relative size to equivalent communities in the US, United Kingdom, Canada, and Australia. This report formed part of the response to [the Royal Commission of Inquiry into the 2019 Christchurch terrorist attacks](#) and released at [New Zealand's first national counter terrorism hui](#) (assembly) with New Prime Minister Jacinda Ardern. Our CEO Sasha Havlicek additionally addressed the second [Christchurch Call Leaders' Summit](#), presenting the Action Plan developed by the Workstream she co-chaired on online radicalisation and algorithms.

## **Action programming**

- **The Strong Cities Network (SCN):** During 2021, the SCN team delivered a wide range of vital on-the-ground capacity building activities from Kenya to the Balkans through our flagship international network engaging local governments in countering extremism. During the year, the [SCN](#) engaged over 1,200 mayors and other local representatives through a series of virtual events, including an audience with His Holiness the Dalai Lama ('[Conversation on Kind and Compassionate Leadership](#)'), the '[Together for Safety](#)' webinar series co-hosted with Nordic Safe Cities, and an SCN-hosted [side event at the UN General Assembly](#). These global events supplemented city exchanges, research and programming in contexts ranging from North Macedonia to Bangladesh where we produced a [toolkit for multi-agency prevention and counter-extremism](#). Work continued our work in Jordan and Lebanon to deepen local prevention networks, which provided a model for our work in Nakuru, Isiolo and Kwale in Kenya. Our PROACT programme in Kenya also supported the creation of a Kenya Counties Network for Peace & Security with partnerships from the Council of Governors, National Counter Terrorism Centre (NCTC) National Cohesion and Integration Commission (NCIC), the Hassan Joho Foundation, and Human Rights Agenda (HURIA). [Young Cities](#) expanded its footprint to [new cities](#), with new youth-led initiatives being supported across Kenya, Belgium, and Jordan, where [innovative youth training](#) was delivered in the city of Zarqa. In addition to this on-the-ground programming, our regional summits in [South Asia](#) and [Africa](#) convened over 200 counter-extremism stakeholders to explore and situate city-led prevention and counter-extremism in the specific contexts of those regions.
- **Practitioner training:** In the US, ISD and the [McCain Institute for International Leadership](#) developed a [curriculum](#) to counter domestic extremism and delivered training to over 380 US practitioners - ranging from mental health and behavioural specialists to law enforcement - through a series of [workshops](#) and [resources](#). This work will underpin a multi-year programme aimed at building out the first US-wide counter-extremism practitioner network.
- **YouthCAN:** ISD's flagship youth activist engagement network completed its seventh phase of work in 2021, this time focusing on empowering young activists in Pakistan. The project shifted its geographical focus from the country's capital, Islamabad, where [YouthCAN](#) delivered its previous two iterations, to the thriving cultural city of Lahore, Punjab province. Between July and August 2021, the project's innovative and proven training methodology was conducted online, presented with the challenges that COVID-19 has meant for in-person delivery. The 8-week 'Digital Bootcamp' was a comprehensive capacity-building process helping 4 teams of young Pakistani activists to develop social change projects and adopt creative approaches to tackle issues related to religiously-motivated hate, discrimination and extremism in the city. The course included weekly lectures, discussions, team-building activities and assignments where the young activists informed the direction and output of their projects.
- **Education programming:** In France, ISD launched [education resources](#) amid the pandemic's second wave and new French-language [Extreme Dialogue](#) resources.

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We also joined with partners to deliver the [ReNews](#) project to promote media literacy across France, Poland and Turkey, complementing our UK flagship education programme [Be Internet Citizens](#) which [continues to scale](#).

# **INSTITUTE FOR STRATEGIC DIALOGUE (A COMPANY LIMITED BY GUARANTEE) TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)**

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## **MEDIA AND COMMUNICATIONS**

During 2021, ISD continued to earn high-profile and influential media coverage of our work. This included continued coverage of our COVID-19-related work ([Washington Post](#), [Reuters](#), [The Guardian](#)) and extensive coverage of our ground-breaking research into hate, extremism and disinformation on TikTok ([NBC News](#), [USA Today](#), [PBS](#), [Politico](#)). We received in-depth coverage of our work on gaming and extremism ([WIRED](#)), Amazon's algorithm recommending extremist material ([USA Today](#)), the 'climate lockdown' conspiracy ([Euronews](#)), extremism on TikTok ([Insider](#)), and ISIS propaganda on alt-tech ([Huffington Post](#)). We also provided op-eds on the intersection between climate and the culture wars ([Tortoise](#)), and the incel-linked attack in Plymouth demonstrating the need to understand hybridised threats ([New Statesman](#)). We had broadcast interviews on wide-reaching networks, including Sasha Havlicek appearing on [Sky News](#) to discuss the global impact of 9/11; Chloe Colliver discussing anti-vaccination movements on [BBC Newsnight](#) and gendered harassment on [BBC Panorama](#); Jacob Davey talking about gaming and extremism on [BBC Click](#); and Mackenzie Hart discussing Canadian right-wing extremism on [CBC News](#). We have continued to provide expert commentary and have our work cited in a variety of high-profile outlets, including the [New York Times](#), [Wall Street Journal](#), [The Economist](#), [The Atlantic](#), the [Financial Times](#), [The Guardian](#), [VICE](#), [BBC](#), and [Politico](#).

Our [Digital Dispatches](#) published 75 articles on subjects ranging from [anti-Muslim mobilisation in France after terror attacks](#) to an examination of how [TikTok Sounds are used to fuel anti-vaccine fears](#). Digital Dispatches became an important channel through which ISD's work could be brought to the attention of high-level audiences. For example, in April 2021 the Digital Dispatches article '[The Long Road to the Capitol: A Hybrid Threat Landscape](#)' was selected by the Library of Congress for inclusion in the archive of online materials related to the January 6<sup>th</sup> attack on the US Capitol. Finally, ISD had its most significant podcast appearance to date, working on a multi-part series about QAnon, '[Finding Q](#)', released on Audible in collaboration with Tortoise. The podcast extensively featured ISD's Aoife Gallagher and received highly positive reviews in the press ([FT](#), [The Times](#), [The Guardian](#)).

## **OPERATIONS**

The long-range impact of COVID-19 on the non-profit sector continued to impact the operations of ISD in 2021. The organisation continued to work hard to oversee a large portfolio of active projects as well as facilitating fundraising and development. 'Long COVID' resulted in delivery challenges, creating a very busy second half of the year for the team. Beyond business as usual, the team focused on systems, processes and global integration to ensure greater efficiency in delivery and greater visibility around deliverables. This includes migrating all project management to Microsoft Teams, as well as developing clearer global and regional operational structures.

In addition to the 'business as usual' work of managing the organisation's finances, operations, HR, project management and security, ISD successfully navigated a substantial team growth in the year, both in the UK and through sister organisations in Germany and the US. Time was invested in addressing the range of challenges presented by rapid growth, with recruitment of more operations staff to administer a significantly expanded portfolio of work and successfully manage this team expansion.

## **FUTURE PLANS**

In 2022, ISD will continue to deliver its work internationally with expanded teams in new regional hubs. ISD anticipates the start of many new multi-year grants and projects, particularly in relation to research and the Strong Cities Network. In fundraising, 2022 will see significant expansion of ISD's work in the United States through its sister organisation, the Institute for Strategic Dialogue-US. ISD will also form ISD Jordan (a local branch of ISD UK), and continue to work hand-in-hand with ISD Germany.

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**Financial review**

The results for the year show that there was net expenditure of £100,960 (2020: net income of £460,380). The total incoming resources for the year were £6,829,100 (2020: £5,648,164).

The charity has been able to achieve its objectives as reserves have been maintained to enable it to do so.

At 31st December 2021, the unrestricted reserves amounted to £235,042 and restricted reserves amounted to £1,435,024.

**Reserves Policy**

The Trustees closely monitor the level of free reserves available to ensure there is sufficient financial flexibility in place. It is the Trustees' policy to accumulate reserves for future activities. The free reserves (net of restricted funds) available as at 31st December 2021 were £235,042 (2020: £393,670) - providing in excess of 3 months' administration costs in the following financial year at projected expenditure levels.

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Charity has adequate resources to support the current level of expenditure and to continue in operational existence for the foreseeable future. The Trustees have, however, recognised that, due to the impact of COVID-19, there has been a significant impact on the activities of the charity. The Trustees are committed to supporting the charity and will continue to evaluate the situation on an ongoing basis and to develop plans for the charity to manage the financial impact going forward.

**Going Concern**

After making appropriate enquiries and despite the pandemic restrictions, the Trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

**Disclosure of information to auditor**

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The Trustees report was approved by the Board of Trustees.

.....  
**Mr Michael Lewis**

Chair of Trustees

Dated: 28 September 2022

**INSTITUTE FOR STRATEGIC  
DIALOGUE (A COMPANY LIMITED  
STATEMENT OF TRUSTEES RESPONSIBILITIES  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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The Trustees, who are also the directors of Institute for Strategic Dialogue for the purpose of company law, are responsible for preparing the Trustees Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the Trustees are required to:

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

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

# **INSTITUTE FOR STRATEGIC DIALOGUE (A COMPANY LIMITED INDEPENDENT AUDITOR'S REPORT**

## **TO THE TRUSTEES OF INSTITUTE FOR STRATEGIC DIALOGUE**

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### **Opinion**

We have audited the financial statements of Institute for Strategic Dialogue (the 'company') for the year ended 31 December 2021 which comprise the statement of financial activities, the balance sheet, the 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 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 December 2021 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 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 the 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 other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and 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.

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

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees report; or
-

## **INSTITUTE FOR STRATEGIC DIALOGUE (A COMPANY LIMITED**

- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

# **INSTITUTE FOR STRATEGIC DIALOGUE (A COMPANY LIMITED BY GUARANTEE) INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

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## **Responsibilities of Trustees**

As explained more fully in the statement of Trustees responsibilities, the Trustees, who are also the directors of the company for the purpose 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 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**

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our sector experience through discussion with management (as required by auditing standards).
- We had regard to laws and regulations in areas that directly affect the financial statements including financial reporting and taxation legislation. We considered the extent of compliance with those laws and regulations as part of our procedures on the related financial statement items.
- Except for any known or possible non-compliance, and as required by auditing standards, our work in respect of these included enquiry of management about the company's policies, procedures, and related controls regarding compliance with laws and regulations and if there are any known instances of noncompliance.
- We tested the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.
- We performed analytical procedures to identify any unusual or unexpected relationships.
- We examined supporting documents for all material balances, transactions and disclosures.
- We evaluated the selection and application of accounting policies related to subjective measurements and complex transactions.
- We reviewed the board of trustees' minutes.

Owing to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements of the financial statements may not be detected, even though the audit is properly

**INSTITUTE FOR STRATEGIC  
DIALOGUE (A COMPANY LIMITED BY  
GUARANTEE)  
INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

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planned and performed in accordance with the ISAs (UK).

The potential effects of inherent limitations are particularly significant in the case of misstatement resulting from fraud because fraud may involve sophisticated and carefully organized schemes designed to conceal it, including deliberate failure to record transactions, collusion or intentional misrepresentations being made to us.

# **INSTITUTE FOR STRATEGIC DIALOGUE (A COMPANY LIMITED BY GUARANTEE) INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

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A further description of our responsibilities is available on the Financial Reporting Council's website at: [https:// www.frc.org.uk/auditorsresponsibilities](https://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 charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

**Landau Morley LLP**

30 September 2022

**Chartered Accountants  
Statutory Auditor**

325-327 Oldfield Lane North  
Greenfor  
d  
Middlese  
x UB6  
0FX

Landau Morley LLP is eligible for appointment as auditor of the company by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

**INSTITUTE FOR STRATEGIC  
DIALOGUE (A COMPANY LIMITED  
STATEMENT OF FINANCIAL ACTIVITIES  
INCLUDING INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31 DECEMBER 2021**

|                                                                         |   | Unrestrict<br>ed<br>fund<br>s<br>202<br>1 | Restrict<br>ed<br>fund<br>s<br>202<br>1 | Total<br>Unrestricted<br>funds<br>2021<br>2020 | Restrict<br>ed<br>fund<br>s<br>202<br>0 | Tota<br>l<br>202<br>0 |           |
|-------------------------------------------------------------------------|---|-------------------------------------------|-----------------------------------------|------------------------------------------------|-----------------------------------------|-----------------------|-----------|
| Notes                                                                   |   | £                                         | £                                       | £                                              | £                                       | £                     |           |
| <b>Income and endowments from:</b>                                      |   |                                           |                                         |                                                |                                         |                       |           |
| Charitable activities                                                   | 3 | 699,797                                   | 6,129,303                               | 6,829,100                                      | 256,757                                 | 5,301,406             | 5,558,163 |
| Other income                                                            | 4 | -                                         | -                                       | -                                              | 90,001                                  | -                     | 90,001    |
| <b>Total income</b>                                                     |   | 699,797                                   | 6,129,303                               | 6,829,100                                      | 346,758                                 | 5,301,406             | 5,648,164 |
| <b>Expenditure on:</b>                                                  |   |                                           |                                         |                                                |                                         |                       |           |
| Charitable activities                                                   | 5 | 841,646                                   | 6,088,414                               | 6,930,060                                      | 385,849                                 | 4,801,935             | 5,187,784 |
| <b>Net (outgoing)/incoming resources before transfers</b>               |   | (141,849)                                 | 40,889                                  | (100,960)                                      | (39,091)                                | 499,471               | 460,380   |
| Gross transfers between funds                                           |   | (16,779)                                  | 16,779                                  | -                                              | 23,619                                  | (23,619)              | -         |
| <b>Net (expenditure)/income for the year/<br/>Net movement in funds</b> |   | (158,628)                                 | 57,668                                  | (100,960)                                      | (15,472)                                | 475,852               | 460,380   |
| Fund balances at 1 January 2021                                         |   | 393,670                                   | 1,377,356                               | 1,771,026                                      | 409,142                                 | 901,504               | 1,310,646 |
| <b>Fund balances at 31 December 2021</b>                                |   | 235,042                                   | 1,435,024                               | 1,670,066                                      | 393,670                                 | 1,377,356             | 1,771,026 |

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.

**INSTITUTE FOR STRATEGIC  
DIALOGUE (A COMPANY LIMITED)  
BALANCE SHEET**

**AS AT 31 DECEMBER 2021**

|                                                       |           | 2021             | 2020             |
|-------------------------------------------------------|-----------|------------------|------------------|
|                                                       | Note      | £                | £                |
|                                                       | s         |                  |                  |
| <b>Fixed assets</b>                                   |           |                  |                  |
| Tangible assets                                       | <b>11</b> | 67,798           | 89,579           |
| <b>Current assets</b>                                 |           |                  |                  |
| Debtors                                               | <b>12</b> | 1,312,387        | 836,825          |
| Cash at bank and in hand                              |           | 864,113          | 1,332,118        |
|                                                       |           | <u>2,176,500</u> | <u>2,168,943</u> |
| <b>Creditors: amounts falling due within one year</b> | <b>13</b> | (574,232)        | (487,496)        |
| Net current assets                                    |           | 1,602,268        | 1,681,447        |
| <b>Total assets less current liabilities</b>          |           | <u>1,670,066</u> | <u>1,771,026</u> |
| <b>Income funds</b>                                   |           |                  |                  |
| Restricted funds                                      | <b>14</b> | 1,435,024        | 1,377,356        |
| Unrestricted funds                                    |           | 235,042          | 393,670          |
|                                                       |           | <u>1,670,066</u> | <u>1,771,026</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 2021, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, 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 28 September 2022.

.....  
Mr Michael Lewis  
**Trustee**

**Company Registration No. 06581421**

**INSTITUTE FOR STRATEGIC  
DIALOGUE (A COMPANY LIMITED  
STATEMENT OF CASH FLOWS**

**FOR THE YEAR ENDED 31 DECEMBER  
2021**

|                                                             | Notes | 2021<br>£ | £         | 2020<br>£ | £         |
|-------------------------------------------------------------|-------|-----------|-----------|-----------|-----------|
| <b>Cash flows from operating activities</b>                 |       |           |           |           |           |
| Cash (absorbed by)/generated from operations                | 18    |           | (433,779) |           | 453,253   |
| <b>Investing activities</b>                                 |       |           |           |           |           |
| Purchase of tangible fixed assets                           |       | (34,226)  |           | (10,069)  |           |
| Proceeds from disposal of tangible fixed assets             |       | -         |           | (21,318)  |           |
| Proceeds from disposal of investments                       |       | -         |           | 21,826    |           |
| <b>Net cash used in investing activities</b>                |       |           | (34,226)  |           | (9,561)   |
| <b>Net cash used in financing activities</b>                |       |           | -         |           | -         |
| <b>Net (decrease)/increase in cash and cash equivalents</b> |       |           | (468,005) |           | 443,692   |
| Cash and cash equivalents at beginning of year              |       |           | 1,332,118 |           | 888,426   |
| <b>Cash and cash equivalents at end of year</b>             |       |           | 864,113   |           | 1,332,118 |

**INSTITUTE FOR STRATEGIC  
DIALOGUE (A COMPANY LIMITED  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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**1 Accounting policies**

**Charity information**

Institute for Strategic Dialogue is a private company limited by guarantee incorporated in England and Wales. The registered office is PO Box 75769, London, SW1P 9ER. The members of the company are the Trustees named on legal and administrative page. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

**1.1 Accounting convention**

The financial statements have been prepared in accordance with the charity's governing document, 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)" (as amended for accounting periods commencing from 1 January 2016). The company is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared under the historical cost convention, modified to include certain financial instruments at fair value. The principal accounting policies adopted are set out below.

**1.2 Going concern**

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Charity has adequate resources to support the current level of expenditure and to continue in operational existence for the foreseeable future.

The Trustees have, however, recognised that, due to the impact of COVID-19, there has been a significant impact on the activities of the charity.

The Trustees are committed to supporting the charity and will continue to evaluate the situation on an ongoing basis and to develop plans for the charity to manage the financial impact going forward.

**1.3 Charitable funds**

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

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the company.

**1.4 Income**

Income is recognised when the company 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 the company 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.

## **INSTITUTE FOR STRATEGIC DIALOGUE (A COMPANY LIMITED**

Legacies are recognised on receipt or otherwise if the company has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

# **INSTITUTE FOR STRATEGIC DIALOGUE (A COMPANY LIMITED BY GUARANTEE) NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

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## **1 Accounting policies**

**(Continued)**

### **1.5 Expenditure**

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. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

All expenditure is inclusive of irrecoverable VAT.

### **1.6 Tangible fixed assets**

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

|                               |                             |
|-------------------------------|-----------------------------|
| Leasehold land and buildings  | 20% straight line method    |
| Fixtures and fittings         | 25% reducing balance method |
| Computer and office equipment | 33.33% straight line method |

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

### **1.7 Impairment of fixed assets**

At each reporting end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

### **1.8 Cash and cash equivalents**

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

### **1.9 Financial instruments**

The company 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 the company's balance sheet when the company 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

**INSTITUTE FOR STRATEGIC  
DIALOGUE (A COMPANY LIMITED BY  
GUARANTEE)  
NOTES TO THE FINANCIAL STATEMENTS  
(CONTINUED)**

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there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

**INSTITUTE FOR STRATEGIC  
DIALOGUE (A COMPANY LIMITED BY  
GUARANTEE)  
NOTES TO THE FINANCIAL STATEMENTS  
(CONTINUED)**

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**1 Accounting policies**

**(Continued)**

***Basic financial assets***

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

***Basic financial liabilities***

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

***Derecognition of financial liabilities***

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

**1.10 Employee benefits**

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

**2 Critical accounting estimates and judgements**

In the application of the company's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

**INSTITUTE FOR STRATEGIC  
DIALOGUE (A COMPANY LIMITED BY  
GUARANTEE)  
NOTES TO THE FINANCIAL STATEMENTS  
(CONTINUED)**

**3 Charitable activities**

|                    | <b>2021</b>      | 2020             |
|--------------------|------------------|------------------|
|                    | <b>£</b>         | £                |
| Programmes         | 6,129,303        | 5,301,406        |
| Core               | 699,797          | 256,757          |
|                    | <u>6,829,100</u> | <u>5,558,163</u> |
| Analysis by fund   | 699,797          | 256,757          |
| Unrestricted funds | 6,129,303        | 5,301,406        |
| Restricted funds   | <u>6,829,100</u> | <u>5,558,163</u> |

**4 Other income**

|                               | <b>Total</b> | Unrestricted funds |
|-------------------------------|--------------|--------------------|
|                               | <b>2021</b>  | 2020               |
|                               | <b>£</b>     | £                  |
| Government grant/Other income | -            | 90,001             |

**INSTITUTE FOR STRATEGIC  
DIALOGUE (A COMPANY LIMITED BY  
GUARANTEE)  
NOTES TO THE FINANCIAL STATEMENTS  
(CONTINUED)**

**5 Charitable activities**

|                                          | <b>2021</b>      | <b>2020</b>      |
|------------------------------------------|------------------|------------------|
|                                          | <b>£</b>         | <b>£</b>         |
| Wages, salaries and consultants          | 2,269,923        | 2,128,507        |
| UK travel and hospitality                | 14,170           | 17,511           |
| Travel costs (staff)                     | 185,091          | 56,332           |
| Travel costs (participants)              | 53,211           | 15,265           |
| Occupancy costs and room rental          | 27,760           | 28,912           |
| Outside professional services            | 1,716,451        | 1,206,723        |
| Communications and technology            | 51,852           | 55,622           |
| Overhead recovery                        | 858,988          | 888,641          |
| Grants and awards to other organisations | 1,052,027        | 425,741          |
|                                          | <u>6,229,473</u> | <u>4,823,254</u> |
| Share of support costs (see note 7)      | 700,587          | 364,530          |
|                                          | <u>6,930,060</u> | <u>5,187,784</u> |
| <b>Analysis by fund</b>                  |                  |                  |
| Unrestricted funds                       | 841,646          | 385,849          |
| Restricted funds                         | 6,088,414        | 4,801,935        |
|                                          | <u>6,930,060</u> | <u>5,187,784</u> |

Direct Costs include the following:

Outside Professional Services: Includes technical and specialist consultants and suppliers such as filmmakers, content producers, educational resource specialists, trainers, researchers and translation services.

Communications and Technology: Includes telecommunications equipment, telephone calls, IT hardware, software, webhosting, social media and digital costs.

**INSTITUTE FOR STRATEGIC  
DIALOGUE (A COMPANY LIMITED BY  
GUARANTEE)  
NOTES TO THE FINANCIAL STATEMENTS  
(CONTINUED)**

**6 Grants and awards payable**

|                                               | <b>2021</b>      | <b>2020</b>    |
|-----------------------------------------------|------------------|----------------|
|                                               | <b>£</b>         | <b>£</b>       |
| Grants and awards were paid to the following: |                  |                |
| ISD Germany                                   | 449,330          | -              |
| ACT Proact                                    | 43,800           | 120,179        |
| WANA Institute                                | 171,334          | 80,429         |
| Isiolo Peace Link                             | 85,802           | 58,006         |
| Isiolo Women of Faith                         | 7,851            | -              |
| Midrift Hurinet Limited                       | 61,833           | 56,191         |
| Human Rights Agenda                           | -                | 48,962         |
| Tarek Menhem                                  | -                | 25,920         |
| Youth Bila Noma                               | 29,538           | 7,711          |
| Democracy Lab                                 | 43,968           | -              |
| HURIA                                         | 26,963           | -              |
| CASM Technology LLP                           | 22,678           | -              |
| CZO Skopje                                    | 18,717           | -              |
| Human Security Collective                     | 18,264           | -              |
| Hedayah                                       | 11,855           | -              |
| Hifswerk International                        | 10,096           | -              |
| Nakuru County Youth Bunge Forum               | 9,263            | -              |
| Jamji Action Centre                           | 7,956            | -              |
| Sponsored Arts for Education (SAFE)           | 7,438            | -              |
| Duckrabbit                                    | 6,193            | -              |
| Circles - Lebanon Support                     | -                | 7,565          |
| Kiunga Youth Bunge                            | -                | 6,961          |
| Collaboration of Women in Development         | -                | 4,640          |
| Resource Development Foundation               | 727              | 4,605          |
| Pastoralist Women                             | 9,175            | 4,572          |
| Other                                         | 9,247            | -              |
|                                               | <u>1,052,028</u> | <u>425,741</u> |
|                                               | <u>8</u>         |                |

In respect of the year ended 31 December 2021, of the total grants paid of £1,052,028 (2020: £425,741), £147,625 (2020: £nil) is attributable to unrestricted funds and £904,402 (2020: £425,741) is attributable to restricted funds.

**INSTITUTE FOR STRATEGIC  
DIALOGUE (A COMPANY LIMITED BY  
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NOTES TO THE FINANCIAL STATEMENTS  
(CONTINUED)**

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**INSTITUTE FOR STRATEGIC  
DIALOGUE (A COMPANY LIMITED BY  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**(CONTINUED)**

|                                  | Support<br>costs<br>£ | 2021<br>£                   | 2020<br>£      |
|----------------------------------|-----------------------|-----------------------------|----------------|
| Staff costs                      | 900,437               | 900,437                     | 627,433        |
| Loss on disposal of fixed assets | 558                   | 558                         | 31,276         |
| UK travel and hospitality        | 3,234                 | 3,234                       | 2,428          |
| Travel costs (staff)             | 10,711                | 10,711                      |                |
|                                  | 18,513                | Travel costs (participants) | -              |
|                                  | -                     | 241                         |                |
| Occupancy costs and room rental  | 313,198               | 313,198                     | 252,490        |
| Outside professional services    | 162,713               | 162,713                     | 152,658        |
| Office costs and communications  | 88,461                | 88,461                      | 63,501         |
| Overhead recovery                | (858,988)             | (858,988)                   | (888,641)      |
| Exchange loss/(gain)             | 24,815                | 24,815                      | 53,404         |
| Depreciation                     | 55,448                | 55,448                      | 51,227         |
|                                  | <u>700,587</u>        | <u>700,587</u>              | <u>364,530</u> |
| Analysed between                 |                       |                             |                |
| Charitable activities            | <u>700,587</u>        | <u>700,587</u>              | <u>364,530</u> |

In respect of the year ended 31 December 2021, of the total Exchange loss/(gain) of £24,815 (2020: £53,404), £18,249 (2020: £51,113) is attributable to unrestricted funds and £6,566 (2020: £2,291) is attributable to restricted funds.

Outside professional services costs include £21,000 (2020: £19,750) in respect of auditor's remuneration.

## 8 Auditor's remuneration

The analysis of auditor's remuneration is as follows:

|                              | 2021<br>£     | 2020<br>£     |
|------------------------------|---------------|---------------|
| Audit of the annual accounts | 12,750        | 12,000        |
| All other non-audit services | 8,250         | 7,750         |
| <b>Total fees</b>            | <u>21,000</u> | <u>19,750</u> |

## 9 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the company during the year.

## 10 Employees

### Number of employees

The average monthly number of employees during the year was:

| 2021<br>Number    | 2020<br>Number    |
|-------------------|-------------------|
| 48                | 49                |
| <u>          </u> | <u>          </u> |

### Employment costs

|                       | 2021<br>£        | 2020<br>£        |
|-----------------------|------------------|------------------|
| Wages and salaries    | 2,861,289        | 2,499,966        |
| Social security costs | 218,301          | 186,660          |
| Other pension costs   | 90,770           | 69,314           |
|                       | <u>3,170,360</u> | <u>2,755,940</u> |

Responsibility for day-to-day management matters and the implementation of policy is delegated to the Chief Executive Officer. Remuneration paid to the key management personnel of the charity in 2021 was £167,459 (2020: £137,224).

Of the employees whose emoluments exceed £60,000, 10 have retirement benefits accruing under defined benefit pension schemes, totaling £42,611 (2020: £18,700).

The number of employees whose annual remuneration was £60,000 or more were:

|                                 | 2021<br>Number | 2020<br>Number |
|---------------------------------|----------------|----------------|
| In the band £60,001 - £70,000   | 6              | 1              |
| In the band £70,001 - £80,000   | 2              | 1              |
| In the band £100,001 - £110,000 | 1              | -              |
| In the band £130,001 - £140,000 | <u>1</u>       | <u>1</u>       |
| In the band £150,001 - £160,000 | 1              | -              |

## 11 Tangible fixed assets

|                                    | Leasehold<br>and<br>buildings | Fixtures and<br>fittings | Computer<br>and<br>office<br>equipment | Total   |
|------------------------------------|-------------------------------|--------------------------|----------------------------------------|---------|
|                                    | £                             | £                        | £                                      | £       |
| <b>Cost</b>                        |                               |                          |                                        |         |
| At 1 January 2021                  | 39,226                        | 25,479                   | 127,805                                | 192,510 |
| Additions                          | -                             | -                        | 34,226                                 | 34,226  |
| Disposals                          | -                             | -                        | (4,132)                                | (4,132) |
| At 31 December 2021                | 39,226                        | 25,479                   | 157,899                                | 222,604 |
| <b>Depreciation and impairment</b> |                               |                          |                                        |         |
| At 1 January 2021                  | 13,778                        | 13,728                   | 75,425                                 | 102,931 |
| Depreciation charged in the year   | 7,845                         | 2,938                    | 44,665                                 | 55,448  |
| Eliminated in respect of disposals | -                             | -                        | (3,573)                                | (3,573) |
| At 31 December 2021                | 21,623                        | 16,666                   | 116,517                                | 154,806 |
| <b>Carrying amount</b>             |                               |                          |                                        |         |
| At 31 December 2021                | 17,603                        | 8,813                    | 41,382                                 | 67,798  |
| At 31 December 2020                | 25,448                        | 11,751                   | 52,380                                 | 89,579  |

## 12 Debtors

|                                             | 2021<br>£        | 2020<br>£      |
|---------------------------------------------|------------------|----------------|
| <b>Amounts falling due within one year:</b> |                  |                |
| Trade debtors                               | 726,751          | 560,910        |
| Other debtors                               | 78,720           | 101,047        |
| Prepayments and accrued income              | 506,916          | 174,868        |
|                                             | <u>1,312,387</u> | <u>836,825</u> |

## 13 Creditors: amounts falling due within one year

|                                    | 2021<br>£      | 2020<br>£      |
|------------------------------------|----------------|----------------|
| Other taxation and social security | 81,241         | 104,826        |
| Trade creditors                    | 258,532        | 123,549        |
| Other creditors                    | 36,785         | 36,764         |
| Accruals and deferred income       | <u>197,674</u> | <u>222,357</u> |
|                                    | 574,232        | 487,496        |

**INSTITUTE FOR STRATEGIC  
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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**14 Restricted funds**

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

|                  | <b>Movement in funds</b>             |                               |                               |                   | <b>Movement in funds</b>             |                               |                               |                   |                                                |
|------------------|--------------------------------------|-------------------------------|-------------------------------|-------------------|--------------------------------------|-------------------------------|-------------------------------|-------------------|------------------------------------------------|
|                  | <b>Balance at<br/>1 January 2020</b> | <b>Incoming<br/>resources</b> | <b>Resources<br/>expended</b> | <b>Transfers</b>  | <b>Balance at<br/>1 January 2021</b> | <b>Incoming<br/>resources</b> | <b>Resources<br/>expended</b> | <b>Transfers</b>  | <b>Balance at<br/>31<br/>December<br/>2021</b> |
|                  | <b>£</b>                             | <b>£</b>                      | <b>£</b>                      | <b>£</b>          | <b>£</b>                             | <b>£</b>                      | <b>£</b>                      | <b>£</b>          | <b>£</b>                                       |
| Restricted Funds | 901,504                              | 5,301,406                     | (4,801,935)                   | (23,619)          | 1,377,356                            | 6,129,303                     | (6,088,414)                   | 16,779            | 1,435,024                                      |
|                  | <u>          </u>                    | <u>          </u>             | <u>          </u>             | <u>          </u> | <u>          </u>                    | <u>          </u>             | <u>          </u>             | <u>          </u> | <u>          </u>                              |

Restricted funds are funds donated to the charity to aid its work as an independent 'think and do tank' for the study and development of policy and operational responses to the challenges of hate, polarisation and extremism.

The transfers from restricted funds to unrestricted funds totaling £16,779 (2020 £23,619) relate to activities and funds that have ceased to meet the conditions required for Institute for Strategic Dialogue to continue to retain these funds in restricted funds.



**INSTITUTE FOR STRATEGIC  
DIALOGUE (A COMPANY LIMITED BY  
GUARANTEE)  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2021**

**15 Analysis of net assets between funds**

|                                                       | Unrestricted funds | Restricted funds | Total            | Unrestricted funds | Restricted funds | Total            |
|-------------------------------------------------------|--------------------|------------------|------------------|--------------------|------------------|------------------|
|                                                       | 2021               | 2021             | 2021             | 2020               | 2020             | 2020             |
|                                                       | £                  | £                | £                | £                  | £                | £                |
| Fund balances at 31 December 2021 are represented by: |                    |                  |                  |                    |                  |                  |
| Tangible assets                                       | 67,798             | -                | 67,798           | 89,579             | -                | 89,579           |
| Current assets/(liabilities)                          | 131,638            | 1,470,630        | 1,602,268        | 304,091            | 1,377,356        | 1,681,447        |
|                                                       | <u>199,436</u>     | <u>1,470,630</u> | <u>1,670,066</u> | <u>393,670</u>     | <u>1,377,356</u> | <u>1,771,026</u> |

**16 Operating lease commitments**

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

|                            | 2021<br>£      | 2020<br>£      |
|----------------------------|----------------|----------------|
| Within one year            | 237,823        | 237,823        |
| Between two and five years | 302,329        | 540,152        |
|                            | <u>540,152</u> | <u>777,975</u> |

**17 Related party transactions**

Donations of £60,049 (2020: £71,980) were received during the year from the Trustees and from entities connected with the Trustees.

**18 Cash generated from operations**

|                                                      | 2021<br>£        | 2020<br>£      |
|------------------------------------------------------|------------------|----------------|
| (Deficit)/surplus for the year                       | (100,960)        | 460,380        |
| Adjustments for:                                     |                  |                |
| Loss on disposal of tangible fixed assets            | 558              | 31,276         |
| Depreciation and impairment of tangible fixed assets | 55,449           | 51,228         |
| Movements in working capital:                        |                  |                |
| (Increase) in debtors                                | (475,562)        | (184,849)      |
| Increase in creditors                                | 86,736           | 95,218         |
| <b>Cash (absorbed by)/generated from operations</b>  | <u>(433,779)</u> | <u>453,253</u> |

**19 Analysis of changes in net funds**

The company had no debt during the year.



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# Accounts

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Charity Registration No. 1141069

Company Registration No. 06581421 (England and Wales)

**INSTITUTE FOR STRATEGIC DIALOGUE**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

# **INSTITUTE FOR STRATEGIC DIALOGUE**

## **(A COMPANY LIMITED BY GUARANTEE)**

### **LEGAL AND ADMINISTRATIVE INFORMATION**

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|                          |                                                                                               |
|--------------------------|-----------------------------------------------------------------------------------------------|
| <b>Trustees</b>          | Mr Michael Lewis<br>Mr Stuart Fiertz<br>Mr M Bergman<br>Dr Serra Kirdar<br>Mr Edward Williams |
| <b>Charity number</b>    | 1141069                                                                                       |
| <b>Company number</b>    | 06581421                                                                                      |
| <b>Registered office</b> | PO Box 75769<br>London<br>SW1P 9ER                                                            |
| <b>Auditor</b>           | Landau Morley LLP<br>325-327 Oldfield Lane North<br>Greenford<br>Middlesex<br>UB6 0FX         |

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# **INSTITUTE FOR STRATEGIC DIALOGUE (A COMPANY LIMITED BY GUARANTEE) CONTENTS**

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**INSTITUTE FOR STRATEGIC DIALOGUE  
(A COMPANY LIMITED BY GUARANTEE)  
TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of The Institute for Strategic Dialogue (the company) for the year ended 31 December 2020. The Trustees confirm that the annual report and financial statements of the company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP), 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).

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Constitution**

The company is registered as a charitable company limited by guarantee (registered charity number 1141069) and was set up by a Memorandum of Association on 30 April 2008.

The charity is constituted under a Memorandum of Association and is a registered charity.

**Method of Appointment or Election of Trustees**

The management of the company is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association.

**Organisational Structure and Decision Making**

The Institute for Strategic Dialogue (ISD) has a Board of Trustees that meets twice a year. There is a Chair of the Board and Treasurer. The Institute also has an active Finance Committee, made up of the Chair and Treasurer, which meets regularly and works closely with the Chief Executive Officer (CEO) and Chief Operating Officer (COO).

Responsibility for day-to-day management matters and the implementation of policy is delegated to the CEO, within a clearly understood framework of strategic control. The CEO is supported by a leadership team and senior management team responsible for the execution of the organisational objectives. All Trustees and Staff are required to report any potential or actual conflicts of interest immediately to the Chair and/ or CEO.

**Risk Management**

The Trustees have assessed the major risks to which the company is exposed, in particular those related to the operations and finances of the company, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

**Public Benefit**

The Trustees confirm that they have complied with the duty in section 4 of the Charities Act 2006 to have due regard to the Charity Commission's general guidance on public benefit, 'Charities and Public Benefit'.

**INSTITUTE FOR STRATEGIC DIALOGUE  
(A COMPANY LIMITED BY GUARANTEE)  
TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**Objectives and activities**

The Institute for Strategic Dialogue (ISD) is an independent 'think and do tank' that studies and develops policy and operational responses to the rising challenges of hate, polarisation and extremism. Combining research and analysis of disinformation, hate and extremism with government advisory work, training, capacity building and educational programmes, ISD has been at the forefront of forging real-world, evidence-based responses to the challenges of disinformation, extremism and polarisation.

The principal objects of the charity and company are:

- The advancement of the education of the public in the UK and elsewhere in relation to government, economics, politics, law, administration and social services;
- The advancement of human rights, conflict resolution or reconciliation or the promotion of religious or racial harmony or equality and diversity;
- Such other charitable purposes as the Trustees shall from time to time think fit.

**STRATEGIES & ACTIVITIES FOR ACHIEVING OBJECTIVES**

Since its formation, ISD has been at the forefront of solutions that combat extremism, hate speech and disinformation. At a time when these pose immediate threats to safety, security and democratic civil culture and institutions, ISD is working to enable individuals, organisations and nations to turn the tide.

ISD's work is delivered through three types of activity:

1. **RESEARCH & ANALYSIS** - ISD combines sector-leading expertise and research in global extremist movements with advanced digital analysis that identifies and tracks disinformation, weaponised hate and extremism in real time. Our Digital Analysis Unit has been at the forefront of analysing audiences, networks and content to accurately interpret the threat of disinformation, hate and extremism online. This, combined with ISD's ongoing anthropological research, has ensured that ISD has consistently been ahead of the curve in predicting developments at the nexus of disinformation and extremism. Our research informs responses to these emerging challenges, and shapes policy-makers' and the public's understanding of evolving threats.
2. **ACTION PROGRAMMING** - ISD innovates, trials and scales cutting-edge interventions that empower cities, practitioners and civic leaders to mitigate hate, polarisation and disinformation. From our digital education and communications programmes, to our training and direct interventions with at-risk individuals, we build the resilience of communities on and offline. We work to empower and facilitate civil society, fostering networks of community groups and influencers to take the lead, applying their granular expertise and credibility in a way that delivers impact at scale. ISD has pioneered the application of data, technology and marketing tactics to mount a proportional response to extremist messaging.
3. **POLICY & ADVISORY SERVICES** - ISD provides strategic advice, policy support and training to local and national governments and multilateral institutions worldwide, giving them the data, expertise and support needed to deliver evidence-based policy and programming. We lead inter-governmental policy initiatives on extremism, polarisation and digital regulation that optimise counter-extremism and integration policies and programming and safeguard democracy. ISD also provides high-level digital policy input to the tech sector to harmonise efforts with governments and civil society.

**INSTITUTE FOR STRATEGIC DIALOGUE  
(A COMPANY LIMITED BY GUARANTEE)  
TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**Achievements and performance**

The forces ISD seeks to fight - polarisation, extremism and disinformation - intensified in 2020, exacerbated by the international COVID-19 pandemic and a suite of high-profile government elections worldwide. Disinformation in relation to vaccines accelerated, and the growth of QAnon and related conspiracy and extremist movements presented real and immediate threats to cohesion and democracy in many countries worldwide.

Throughout the year, ISD worked to combat these threats through three core operating areas: research and analysis; policy and advisory services; and action programming. The following areas of programming constituted particular highlights of the organisation's work in 2020:

**Research & Analysis**

ISD conducted and published sector-leading research in 2020, a year that saw our highest output of analysis to date. This work broadened the scope of our expertise into new thematic as well as geographical frontiers. ISD published multiple reports and briefings in French and German as well as in English, and covered every facet of extremism prevention.

Research projects conducted in the year provided an opportunity to develop ISD's best-in-class technological system for detecting online manipulation, disinformation and hate activities. This work helped shape the conversation around the immediate threat to democratic integrity posed by coordinated online disinformation. Below are some selected highlights across these exciting areas of research:

- **US2020 election analysis:** ISD was funded by a consortium of foundations to build a best-in-class technological system for detecting online manipulation, disinformation and hate activities during the US 2020 Presidential elections. Working with our technology partner the Centre for Analysis of Social Media (CASM), ISD designed a system that simultaneously ingests and analyses data from nine social media platforms, including Facebook, Instagram, Twitter, YouTube, Gab, 4Chan and Reddit. This tool has, for the first time, created a capability for large-scale disinformation detection from an independent civil society perspective. This extends the capacity for entities other than the largest tech and social media companies to conduct investigations exposing large-scale inauthentic activity on social media.

As a result of the capacity of this tool and ISD's reporting of inauthentic activity directly to social media platforms, Twitter removed 2,725 accounts, Telegram took action on 9 white supremacist terrorist channels, and Facebook took down over 50 pages, groups and accounts from covert inauthentic networks. The US2020 team published 21 public research reports exposing the actors and platforms involved in promoting disinformation and hate; shared over 60 data briefings with partners affected by disinformation in relation to the election; launched a weekly tracker on hate group online activities entitled Lens on Hate; and produced 11 'high risk' briefings sent directly to law enforcement to flag credible threats of violence.

This work directly contributed into an increasingly well-informed debate in Europe, North America and elsewhere on the nature of the technology sector's responsibility to its customers' safety, rights and health during elections and beyond. We are committed to maintaining and expanding our activities in the US, to provide nation-wide real-time tracking of extremist, hate and militia group mobilisation online, including the analysis of anti-Semitism and Islamophobia online.

**INSTITUTE FOR STRATEGIC DIALOGUE**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

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- **COVID-19 and disinformation:** From the very start of the pandemic, ISD's Digital Analysis Unit tracked and exposed widespread state-sponsored and extremist exploitation of COVID-19. This included disinformation designed to recruit people to hateful causes and to fan the flames of nationalism and authoritarianism. We monitored (and continue to monitor) the massive upsurge in the spread of conspiracy theories impacting both public health and politics.

In 2020, ISD published 16 reports and briefings on disinformation and extremism relating to COVID-19, including investigations exposing far-right manipulation of the pandemic and the proliferation of anti-minority discourse. Complementing this, we conducted a joint investigation with BBC World which delved into the scale of the pandemic's accompanying 'infodemic'. Additionally, ISD launched significant investigations into the intersection of the powerful QAnon conspiracy group and COVID-19 disinformation, and the nexus between jihadist and far right extremist narratives on the virus. Leading the civil sector reaction to pandemic-related analysis highlighted how well situated our strategy towards disinformation has been and the critical importance of ISD's Digital Analysis Unit.

- **Climate change disinformation:** Having built unique technological and data infrastructure tools through the US2020 project, ISD looked to apply these in support of sectors coming increasingly under attack from an array of disinformation actors. This includes in the climate and public health domains. In 2020, ISD began a major program of work on climate disinformation across Europe, with a focus on Germany, Italy, Hungary, Czechia, Slovakia, Poland and the UK. The Gates Foundation supported a similar, smaller research project in Germany on anti-vaxx disinformation networks. These projects have enabled ISD to create a far more comprehensive picture of the long-range targets, beyond elections, of both state and non-state actors looking to divide and undermine democratic societies.
- **Caliphate Cache:** ISD's Arabic-language analysis team conducted ground-breaking research based on the *Caliphate Cache*, the database of ISIS propaganda discovered by ISD's Executive Director for Africa, the Middle East and Asia (AMEA) at the end of 2019. Our extensive investigation around the cache was comprehensively covered by media throughout the year, including in the [BBC](#), [BBC Arabic](#) and [Wired](#). ISD published a briefing on the [persistence of ISIS mobilisation on mainstream social media](#) and secured funding to launch an innovative program of digital analysis to understand the fast-shifting online Salafi ecosystem across Arabic, English and German languages. Researchers from the Digital Analysis Unit, including a new Arabic-language analyst, worked alongside ISD's in-house subject matter experts on extremist ideology to understand the tactics and online subcultures used to target potential extremist recruits, creating best-in-class counter narratives for prevention.
- **Far Right sectoral research:** Over the past five years, ISD has charted a notable increase in right-wing extremism groups online. As governments and institutions wake up to the increasing spread of far right ideologies, ISD was called on in 2020 to conceptualise and build infrastructure that combats this emerging threat. To this end, ISD launched a number of key investigations in tandem with a suite of institutions internationally, including: the Canadian government and Ontario Tech University, the Victorian (AUS) state government, Cardiff and Coventry universities, and a number of fellow civil society organisations. We published industry-leading research into the spread of the hard right and domestic terrorism in Canada; anti-minority activism in the US and UK; and joined a consortium that created a new Melbourne-based think tank: the Centre for Resilient and Inclusive Societies (CRIS). ISD also continued its partnership with the Massachusetts Institute of Technology (MIT) to adapt its Media Cloud software to enable the analysis of extremist content. ISD crucially underpinned this process through expert input, including the identification of new extreme right media sources and the development of a glossary of extreme right terminology.

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

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**Policy & Advisory**

ISD's leading network of policy advisors greatly expanded their work in 2020 with a range of briefings and advisory services to governments, civil society and the private sector. This work informed policy and regulatory agendas for some of the world's leading stakeholders in extremism policy and digital policy. ISD has taken a central role in developing proposals for platform governance and regulation including policy briefings around algorithmic transparency and cross-harms-based regulatory approaches. The team also worked with a network of organisations in the digital policy domain to streamline advocacy within and between governments and the civil sector.

- **The Digital Policy Lab:** Building on ISD's longstanding Policy Planners Network (PPN), in 2020 ISD launched the Digital Policy Lab (DPL). This policy initiative will foster inter-governmental exchange, provide policy-makers with access to sector-leading expertise and research, and build an international community of practice around key regulatory challenges in the digital policy space. Funded by the German Federal Foreign Office, the DPL focuses on charting the regulatory and policy path forward to prevent and counter disinformation, hate speech, extremism and terrorism online, and is comprised of a core group of senior representatives of relevant ministries and regulators from key liberal democratic countries (starting with EU and Five Eyes countries).

ISD held two DPL events in November and December 2020, with the first focusing on efforts to encourage or ensure transparency in digital regulation. The event was attended by over 40 high-level representatives from 11 national governments and the European Commission. The second event focused on specific policy proposals, with the formation of the European Union's Digital Services Act (DSA) and European Democracy Action Plan (EDAP), as well as significant country-level developments in Germany, France and the UK, including the UK Online Harms bill.

- **The Good Web Project:** With funding from the German Federal Foreign Office, ISD launched the Good Web Project, an initiative to articulate an internet compatible with liberal democracy. The project seeks to measure and build public support for an internet that resists the authoritarian alternative and inform and empower policy-makers to create a credible human rights compliant alternative. The project includes partners such as ARENA at Johns Hopkins University, CASM, and the Alliance for Securing Democracy (ASD) at the German Marshall Fund, as well as an advisory network of key government, civil society and academic experts from around the world.
- **Briefings to government:** During 2020, the ISD Digital Policy team were able to conduct a number of high level briefings to stakeholders in government and the private sector on best practice for platform governance. ISD's CEO Sasha Havlicek was invited [to give testimony on disinformation interference in elections](#) to a panel of global parliamentarians including Rep. Adam Schiff, Chair of the US House Intelligence Committee. ISD's Head of Digital Policy and Strategy Chloe Colliver was invited to give a presentation to the Democratic Women's Caucus on ISD's US-based online candidate abuse research, which was referenced in the Senate hearing as evidence of the gendered impact of disinformation and online abuse.

Our digital policy team also created sector leading policy [papers](#) on the role of social media algorithms in creating systemic, structural challenges to democracy and human rights, and, together with partner organisations, provided a [submission](#) to the UK Government's Department for Culture, Media and Sport (DCMS) in response to the department's [Online Harms White Paper](#).

**INSTITUTE FOR STRATEGIC DIALOGUE  
(A COMPANY LIMITED BY GUARANTEE)  
TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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- **Celebrating 5 years of the Strong Cities Network (SCN):** 2020 marked five years since the launch of our Strong Cities Network at the 2015 United Nations General Assembly. The programme continues to be the only global network of mayors, policy-makers and practitioners united in building social cohesion and local community resilience to counter violent extremism in all its forms. In 2020, the SCN continued to operate in over 140 cities across more than 45 countries.

Despite the challenge of shifting the majority of its operations and outputs online in 2020, in its fifth year of programming the SCN continues to lead the charge in thought leadership and public policy discussions on preventing and countering extremism. In collaboration with the Global Counterterrorism Forum (GCTF), SCN hosted six webinars which engaged 80 stakeholders from national government, local government, civil society, multilateral and the private sector from across 20 countries. These virtual gatherings engaged key stakeholders in discussions of good practice in P/CVE cooperation and policy.

In order to mark the fifth anniversary of the program at the end of September ISD also held a number of events. These included an engagement with the governments of Denmark, Lebanon, Kenya and the US at the 2020 UN General Assembly at which we launched a Mayoral Call for Support and unveiled a new promotional [video](#) and [brochure](#).

#### **Action programming**

ISD continued to deliver programming internationally and with significant impact despite the unique operational challenges that 2020 posed.

- **SCN Lebanon:** Despite the pandemic restrictions and the protracted political, economic and social crises in Lebanon, the SCN team delivered critical project activities in the region while adapting to an ever-changing set of challenges. In 2020, ISD provided context-sensitive responses, leading community-based initiatives and capacity-building programmes that reduce radicalisation risk factors and provide communities and youth with a resilience, safety and leadership agenda.

Maintaining a high level of engagement with the local community stakeholders through the Prevention Networks was exceptionally challenging as each stakeholder was forced to adapt to fundamental changes in the political environment and a failing economy. This was exacerbated by the public health crisis and the fallout from August's tragic explosion in Beirut's port, to which the SCN was one of the first responders. ISD's SCN and Young Cities teams, in cooperation with our LPNs, helped provide emergency assistance, cleaning services and food distribution to some of the worst-hit neighbourhoods and most vulnerable people. The SCN contributed to preparing and delivering 7,000 hot meals and food baskets and helped restore 24 destroyed homes.

- **Shared Endeavour Fund:** The London 'Shared Endeavour Fund' was officially launched at Google HQ in January 2020 with the Mayor of London, Sadiq Khan. The Mayor announced the creation of a new £800,000 fund to empower communities to tackle violent extremism, including £400,000 of match-funding provided by Google.org. ISD was a partner in the facilitation of the Shared Endeavour Fund, helping select more than 30 grassroots organisations to build resilience within their communities in all of London's 32 boroughs.

In addition, ISD served as an independent evaluator of the Shared Endeavour Fund initiative and the projects it funded. Outputs included an in-depth evaluation report that addressed both the Fund as a whole and individual projects, as well as briefings designed for different stakeholders including civil society, policymakers and the general public.

**INSTITUTE FOR STRATEGIC DIALOGUE**  
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**FOR THE YEAR ENDED 31 DECEMBER 2020**

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- **YouthCAN:** ISD's Youth Civil Activism Network (YouthCAN), our sector-leading youth empowerment programme, continued in 2020 to work directly with young grassroots activists, increasing their capacity to act as positive actors for peace. For its seventh phase of delivery funded by the Norwegian Ministry of Children and Family (MCF), YouthCAN had planned to continue work in Pakistan by delivering a Youth Innovation Lab in Lahore with a group of young P/CVE activists. Instead, the team adapted its proven training methodology for online delivery, transforming a three-day in-person workshop into a six-week webinar course focused on online campaigning against COVID-19 disinformation, complete with lectures, discussions, activities and weekly assignments.

Through this new format, four teams of young Pakistani activists learned a comprehensive process for developing and delivering strategic social media campaigns, while creating detailed project plans for campaigns of their own. Overcoming challenges with internet connectivity, time zones, scheduling and an entirely new approach to training, the project had a 100% completion rate with impressive gains in knowledge and skills across all four teams. Ultimately, all the teams were successful in developing viable campaign plans and all received seed funding to develop their content.

- **Young Cities:** ISD's long-running SCN/YouthCAN project *Young Cities* continued to deliver on its large multi-year Phase III grant from the Norwegian Ministry of Foreign Affairs (MFA), delivering programming in Lebanon, Senegal, Kenya and North Macedonia. Given its international delivery focus across multiple geographies, Young Cities faced serious disruptions from COVID-19 due to global travel bans and domestic meeting restrictions. Despite these challenges, contingency plans developed by the team early in March in coordination with the Norwegian MFA allowed us to continue with project activities in all countries of operation with adapted delivery models.

In addition to local delivery, Young Cities moved forward with the implementation of two larger research projects. The first looked at the spread of hateful and extremist narratives in the context of COVID-19 in Kenya, Senegal and Lebanon, and the second project analysed ISIS's school curriculum, with a specific focus on content taught to children under the subject of ideology. The findings from this analysis will feed into the design of a counter-curriculum framework, to aid frontline practitioners and municipalities to better support children and youth who were exposed to indoctrination efforts in ISIS-held territory.

- **Education programming:** ISD's education and citizenship team mobilised rapidly at the beginning of the year to engage sector contacts to explore the importance of digital citizenship in the wake of the COVID-19 pandemic. The team designed a series of evidence-based education models which were then scaled and deployed to advocate for sectoral policy changes. These had the aim of undermining the impact of disinformation, propaganda, hateful and extremist ideologies on young people, and were disseminated through initiatives like YouthCAN, Young Cities and Be Internet Citizens.

Our flagship digital citizenship programme, Be Internet Citizens (BIC), funded by Google UK and delivered in partnership with YouTube, faced unprecedented challenges in delivery due to COVID-19 school closures. Despite this, the BIC team successfully finalised and published the brand new Be Internet Citizens curriculum resource, made freely available to practitioners. This included a fully designed, five-module Unit of Work for secondary school teachers, and a parallel Community Toolkit for youth workers and non-formal educators. The Unit of Work received accreditation by the PSHE Association, the UK's official body for Personal, Social, Health and Economic education, who promoted the programme to their network of 40,000+ educators across the UK. The new resources were publicised via Ofcom's Making Sense of Media newsletter, and circulated to over 250 media and digital literacy organisations nationally. In addition, we were also able to publish the [full Young Digital Leaders Curriculum](#) and [Digital Citizenship Education Programming Toolkit](#) in Bulgarian, Greek, Romanian and French as well as English.

**INSTITUTE FOR STRATEGIC DIALOGUE  
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TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)  
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In 2020, ISD was awarded a grant by the US State Department via their Embassy in Paris. This included both pandemic-related research and the delivery of education programming. The project, *De la pandémie à l'infodémie*, delivered a series of webinars for ISD's network of civil society organisations, academics, policy makers and educators across France, and created a cross-platform social media campaign to promote digital citizenship for online users.

- **Business Council for Democracy (BC4D):** 2020 saw the launch of ISD Germany's flagship education program and ISD's pilot adult education program, the Business Council for Democracy (BC4D). This is a joint initiative of ISD Germany, the non-profit Hertie Stiftung and the Robert Bosch Stiftung, and aims to create an innovative opportunity for adults to learn about digital civic culture in the 21st century. BC4D offers companies, employers, trade unions and business associations the training needed to empower employees with the knowledge and skills of digital civic culture. The program is deliberately situated at the workplace to reach an adult audience, which is an often forgotten demographic when it comes to digital education.

As a new alliance for the protection of democracy in the digital age, BC4D tests and develops courses that provide team members with the essential knowledge and skills to recognise digital harms. The aim is to strengthen personal responsibility and resilience against polarising and radicalising content, with employers utilising the considerable credibility they often have with their employees. Participants are provided with strategies to show courage online, so that the internet can continue to function as an important space for necessary debates and to ensure that diversity, tolerance and respect are maintained.

At the end of 2020, ISD Germany's executive director Huberta von Voss presented the BC4D initiative to the annual business conference of Germany's major weekly newspaper Die Zeit with 400 guests in attendance, many of them representing top companies. Of the significant amount of coverage for this work, notable top-tier media pieces include in [Der Spiegel](#) and [Die Zeit](#).

## **MEDIA AND COMMUNICATIONS**

ISD's media engagement increased in 2020 as our work continued to be relevant to a range of urgent and emerging issues. ISD's work exposing disinformation surrounding the US election proved particularly well received by the global media and ISD was cited 1,640 times in media worldwide. This included leading documentaries (the BBC's [In the Face of Terror](#) and [The TikTok Election](#)); exclusive jointly-produced features with [CNN](#), [Politico](#), [NBC News](#), [The Forward](#) and [The Observer](#); and podcasts by the [BBC](#), the [Center for Humane Technology](#) and the [Aspen Initiative](#). Other notable media reports included [Channel 4 News](#), [Glamour Magazine](#), [BBC Newsnight](#), the [New York Times](#), [NPR](#) and [Vice](#). CEO Sasha Havlicek [appeared](#) on a variety of prominent [webinars](#) and [podcasts](#), including a guest appearance on Damian Collins' Infotagion podcast to share insights into the 'infodemic'.

# INSTITUTE FOR STRATEGIC DIALOGUE (A COMPANY LIMITED BY GUARANTEE) TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

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## OPERATIONS

Despite the challenges presented by COVID-19, ISD's operations adapted rapidly to near complete digital delivery of programs and a hybrid working model for staff. This enabled ISD to continue its work internationally while increasing the team size, number of projects and global footprint. In addition to the 'business as usual' work of managing the organisation's finances, operations, HR, project management and security, key operational highlights of the year include:

- **Swift adaption to home working:** ISD's whole team moved to remote working in March 2020. As COVID-19 restrictions waxed and waned, we adapted to a flexible hybrid working model, with staff working globally from home and only going to the office when safe. To make this financially possible, we downsized the London office by finding subtenants to take over 60% of the space.
- **Swift adaption to digital project delivery:** The team worked tirelessly to implement contingency plans for delivery of project work, including developing virtual models of delivery to ensure we can continue to serve communities around the world with programmes. This was largely successful, as evidenced by the increased number of projects in delivery.
- **Opening and expansion of German office:** Despite the considerable challenges faced as a result of COVID-19, we nonetheless forged ahead with the launch of ISD Germany under the skillful leadership of Huberta von Voss. The team and portfolio of projects grew as did ISD Germany's visibility and reputation in Germany, Austria and Switzerland through a range of publications and high-level media appearances. Coverage in [Der Spiegel](#) and [Die Zeit](#) and a commendation by Ursula von der Leyen of [ISD's Business Council for Democracy](#) are testament to the ground breaking work that ISD Germany is leading.
- **Team growth and changes:** ISD went through an organisational restructure and strategic planning process in 2020 as part of efforts to pivot to a more sustainable delivery model. This saw the organisation switch to a regionally-driven delivery model, with new teams divided into broad global geographic groups (Europe and Five Eyes; and Africa, Middle East, Asia and the Western Balkans). The leadership team was restructured to drive this, and all programming shifted to categorisation aligned to a new strategic framework: Advice, Analysis, Action. The team grew by 36 staff and consultants in the year.
- **Organisational improvements:** As well as making quick decisions in order to shore up the organisation's finances, we completed an ambitious Organisational Improvement Plan intended to increase transparency, efficiency and staff wellbeing across the organisation. This included reviewing and updating all safeguarding and internal staff support provisions; overhauling the performance review process; and introducing organisational Guiding Principles and a competency framework.

| Guiding Principles | Competencies                                                                                                 |
|--------------------|--------------------------------------------------------------------------------------------------------------|
| Integrity          | <ul style="list-style-type: none"> <li>• Personal integrity</li> <li>• Focus on quality</li> </ul>           |
| Collaboration      | <ul style="list-style-type: none"> <li>• Respect for others</li> <li>• Commitment to the team</li> </ul>     |
| Agility            | <ul style="list-style-type: none"> <li>• Efficiency and effectiveness</li> <li>• Growth mindset</li> </ul>   |
| Courage            | <ul style="list-style-type: none"> <li>• Strategic thinking</li> <li>• Passion for driving change</li> </ul> |

## FUTURE PLANS

In 2021, ISD will continue to adapt its operations in response to the conditions created by COVID-19. This will include ongoing work to transition to a hybrid working model and digital delivery. In fundraising, we will use 2021 to start expansion into the United States, and will seek to increase the proportion of funding received from trusts, foundations and philanthropists. We will refresh our communications and marketing material to support this effort, and will invest in new personnel to drive forwards communications for the organisation. We will review and refresh the composition of the Board as part of a governance review in the second half of the year.

**INSTITUTE FOR STRATEGIC DIALOGUE  
(A COMPANY LIMITED BY GUARANTEE)  
TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**Financial review**

The results for the year show that there was net income of £460,380 (2019: net expenditure of £396,411). The total incoming resources for the year were £5,648,164 (2019: £4,614,728).

The charity has been able to achieve its objectives as reserves have been maintained to enable it to do so.

At 31st December 2020, the unrestricted reserves amounted to £393,670 and restricted reserves amounted to £1,377,356.

**Reserves Policy**

The Trustees closely monitor the level of free reserves available to ensure there is sufficient financial flexibility in place. It is the Trustees' policy to accumulate reserves for future activities. The free reserves (net of restricted funds) available as at 31st December 2020 were £393,670 (2019: £409,142) - providing in excess of 3 months' administration costs in the following financial year at projected expenditure levels.

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Charity has adequate resources to support the current level of expenditure and to continue in operational existence for the foreseeable future. The Trustees have, however, recognised that, due to the impact of COVID-19, there has been a significant impact on the activities of the charity. The Trustees are committed to supporting the charity and will continue to evaluate the situation on an ongoing basis and to develop plans for the charity to manage the financial impact going forward.

**Going Concern**

After making appropriate enquiries and despite the pandemic restrictions, the Trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

**Other financial policies**

ISD reviews all of its financial and accounting policies annually to ensure that they are still fit for purpose and applicable to an organisation of ISD's size. Recent review has led the financial team of ISD to make the following changes to its policies:

- **Contracts:** Taking into account Sayer Vincent guidance on the treatment of contract income, ISD now recognises surplus funds against contracts as unrestricted designated income.
- **Deferred income:** Income received for multi-year projects will be treated as deferred income when:  
(i) the amount exceeds £500k, (ii) the amount relates to work to be carried out beyond the next financial year or (iii) the amount is due to be returned to funder (e.g. in the case of underspend).

**INSTITUTE FOR STRATEGIC DIALOGUE  
(A COMPANY LIMITED BY GUARANTEE)  
TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**Statement of Trustees responsibilities**

The Trustees, who are also the directors of Institute for Strategic Dialogue for the purpose of company law, are responsible for preparing the Trustees Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the Trustees are required to:

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

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

**Disclosure of information to auditor**

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The Trustees report was approved by the Board of Trustees.

**Mr Michael Lewis**

Chair of Trustees

Dated: 27 September 2021

# **INSTITUTE FOR STRATEGIC DIALOGUE (A COMPANY LIMITED BY GUARANTEE) INDEPENDENT AUDITOR'S REPORT**

## **TO THE TRUSTEES OF INSTITUTE FOR STRATEGIC DIALOGUE**

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### **Opinion**

We have audited the financial statements of Institute for Strategic Dialogue (the 'company') for the year ended 31 December 2020 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the 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 FRS 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 December 2020 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 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 the 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 other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and 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.

**INSTITUTE FOR STRATEGIC DIALOGUE  
(A COMPANY LIMITED BY GUARANTEE)  
INDEPENDENT AUDITOR'S REPORT (CONTINUED)  
TO THE TRUSTEES OF INSTITUTE FOR STRATEGIC DIALOGUE**

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

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of Trustees**

As explained more fully in the statement of Trustees responsibilities, the Trustees, who are also the directors of the company for the purpose 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 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**

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our sector experience through discussion with management (as required by auditing standards).
- We had regard to laws and regulations in areas that directly affect the financial statements including financial reporting and taxation legislation. We considered that extent of compliance with those laws and regulations as part of our procedures on the related financial statement items.

**INSTITUTE FOR STRATEGIC DIALOGUE  
(A COMPANY LIMITED BY GUARANTEE)  
INDEPENDENT AUDITOR'S REPORT (CONTINUED)  
TO THE TRUSTEES OF INSTITUTE FOR STRATEGIC DIALOGUE**

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- Except for any known or possible non-compliance, and as required by auditing standards, our work in respect of these included enquiry of management about company's policies, procedures, and related controls regarding compliance with laws and regulations and if there are any known instances of noncompliance.
- We tested the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.
- We performed analytical procedures to identify any unusual or unexpected relationships.
- We examined supporting documents for all material balances, transactions and disclosures.
- We evaluated the selection and application of accounting policies related to subjective measurements and complex transactions.
- We reviewed the Board of trustees' minutes.

Owing to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements of the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

The potential effects of inherent limitations are particularly significant in the case of misstatement resulting from fraud because fraud may involve sophisticated and carefully organized schemes designed to conceal it, including deliberate failure to record transactions, collusion or intentional misrepresentations being made to us.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://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 charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

**Landau Morley LLP**

30 September 2021

**Chartered Accountants  
Statutory Auditor**

325-327 Oldfield Lane North  
Greenford  
Middlesex  
UB6 0FX

Landau Morley LLP is eligible for appointment as auditor of the company by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006.

**INSTITUTE FOR STRATEGIC DIALOGUE**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**INCLUDING INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

|                                                                             |       | Unrestricted<br>funds<br>2020<br>£ | Restricted<br>funds<br>2020<br>£ | Total<br>2020<br>£ | Unrestricted<br>funds<br>2019<br>£ | Restricted<br>funds<br>2019<br>£ | Total<br>2019<br>£ |
|-----------------------------------------------------------------------------|-------|------------------------------------|----------------------------------|--------------------|------------------------------------|----------------------------------|--------------------|
|                                                                             | Notes |                                    |                                  |                    |                                    |                                  |                    |
| <b><u>Income and endowments from:</u></b>                                   |       |                                    |                                  |                    |                                    |                                  |                    |
| Charitable activities                                                       | 3     | 256,757                            | 5,301,406                        | 5,558,163          | 105,249                            | 4,507,284                        | 4,612,533          |
| Investments                                                                 | 4     | -                                  | -                                | -                  | 79                                 | -                                | 79                 |
| Other income                                                                | 5     | 90,001                             | -                                | 90,001             | 2,116                              | -                                | 2,116              |
| <b>Total income</b>                                                         |       | <b>346,758</b>                     | <b>5,301,406</b>                 | <b>5,648,164</b>   | <b>107,444</b>                     | <b>4,507,284</b>                 | <b>4,614,728</b>   |
| <b><u>Expenditure on:</u></b>                                               |       |                                    |                                  |                    |                                    |                                  |                    |
| Charitable activities                                                       | 6     | 385,849                            | 4,801,935                        | 5,187,784          | 462,167                            | 4,548,972                        | 5,011,139          |
| <b>Net (outgoing)/<br/>incoming resources<br/>before transfers</b>          |       | <b>(39,091)</b>                    | <b>499,471</b>                   | <b>460,380</b>     | <b>(354,723)</b>                   | <b>(41,688)</b>                  | <b>(396,411)</b>   |
| Gross transfers<br>between funds                                            |       | 23,619                             | (23,619)                         | -                  | 23,349                             | (23,349)                         | -                  |
| <b>Net (expenditure)/income<br/>for the year/<br/>Net movement in funds</b> |       | <b>(15,472)</b>                    | <b>475,852</b>                   | <b>460,380</b>     | <b>(331,374)</b>                   | <b>(65,037)</b>                  | <b>(396,411)</b>   |
| Fund balances at 1<br>January 2020                                          |       | 409,142                            | 901,504                          | 1,310,646          | 740,516                            | 966,541                          | 1,707,057          |
| <b>Fund balances at 31<br/>December 2020</b>                                |       | <b>393,670</b>                     | <b>1,377,356</b>                 | <b>1,771,026</b>   | <b>409,142</b>                     | <b>901,504</b>                   | <b>1,310,646</b>   |

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.

**INSTITUTE FOR STRATEGIC DIALOGUE  
(A COMPANY LIMITED BY GUARANTEE)  
BALANCE SHEET**

**AS AT 31 DECEMBER 2020**

|                                                       | Notes | 2020<br>£        | £                       | 2019<br>£        | £                       |
|-------------------------------------------------------|-------|------------------|-------------------------|------------------|-------------------------|
| <b>Fixed assets</b>                                   |       |                  |                         |                  |                         |
| Tangible assets                                       | 12    |                  | 89,579                  |                  | 140,696                 |
| Investments                                           | 13    |                  | -                       |                  | 21,826                  |
|                                                       |       |                  | <u>89,579</u>           |                  | <u>162,522</u>          |
| <b>Current assets</b>                                 |       |                  |                         |                  |                         |
| Debtors                                               | 14    | 836,825          |                         | 651,976          |                         |
| Cash at bank and in hand                              |       | <u>1,332,118</u> |                         | <u>888,426</u>   |                         |
|                                                       |       | 2,168,943        |                         | 1,540,402        |                         |
| <b>Creditors: amounts falling due within one year</b> | 15    | <u>(487,496)</u> |                         | <u>(392,278)</u> |                         |
| Net current assets                                    |       |                  | <u>1,681,447</u>        |                  | <u>1,148,124</u>        |
| <b>Total assets less current liabilities</b>          |       |                  | <u><u>1,771,026</u></u> |                  | <u><u>1,310,646</u></u> |
| <b>Income funds</b>                                   |       |                  |                         |                  |                         |
| Restricted funds                                      | 16    | 1,377,356        |                         | 901,504          |                         |
| Unrestricted funds                                    |       | <u>393,670</u>   |                         | <u>409,142</u>   |                         |
|                                                       |       | <u>1,771,026</u> |                         | <u>1,310,646</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, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, 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 27 September 2021

Mr Michael Lewis  
**Trustee**

**Company Registration No. 06581421**

**INSTITUTE FOR STRATEGIC DIALOGUE**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

|                                                             | Notes | 2020<br>£ | £         | 2019<br>£ | £         |
|-------------------------------------------------------------|-------|-----------|-----------|-----------|-----------|
| <b>Cash flows from operating activities</b>                 |       |           |           |           |           |
| Cash generated from/(absorbed by) operations                | 20    |           | 453,253   |           | (71,649)  |
| <b>Investing activities</b>                                 |       |           |           |           |           |
| Purchase of tangible fixed assets                           |       | (10,069)  |           | (140,088) |           |
| Proceeds on disposal of tangible fixed assets               |       | (21,318)  |           | -         |           |
| Purchase of investments                                     |       | -         |           | (21,826)  |           |
| Proceeds on disposal of investments                         |       | 21,826    |           | -         |           |
| Investment income received                                  |       | -         |           | 79        |           |
| <b>Net cash used in investing activities</b>                |       |           | (9,561)   |           | (161,835) |
| <b>Net cash used in financing activities</b>                |       |           | -         |           | -         |
| <b>Net increase/(decrease) in cash and cash equivalents</b> |       |           | 443,692   |           | (233,484) |
| Cash and cash equivalents at beginning of year              |       |           | 888,426   |           | 1,121,910 |
| <b>Cash and cash equivalents at end of year</b>             |       |           | 1,332,118 |           | 888,426   |

**INSTITUTE FOR STRATEGIC DIALOGUE  
(A COMPANY LIMITED BY GUARANTEE)  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**1 Accounting policies**

**Charity information**

Institute for Strategic Dialogue is a private company limited by guarantee incorporated in England and Wales. The registered office is PO Box 75769, London, SW1P 9ER. The members of the company are the Trustees named on legal and administrative page. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

**1.1 Accounting convention**

The financial statements have been prepared in accordance with the charity's governing document, 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)" (as amended for accounting periods commencing from 1 January 2016). The company is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared under the historical cost convention, modified to include certain financial instruments at fair value. The principal accounting policies adopted are set out below.

**1.2 Going concern**

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Charity has adequate resources to support the current level of expenditure and to continue in operational existence for the foreseeable future.

The Trustees have, however, recognised that, due to the impact of COVID-19, there has been a significant impact on the activities of the charity.

The Trustees are committed to supporting the charity and will continue to evaluate the situation on an ongoing basis and to develop plans for the charity to manage the financial impact going forward.

**1.3 Charitable funds**

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

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the company.

**1.4 Income**

Income is recognised when the company 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 the company 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.

Legacies are recognised on receipt or otherwise if the company has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

**INSTITUTE FOR STRATEGIC DIALOGUE**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

---

**1 Accounting policies**

**(Continued)**

**1.5 Expenditure**

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. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

All expenditure is inclusive of irrecoverable VAT.

**1.6 Tangible fixed assets**

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

|                               |                             |
|-------------------------------|-----------------------------|
| Leasehold land and buildings  | 20% straight line method    |
| Fixtures and fittings         | 25% reducing balance method |
| Computer and office equipment | 33.33% straight line method |

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

**1.7 Fixed asset investments**

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

**1.8 Impairment of fixed assets**

At each reporting end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

**1.9 Cash and cash equivalents**

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

**INSTITUTE FOR STRATEGIC DIALOGUE  
(A COMPANY LIMITED BY GUARANTEE)  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**1 Accounting policies**

**(Continued)**

**1.10 Financial instruments**

The company 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 the company's balance sheet when the company 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 initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

***Basic financial liabilities***

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

***Derecognition of financial liabilities***

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

**1.11 Employee benefits**

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

**2 Critical accounting estimates and judgements**

In the application of the company's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

**INSTITUTE FOR STRATEGIC DIALOGUE**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**3 Charitable activities**

|                    | <b>2020</b>      | <b>2019</b>      |
|--------------------|------------------|------------------|
|                    | <b>£</b>         | <b>£</b>         |
| Programmes         | 5,301,406        | 4,507,284        |
| Core               | 256,757          | 105,249          |
|                    | <u>5,558,163</u> | <u>4,612,533</u> |
| Analysis by fund   |                  |                  |
| Unrestricted funds | 256,757          | 105,249          |
| Restricted funds   | 5,301,406        | 4,507,284        |
|                    | <u>5,558,163</u> | <u>4,612,533</u> |

**4 Investments**

|                     | <b>Total</b> | <b>Unrestricted funds</b> |
|---------------------|--------------|---------------------------|
|                     | <b>2020</b>  | <b>2019</b>               |
|                     | <b>£</b>     | <b>£</b>                  |
| Interest receivable | -            | 79                        |
|                     | <u>-</u>     | <u>79</u>                 |

**5 Other income**

|                               | <b>Unrestricted funds</b> | <b>Unrestricted funds</b> |
|-------------------------------|---------------------------|---------------------------|
|                               | <b>2020</b>               | <b>2019</b>               |
|                               | <b>£</b>                  | <b>£</b>                  |
| Government grant/Other income | 90,001                    | 2,116                     |
|                               | <u>90,001</u>             | <u>2,116</u>              |

**INSTITUTE FOR STRATEGIC DIALOGUE**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**6 Charitable activities**

|                                          | <b>2020</b>      | <b>2019</b>      |
|------------------------------------------|------------------|------------------|
|                                          | <b>£</b>         | <b>£</b>         |
| Wages, salaries and consultants          | 2,128,507        | 1,918,065        |
| UK travel and hospitality                | 17,511           | 24,590           |
| Travel costs (staff)                     | 56,332           | 248,751          |
| Travel costs (participants)              | 15,265           | 84,272           |
| Occupancy costs and room rental          | 28,912           | 41,497           |
| Outside professional services            | 1,206,723        | 792,079          |
| Communications and technology            | 55,622           | 74,386           |
| Overhead recovery                        | 888,641          | 997,017          |
| Grants and awards to other organisations | 425,741          | 359,169          |
|                                          | <u>4,823,254</u> | <u>4,539,826</u> |
| Share of support costs (see note 8)      | 364,530          | 471,313          |
|                                          | <u>5,187,784</u> | <u>5,011,139</u> |
| <b>Analysis by fund</b>                  |                  |                  |
| Unrestricted funds                       | 385,849          | 462,167          |
| Restricted funds                         | 4,801,935        | 4,548,972        |
|                                          | <u>5,187,784</u> | <u>5,011,139</u> |

Direct Costs include the following:

Outside Professional Services: Includes technical and specialist consultants and suppliers such as filmmakers, content producers, educational resource specialists, trainers, researchers and translation services.

Communications and Technology: Includes telecommunications equipment, telephone calls, IT hardware, software, webhosting, social media and digital costs.

**INSTITUTE FOR STRATEGIC DIALOGUE**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**7 Grants and awards payable**

|                                               | <b>2020</b>    | <b>2019</b>    |
|-----------------------------------------------|----------------|----------------|
|                                               | <b>£</b>       | <b>£</b>       |
| Grants and awards were paid to the following: |                |                |
| ACT Proact                                    | 120,179        | -              |
| WANA Institute                                | 80,429         | 29,172         |
| Isiolo Peace Link                             | 58,006         | -              |
| Midrift                                       | 56,191         | -              |
| Human Rights Agenda                           | 48,962         | 3,560          |
| Tarek Menhem                                  | 25,920         | -              |
| The Challenge Network                         | -              | 20,000         |
| The Open University                           | -              | 19,799         |
| Hope Not Hate                                 | -              | 14,950         |
| Tees Valley Inclusion Project                 | -              | 10,112         |
| New Horizons for British Islam                | -              | 8,914          |
| Communities Inc                               | -              | 3,800          |
| JAN Trust                                     | -              | 32,685         |
| Faith Associates                              | -              | 7,080          |
| Praxis Community Projects                     | -              | 6,986          |
| Association for Real Change                   | -              | 6,475          |
| Asian Mums Network                            | -              | 6,227          |
| Vivacity Culture and Leisure                  | -              | 5,000          |
| ArtReach Trust                                | -              | 3,995          |
| Youth Cymru                                   | -              | 3,716          |
| British Future                                | -              | 3,700          |
| Mother & Child Welfare                        | -              | 3,000          |
| My Generation                                 | -              | 3,000          |
| Paddington Arts                               | -              | 2,680          |
| Limehouse Boxing Academy                      | -              | 9,865          |
| Global Centre                                 | -              | 75,102         |
| Action Synergy SA                             | -              | 38,759         |
| Faiths Forum London                           | -              | 35,000         |
| Youth Bila Noma                               | 7,711          | -              |
| Circles - Lebanon Support                     | 7,565          | -              |
| Kiunga Youth Bunge                            | 6,961          | -              |
| Collaboration of Women in Development         | 4,640          | -              |
| Resource Development Foundation               | 4,605          | -              |
| Pastoralist Women                             | 4,572          | -              |
| Other                                         | -              | 5,592          |
|                                               | <u>425,741</u> | <u>359,169</u> |

**INSTITUTE FOR STRATEGIC DIALOGUE**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**8 Support costs**

|                                  | <b>Support costs</b> | <b>2020</b>    | <b>2019</b>    |
|----------------------------------|----------------------|----------------|----------------|
|                                  | <b>£</b>             | <b>£</b>       | <b>£</b>       |
| Staff costs                      | 627,433              | 627,433        | 756,539        |
| Loss on disposal of fixed assets | 31,276               | 31,276         | 480            |
| UK travel and hospitality        | 2,428                | 2,428          | 11,990         |
| Travel costs (staff)             | 18,513               | 18,513         | 59,166         |
| Travel costs (participants)      | 241                  | 241            | 1,725          |
| Occupancy costs and room rental  | 252,490              | 252,490        | 343,134        |
| Outside professional services    | 152,658              | 152,658        | 124,998        |
| Office costs and communications  | 63,501               | 63,501         | 80,927         |
| Overhead recovery                | (888,641)            | (888,641)      | (997,017)      |
| Exchange loss/(gain)             | 53,404               | 53,404         | 37,717         |
| Depreciation                     | 51,227               | 51,227         | 51,654         |
|                                  | <u>364,530</u>       | <u>364,530</u> | <u>471,313</u> |
| Analysed between                 |                      |                |                |
| Charitable activities            | <u>364,530</u>       | <u>364,530</u> | <u>471,313</u> |

In respect of the year ended 31 December 2020, of the total Exchange loss/(gain) of £53,404, £51,113 is attributable to unrestricted funds and £2,291 is attributable to restricted funds.

Outside professional services costs include £19,750 (2019: £19,918) in respect of auditor's remuneration.

**9 Auditor's remuneration**

The analysis of auditor's remuneration is as follows:

|                              | <b>2020</b>   | <b>2019</b>   |
|------------------------------|---------------|---------------|
|                              | <b>£</b>      | <b>£</b>      |
| Audit of the annual accounts | 12,000        | 11,500        |
| All other non-audit services | 7,750         | 8,418         |
| <b>Total fees</b>            | <u>19,750</u> | <u>19,918</u> |

**10 Trustees**

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the company during the year.

**INSTITUTE FOR STRATEGIC DIALOGUE**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**11 Employees**

**Number of employees**

The average monthly number of employees during the year was:

| <b>2020</b>   | <b>2019</b>   |
|---------------|---------------|
| <b>Number</b> | <b>Number</b> |
| 49            | 50            |

**Employment costs**

|                       | <b>2020</b>      | <b>2019</b>      |
|-----------------------|------------------|------------------|
|                       | <b>£</b>         | <b>£</b>         |
| Wages and salaries    | 2,446,869        | 2,418,630        |
| Social security costs | 218,301          | 186,660          |
| Other pension costs   | 90,770           | 69,314           |
|                       | <b>2,755,940</b> | <b>2,674,604</b> |

Responsibility for day-to-day management matters and the implementation of policy is delegated to the Chief Executive Officer. Remuneration paid to the key management personnel of the charity in 2020 was £137,224 (2019: £133,396).

Of the employees whose emoluments exceed £60,000, 4 have retirement benefits accruing under defined benefit pension schemes, totalling £18,700 (2019: £18,031).

The number of employees whose annual remuneration was £60,000 or more were:

|                                 | <b>2020</b>   | <b>2019</b>   |
|---------------------------------|---------------|---------------|
|                                 | <b>Number</b> | <b>Number</b> |
| In the band £60,001 - £70,000   | 1             | -             |
| In the band £70,001 - £80,000   | 1             | 3             |
| In the band £120,001 - £130,000 | -             | 1             |
| In the band £130,001 - £140,000 | 1             | -             |

**INSTITUTE FOR STRATEGIC DIALOGUE**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**12 Tangible fixed assets**

|                                    | Leasehold<br>land and<br>buildings<br>£ | Fixtures and<br>fittings<br>£ | Computer and<br>office<br>equipment<br>£ | Total<br>£ |
|------------------------------------|-----------------------------------------|-------------------------------|------------------------------------------|------------|
| <b>Cost</b>                        |                                         |                               |                                          |            |
| At 1 January 2020                  | 39,226                                  | 33,044                        | 145,176                                  | 217,446    |
| Additions                          | -                                       | -                             | 10,069                                   | 10,069     |
| Disposals                          | -                                       | (7,565)                       | (27,440)                                 | (35,005)   |
| At 31 December 2020                | 39,226                                  | 25,479                        | 127,805                                  | 192,510    |
| <b>Depreciation and impairment</b> |                                         |                               |                                          |            |
| At 1 January 2020                  | 5,911                                   | 12,554                        | 58,285                                   | 76,750     |
| Depreciation charged in the year   | 7,867                                   | 4,646                         | 38,715                                   | 51,228     |
| Eliminated in respect of disposals | -                                       | (3,472)                       | (21,575)                                 | (25,047)   |
| At 31 December 2020                | 13,778                                  | 13,728                        | 75,425                                   | 102,931    |
| <b>Carrying amount</b>             |                                         |                               |                                          |            |
| At 31 December 2020                | 25,448                                  | 11,751                        | 52,380                                   | 89,579     |
| At 31 December 2019                | 33,314                                  | 20,490                        | 86,892                                   | 140,696    |

**13 Fixed asset investments**

|                          | Other<br>investments<br>£ |
|--------------------------|---------------------------|
| <b>Cost or valuation</b> |                           |
| At 1 January 2020        | 21,826                    |
| Disposals                | (21,826)                  |
| At 31 December 2020      | -                         |
| <b>Carrying amount</b>   |                           |
| At 31 December 2020      | -                         |
| At 31 December 2019      | 21,826                    |

The fixed asset investment comprised the entire issued share capital of 25,000 ordinary shares of 1.00 euro each of the Institute for Strategic Dialogue gGmbH, a company incorporated in Germany. The shares were disposed of during the year. The subsidiary company was incorporated in 2019 and was dormant as at 31 December 2019.

**INSTITUTE FOR STRATEGIC DIALOGUE**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**14 Debtors**

|                                             | <b>2020</b>    | <b>2019</b>    |
|---------------------------------------------|----------------|----------------|
|                                             | <b>£</b>       | <b>£</b>       |
| <b>Amounts falling due within one year:</b> |                |                |
| Trade debtors                               | 560,910        | 424,075        |
| Other debtors                               | 101,047        | 61,419         |
| Prepayments and accrued income              | 174,868        | 166,482        |
|                                             | <u>836,825</u> | <u>651,976</u> |

**15 Creditors: amounts falling due within one year**

|                                    | <b>2020</b>    | <b>2019</b>    |
|------------------------------------|----------------|----------------|
|                                    | <b>£</b>       | <b>£</b>       |
| Other taxation and social security | 104,826        | 56,436         |
| Trade creditors                    | 123,549        | 131,049        |
| Other creditors                    | 36,764         | -              |
| Accruals and deferred income       | 222,357        | 204,793        |
|                                    | <u>487,496</u> | <u>392,278</u> |

**INSTITUTE FOR STRATEGIC DIALOGUE  
(A COMPANY LIMITED BY GUARANTEE)  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2020**

**16 Restricted funds**

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

|                  | Balance at<br>1 January 2019 | Movement in funds     |                       |           | Balance at<br>1 January 2020 | Movement in funds     |                       |           | Balance at<br>31 December<br>2020 |
|------------------|------------------------------|-----------------------|-----------------------|-----------|------------------------------|-----------------------|-----------------------|-----------|-----------------------------------|
|                  | £                            | Incoming<br>resources | Resources<br>expended | Transfers | £                            | Incoming<br>resources | Resources<br>expended | Transfers | £                                 |
| Restricted Funds | 966,541                      | 4,507,284             | (4,548,972)           | (23,349)  | 901,504                      | 5,301,406             | (4,801,935)           | (23,619)  | 1,377,356                         |

The restricted funds, totalling £23,619, are no longer of direct relevance to the activities of Institute for Strategic Dialogue and the conditions applicable to the maintenance of the restricted funds have ceased to apply. These funds have, therefore, been transferred to unrestricted funds.

**INSTITUTE FOR STRATEGIC DIALOGUE**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**17 Analysis of net assets between funds**

|                                                       | Unrestricted<br>funds<br>2020<br>£ | Restricted<br>funds<br>2020<br>£ | Total<br>2020<br>£ | Unrestricted<br>funds<br>2019<br>£ | Restricted<br>funds<br>2019<br>£ | Total<br>2019<br>£ |
|-------------------------------------------------------|------------------------------------|----------------------------------|--------------------|------------------------------------|----------------------------------|--------------------|
| Fund balances at 31 December 2020 are represented by: |                                    |                                  |                    |                                    |                                  |                    |
| Tangible assets                                       | 89,579                             | -                                | 89,579             | 140,696                            | -                                | 140,696            |
| Investments                                           | -                                  | -                                | -                  | 21,826                             | -                                | 21,826             |
| Current assets/<br>(liabilities)                      | 304,091                            | 1,377,356                        | 1,681,447          | 246,620                            | 901,504                          | 1,148,124          |
|                                                       | <u>393,670</u>                     | <u>1,377,356</u>                 | <u>1,771,026</u>   | <u>409,142</u>                     | <u>901,504</u>                   | <u>1,310,646</u>   |

**18 Operating lease commitments**

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

|                            | 2020<br>£      | 2019<br>£        |
|----------------------------|----------------|------------------|
| Within one year            | 237,823        | 237,823          |
| Between two and five years | 540,152        | 777,975          |
|                            | <u>777,975</u> | <u>1,015,798</u> |

**19 Related party transactions**

Donations of £71,980 (2019: £65,715) were received during the year from the Trustees and from entities connected with the Trustees.

**20 Cash generated from operations**

|                                                                   | 2020<br>£      | 2019<br>£       |
|-------------------------------------------------------------------|----------------|-----------------|
| Surplus/(deficit) for the year                                    | 460,380        | (396,411)       |
| Adjustments for:                                                  |                |                 |
| Investment income recognised in statement of financial activities | -              | (79)            |
| Loss on disposal of tangible fixed assets                         | 31,276         | 480             |
| Depreciation and impairment of tangible fixed assets              | 51,228         | 51,654          |
| Movements in working capital:                                     |                |                 |
| (Increase)/decrease in debtors                                    | (184,849)      | 174,717         |
| Increase in creditors                                             | 95,218         | 97,990          |
| <b>Cash generated from/(absorbed by) operations</b>               | <u>453,253</u> | <u>(71,649)</u> |

**INSTITUTE FOR STRATEGIC DIALOGUE**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
***FOR THE YEAR ENDED 31 DECEMBER 2020***

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**21 Analysis of changes in net funds**

The company had no debt during the year.