

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

Trustees

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

Charity number

1141069

Company number

06581421

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Auditor

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

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)

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.

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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](#)

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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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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.

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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](#).

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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 6th 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.

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Mr Michael Lewis

Chair of Trustees

Dated: 28 September 2022

**INSTITUTE FOR STRATEGIC
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STATEMENT OF TRUSTEES RESPONSIBILITIES
FOR THE YEAR ENDED 31 DECEMBER 2021**

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

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

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- 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.

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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)**

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)

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 ed fund s 202 1	Restrict ed fund s 202 1	Total Unrestricted funds 2021 2020	Restrict ed fund s 202 0	Tota l 202 0	
Notes		£	£	£	£	£	
Income and endowments from:							
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
Total income		699,797	6,129,303	6,829,100	346,758	5,301,406	5,648,164
Expenditure on:							
Charitable activities	5	841,646	6,088,414	6,930,060	385,849	4,801,935	5,187,784
Net (outgoing)/incoming resources before transfers		(141,849)	40,889	(100,960)	(39,091)	499,471	460,380
Gross transfers between funds		(16,779)	16,779	-	23,619	(23,619)	-
Net (expenditure)/income for the year/ Net movement in funds		(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
Fund balances at 31 December 2021		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

	Note s	202 1 £	£	202 0 £	£
Fixed assets					
Tangible assets	11		67,798		89,579
Current assets					
Debtors	12	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>	
Creditors: amounts falling due within one year	13	(574,232)		(487,496)	
Net current assets			1,602,268		1,681,447
Total assets less current liabilities			<u>1,670,066</u>		<u>1,771,026</u>
Income funds					
Restricted funds	14		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 £	£	2020 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	18		(433,779)		453,253
Investing activities					
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	
Net cash used in investing activities			(34,226)		(9,561)
Net cash used in financing activities			-		-
Net (decrease)/increase in cash and cash equivalents			(468,005)		443,692
Cash and cash equivalents at beginning of year			1,332,118		888,426
Cash and cash equivalents at end of year			864,113		1,332,118

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

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)

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
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NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)**

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)**

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

	2021	2020
	£	£
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

	Total	Unrestricted funds
	2021	2020
	£	£
Government grant/Other income	-	90,001

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

5 Charitable activities

	2021	2020
	£	£
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>
Analysis by fund		
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

	2021	2020
	£	£
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
GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)**

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

	Support costs £	2021 £	2020 £
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 £	2020 £
Audit of the annual accounts	12,750	12,000
All other non-audit services	8,250	7,750
Total fees	<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 Number	2020 Number
48	49
<u> </u>	<u> </u>

Employment costs

	2021 £	2020 £
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 Number	2020 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 and buildings	Fixtures and fittings	Computer and office equipment	Total
	£	£	£	£
Cost				
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
Depreciation and impairment				
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
Carrying amount				
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 £	2020 £
Amounts falling due within one year:		
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 £	2020 £
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
DIALOGUE (A COMPANY LIMITED BY
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**

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:

	Movement in funds				Movement in funds				
	Balance at 1 January 2020	Incoming resources	Resources expended	Transfers	Balance at 1 January 2021	Incoming resources	Resources expended	Transfers	Balance at 31 December 2021
	£	£	£	£	£	£	£	£	£
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 £	2020 £
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 £	2020 £
(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
Cash (absorbed by)/generated from operations	<u>(433,779)</u>	<u>453,253</u>

19 Analysis of changes in net funds

The company had no debt during the year.

