Annual Report

31 March 2018 – 30 March 2019

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Chairman's Report

Peaceful Change initiative, operating in its seventh year, continued to deliver on programmes aligned to its core aims, below, as well as rolling out company infrastructure to sustain a successful organisation for PCi's stakeholders. Our core aims remain:

- **Local** - To save lives by building what is called 'Social Peace': reduction of violence within local communities even during wider conflict;

- **National** - To help mend fractured societies by creating and training country-wide networks of Social Peace practitioners;

- **International** - To assist international governments and organisations with analysis of how their work may help to resolve (or inadvertently to fuel) a specific conflict.

Our work in the year is detailed in our Trustees' Report, below, alongside our financial statements. Key charitable programme events in the year were:

i) Continued delivery for our Libya programmes across a number of governmental and institutional donors;

ii) Completion of our programmatic work in Syria and the winding down of operations to support this work;

iii) Development of proposals and operations for the Black Sea region including Ukraine and Armenia.

A decision was taken by the Board in 2018 to wind down all programmes for the Syria region and halt taking on new work. This was due to PCi's judgement that prevailing operating conditions inside Syria are not conducive to meaningfully deepening the organisation's work. Also, despite some governmental and institutional interest in our proposals for Ukraine, we were unable to secure new programme work for this country. We remain in communication with donors regarding the delivery of work for 2020 onwards. However, the Board decided to open up programming in Armenia, and PCi successfully fundraised for a new project there.

On the organisation front we continued to refresh and refine our strategy and business planning and improve governance of risk management, and prepared for new financial accounting and reporting systems from April 2020. Our reserves policy for the year was executed as net-neutral in that we neither added to nor deducted from our cumulated reserves; however, we achieved our goal of £250k reserves, which broadly represents 6 months' operations. A new reserves policy will be set at the AGM in 2019.

Two objectives we did not progress in the year due to time constraints were adding to our Trustee base for our board and fundraising for non-restricted income. The Board remains committed to increasing our base of Trustees and advisors with industry or academic experts in our field of work and increasing our scope of services through non-restricted fundraising.

Michael Holland
Chair of the Board of Trustees

Annual Report

The Trustees present their annual report together with the audited financial statement of Peaceful Change initiative (hereafter "PCi" or "the Charity") for the period 31 March 2018 to 30 March 2019. The Trustees confirm that the Annual Report and financial statements of the Charity comply with the current statutory requirements, the requirements of the Charity'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 2015) as amended by Update Bulletin 1 (effective 1 January 2015).

Objectives and activities

Charitable objectives

Our goal is to promote conflict resolution and reconciliation at national and international levels.

Our objectives are relieving suffering, poverty and distress, and building and maintaining social cohesion, resilience, and trust within and between communities.

These objectives are achieved through the following **activities**:

1. Investigating and identifying causes of conflict;
2. Examining potential solutions to the conflict – or approaches to constructively engage with causes of conflict – through participatory research and analysis;
3. Building the capacity of communities to play active and constructive roles in managing conflict resolution and decision-making processes, with a particular focus on socially and economically disadvantaged groups within communities;
4. Mediating and facilitating dialogue between different parties to the conflict and affected communities, enabling the discussion of possible solutions and building relationships of trust;
5. Recommending to the international community, and the parties involved, measures that can support the resolution of conflicts or contribute to preventing future conflicts;
6. Promoting respect for human rights among individuals and groups, and raising awareness of human rights issues;
7. Publishing reports on the causes of, and recommended solutions to, particular conflicts, and making these freely available for public consumption.

All activities aim to maintain the Charity's commitment to impartiality.

Our work

We provide training and mentoring to local peacebuilding practitioners and community leaders, and support their work through a network of international staff and consultants.

We support 'transformational leaders' who are able to mobilise, influence, and inspire their communities to manage conflicts through peaceful means.

We broaden our impact by developing and sharing practical tools and methodologies for peacebuilding, and making these freely available to local and international practitioners.

Our work benefits from our staff's expertise in a range of disciplines including mediation, reconciliation, community-based approaches to security and safety, conflict sensitivity, change management, and psychology.

Using these methods, our work:

- **Prevents the proliferation of violent conflict** by helping communities establish their own conflict resolution mechanisms, which enable the inclusion of different stakeholder groups, and which foster dialogue and collaboration between them;
- **Builds community resilience during violent conflict** by supporting negotiations and mediations that save the lives of civilians, enable humanitarian access, and resolve ongoing disputes;
- **Rebuilds relationships after violent conflict** by convening cross-divide dialogues, and supporting communities and their leaders to develop peace plans and implement peace initiatives.

Why we make a difference

- We only work where we genuinely believe we can have a significant impact;
- Our flexible network structure allows us to work where others have withdrawn;
- While 'peacebuilding' is usually carried out post-conflict, we work at all stages of violence: before, during and after violent conflict;
- We scale up our impact by working with and through others, sharing learning, making tools and methodologies freely available to other practitioners, and advising policy makers.

Key objectives and performance indicators we use to measure success

In our 2015-2018 Business Plan, we adopted the following objectives:

- Consolidate our programme of work in the Middle East and North Africa, through:
    - Improvements in the experience of human security, community safety, and resilience to conflict for our beneficiaries in Syria and Libya
    - Expansion of existing programmes to reflect the regional nature of conflicts;
- Establish a fully-funded Black Sea programme, with a focus on Ukraine and the South Caucasus region;
- Investigate the possibility of setting up a programme in one other country, to be determined;
- Develop a fully-funded Learning team with a clear programme of work and a linked network of experts;
- Establish a diverse board of directors with a mix of (1) thematic peacebuilding expertise, (2) management experience, (3) financial management experience, (4) financial/fundraising connections, and (5) business development experience;
- Increase organisational performance through establishing more professional systems for:
    - Financial management capacity
    - Security and risk management
    - Human resource management capacity
    - Project management capacity (including monitoring and evaluation);
- Develop a sustainable funding base, with appropriate levels of organisational support and resources.

At the expiration of the business plan, PCi has successfully bolstered its work in Libya into a multifaceted programme covering more than 40 locations across the country. PCi has also successfully expanded its work into the Black Sea and South Caucasus regions. However, PCi took the decision to close its inside-Syria work. Other achievements against the business plan include the establishment of:

- A College of Advisers within PCi to facilitate cross-organisational learning and methodology development;
- Chief Operating Officer and Finance and Operations Manager roles to support financial management;

- A Board Risk Management Committee and Risk Register to support security and risk management;
- A relationship with an external service provider to provide additional human resources management capacity;
- A cadre of project coordinators within PCi's country programmes to support programme management, monitoring and evaluation.

During the lifespan of the business plan, PCi built relationships with a number of new government donors, but did not make significant progress in building relationships with private donors. PCi also did not make progress in diversifying its Board of Trustees.

In the reporting period PCi initiated the process of developing a new strategic plan.

Key events in the year

In the reporting period:

- From April onwards, PCi reinforced its project management capacities by establishing a new cadre of project coordinators to support project planning, reporting, monitoring and evaluation. This is in line with PCi's business plan;

- In August, PCi began a series of internal and external consultations to develop a new strategic plan. This work was supported by an in-kind donation of strategic planning expertise from the Cranfield Trust;

- In December, PCi successfully completed the tendering process to become a supplier on the UK Government's Conflict Stability and Security Fund (CSSF) Framework Agreement. This is a significant development for PCi, as it enables the organisation to bid for larger contracts with the UK Government;

- In December, PCi made the decision, despite onward funding, to stop direct project implementation in Syria (from December 2018 onwards). In future PCi will focus on deploying its considerable Syria expertise to provide conflict sensitivity advice to international organisations, and making its peacebuilding training curriculum available to Syrian peacebuilders;

- In February, PCi won the contract to write the UN Official Guidance Note on Conflict Sensitivity for Sustaining Peace. This project helps develop PCi's reputation for expertise in conflict analysis and conflict sensitivity;

- In March, PCi received confirmation that the UK Foreign and Commonwealth Office would support the start-up of a new PCi programme in Armenia. This programme is scheduled to start in FY2020 and will focus on involving young people in peacebuilding.

- In May 2019, PCi was informed by its donor in Ukraine that funding would not be continued. PCi considers this a significant event that is material to the reporting period.

Libya: Peacebuilding training for members of the Tiji Social Peace Partnership, December 2018

Achievements and performance

With programmes in the Middle East (Syria), North Africa (Libya) and the Black Sea Region (Ukraine), our work focuses on:

- Strengthening the skills of local and national leaders who are able to build relationships across conflict divides;
- Supporting local leaders and civil society activists in practical actions to reduce violence and improve the sense of security of communities;
- Fostering working partnerships between communities and local authorities, as well as between different local and national groups across conflict divides, to build confidence in a shared future;
- Supporting civil society organisations to connect, share experiences, and be part of decision making;
- Enabling providers of humanitarian, development and political assistance to undertake their work in a conflict sensitive manner, minimising the chance that their work could inadvertently exacerbate tensions and maximising the contribution of their work to sustainable peace;
- Developing and sharing practical tools and methodologies for peacebuilding;
- Advising international agencies, NGOs, governments, and companies on how to achieve greater impact.

Established **14** Social Peace Partnerships that continue to function and develop with **500+** Partnership members active in Social Peace and Local Development (SPLD)

15 Social Peace Partnerships 'self-generated' either through a request from a Municipality or an independent initiative

Established **11** Social Peace Partnerships through a small grant scheme and/or through the UNDP 'Stabilization Facility for Libya' (known as 'SFL')

Trained/mentored **22** individuals, building a cadre of 'Trainer Mentors' who act as a resource for peace and who provide constant and tailored support to the Partnerships, as well as disseminating SPLD methodology

Created a network of **44** peacebuilding practitioners who carry out peace actions involving **26** communities across the country

112 representatives from **57** international missions/organisations attended **5** Conflict Sensitive Assistance (CSA) Forums

27 persons trained as dialogue facilitators, forming the foundations of **9** Dialogue Initiative Groups in Donetsk and Kherson regions that held **31** facilitated dialogues

UKRAINE

SYRIA

LIBYA

Supported Syrian civil society by strengthening the peacebuilding skills of **48** young leaders from across **6** provinces in Syria

Built the capacity of a cadre of **14** experienced activists to facilitate community conversations about good governance issues

LIBYA

The context

Since the Revolution in 2011, Libya has gone through a series of political and military crises. This has led to significant, ongoing violence across the country and resulted in the creation of three different governments, each of which is competing for – but has so far failed to achieve – nation-wide legitimacy.

How ordinary citizens experience conflict

VIOLENCE BETWEEN RIVAL ARMED GROUPS: Killings, kidnappings, damage to public buildings and homes, displacement, psychological trauma, limitations to freedom of movement.	**TENSIONS AND VIOLENCE BETWEEN DIFFERENT TRIBES AND ETHNIC GROUPS:** Violence, hate speech, and divisive narratives undermine social cohesion and affect ordinary citizens' safety and security.	**LACK OF BASIC SERVICES:** Local authorities and service providers are under pressure but have limited capacity to provide electricity, security, jobs, housing, education, and healthcare.	**LACK OF FUNCTIONING POLICE AND COURT SYSTEM:** Communities rely on prominent local people (e.g. peacebuilders, tribal leaders, elders, etc.) to help mediate disputes and conflicts.	**DIVISIONS AND LIMITED FREEDOM OF MOVEMENT WITHIN THE COUNTRY:** Local peacebuilders and civil society from different communities have few opportunities to meet and coordinate action.

Working at the Local Level

There are few opportunities for groups that have been in conflict to come together to dialogue and build trust in local communities.

Actions

Over the reporting period, PCi continued to support the 14 Social Peace Partnerships in west, south and east Libya through:

- Strengthened operations and the development of mentoring plans with areas identified that require more support; for example: improved mediation and negotiation skills, strengthened leadership skills and improved strategic planning;
- Improved financial sustainability with 40 per cent of the 14 Social Peace Partnerships devising their own development/sustainability plans and now raising funds through local businesses, local authorities, international organisations, and private donations, achieving greater ownership;
- Delivery of 14 social peace actions in local communities, promoting meaningful participation of young people and women in decision making around social peace and local development;
- Provision of training to the 22 Trainer Mentors, supporting the Partnerships (e.g.: peacebuilding programming M&E; transitional justice, gender mainstreaming and advanced training to support the European Union Trust Fund on Migration on-call conflict sensitivity facility). Trainer Mentors delivered their own social peace actions through a small grants scheme in 2018, reaching over 500+ beneficiaries; a Social Peace and Local Development (SPLD) Communication Toolkit was designed to support them to disseminate the benefits of the SPLD approach in communities in Libya.

Impact

2018 saw significant growth in the adoption of the Social Peace and Local Development approach, expanding to 40 locations in Libya, as the map below indicates:

500+ Partnership members active across **14 areas**

- East: 4 | West: 4 | South: 3 | Central: 3
- 28% women | 72% men | 27% youth
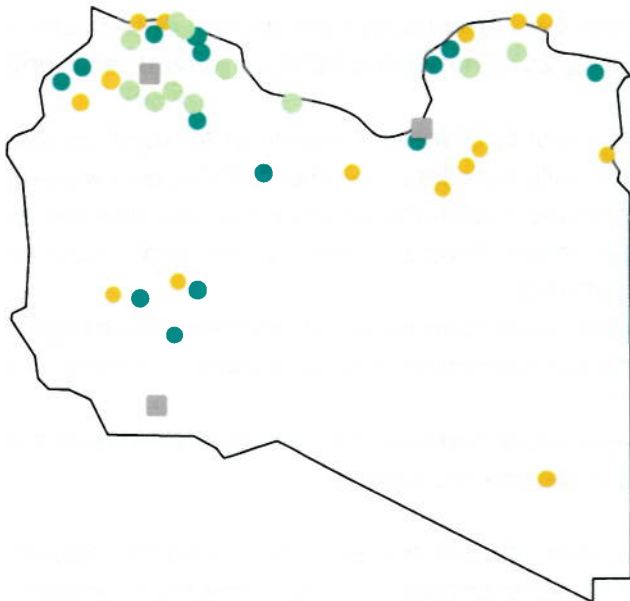
14
Established through the programme:

1. Ajdabiya
2. Alsahel
3. Bani Walid
4. Benghazi
5. Murzuq
6. Nalut
7. Obari
8. Sebratha
9. Souq Aljuma
10. Tiji
11. Tobruq
12. Waddan
13. Wadi Albawanees
14. Zliten

PCi offices

15
Self-generated or established ad hoc with limited PCi support:

1. Alghraifa
2. Aljmeel
3. Almarj
4. Bir Lashhib
5. Derna
6. Jakharra
7. Jalu
8. Khalij Alsidra
9. Kufra
10. Sabha
11. Suluq
12. Tripoli centre
13. Um Razam
14. Warshefana
15. Zuwara

Social Peace Partnerships established through a small grant scheme for Trainer Mentors and/or through the UNDP Stabilization Facility for Libya (known as 'SFL'). 1. Awata 2. Al Qubba 3. Al Qala 4. Al-Abyar 5. Hay Al-Andalus 6. Ragdalin 7. Kikla 8. Sirte 9. Ifrin 10. Zawia 11. Tawerga

Social Peace Partnerships are demonstrating increased ability and willingness to tackle hard conflict issues, although with different degrees of success; in most areas, they have proved they are able to act as community focal points to address a range of governance and stabilisation problems. Social Peace Partnerships continue to include marginalised groups such as youth and women, often left out of development opportunities, through establishing inclusive and participatory decision making for all citizens. 150+ women were trained in peacebuilding and leadership skills in 2018, with over 400 women trained since 2016.

Social Peace Partnerships are improving vertical relations between communities and municipalities, as well as horizontal relations among communities. For example, the Nalut Social Peace Partnership implemented a social peace action in support of Azan FM Radio which airs the radio programme 'Window on the Municipality', connecting residents across the town to local officials directly and opening up conversations amongst people (from different groups) living in the town, as well as educating citizens on the role of the municipality. In 7 areas out of 14 surveyed, where PCi is working on Social Peace and Local Development, more than half of the citizens surveyed felt that there had been improvement in intra-community relations, and there was greater trust in local authorities and greater trust in the work of international organisations. One Social Peace Partnership member from Ubari said: *"We were in a war, so we needed peace, this is why I chose to join the Partnership because it focuses on peaceful change. The Partnership is considered as the most active body in Ubari."*

Working at the (Sub) National Level

There is a need for people across the country to come together and discuss how to move out of the current cycles of conflict and instability and to work together to develop a vision for Libya after the conflict, setting examples of how to tackle problems across conflict lines.

Actions

PCi fosters networking and collaboration opportunities between peacebuilders from across the country, so that they can build relationships between different communities, learn from one another and deliver on initiatives that cover a range of different areas including conflict prevention and management between tribal groups, transitional justice, and countering hate speech and racism. It currently brings together 44 peacebuilders, representing 26 communities across the west, east and south of Libya. PCi supported the following:

- Six meetings of Network members in Tunis and Istanbul. Network meetings focused on skills building – mediation, reconciliation/dialogue, conflict analysis, communications and working as a team – in addition to planning/evaluation of peace actions between communities. (Note: some members of the Libya team cannot travel inside Libya, so meetings are held in Tunis (or Istanbul) where international trainers can also attend);
- Four regional Network meetings, held in Ajdabiya, Tripoli, Derna and Ghadames, which largely focused on the delivery of inter-community peace actions as well as building the Network's operational infrastructure;
- The delivery of 10 social peace actions between local communities: 4 by the Network and 6 by civil society organisations (the latter had to meet specific criteria).

The Network is registered as an independent organisation in Libya. In the reporting period the Network continued to professionalise its work and rely less on PCi. For example, Network members conducted trainings and convened meetings inside Libya without PCi's direction.

Impact

Network members have:
- Built stronger relationships that enable peacebuilding actions across the conflict divide;
- Supported a broad range of civil society groups and initiatives across Libya to engage in peacebuilding activities;
- Promoted the implementation of peacebuilding activities that address the drivers of conflict at the national level.

Examples of social peace actions that took place between communities include:
- Strengthening the peacebuilding capacity of Tuareg and Arab youth in Ghadames, with a view to building relationships and trust between two groups who have previously experienced conflict;
- Promoting cultural tolerance and challenging misconceptions around reconciliation and peaceful coexistence in towns and cities (Bani Walid, Benghazi, Derna, Sebha, Tripoli, Ubari, Zuwara), so that the communities were better informed and more willing to support peacebuilding efforts, across the conflict divide.

Ghadames: Tuareg and Arab youth, building trust

Case Study: Promoting Public Engagement with the Constitution

The development of a new Constitution is a central pillar of a peaceful political transition in Libya. While the Network recognised the importance of the Constitution during the transition process, they had concerns that few communities across the country had access to credible information about the draft Constitution text, or measured debate about what the purpose of a Constitution is. Joint analysis by Network members indicated an urgent need to foster constructive public debate about the Constitution to overcome citizen apathy and disengagement from a key part of the country's transition process. Network member Ms Khadija Elboashi, Lecturer in Law at Tripoli University, said: *"What was disappearing from the debate is any understanding of what a Constitution is and what role it plays in the life of a nation."*

To this end, two members of the Network, from different parts of Libya, took the lead in developing a campaign on public engagement with the Constitution drafting process. Due to the highly polarised nature of traditional media and social media in Libya, the Network opted for an approach of direct, face-to-face engagement with local leaders and influencers. The Network subsequently developed a set of tools and materials for facilitating workshops, town hall meetings and similar events focusing on the Constitution; trained Network members in how to

Derna: A Network member from Ubari facilitates a 3-day dialogue forum on the Constitution

use these materials; and embarked on an ambitious project to hold public engagement meetings in all parts of Libya. The Network engaged with the Constitutional Drafting Assembly throughout.

Working at the International Level

Libya's peace and conflict context is complex, driven by multifaceted conflict dynamics. When delivered in a way that does not take such complexity into account, international humanitarian, development and political assistance runs the risk of exacerbating tensions while missing opportunities to promote peace.

Conflict sensitivity is an approach to delivering humanitarian, development and political assistance that incorporates a nuanced understanding of the context in order to minimise the risk of assistance worsening conflict dynamics, and to maximise opportunities to contribute to sustainable peace.

Actions

PCi facilitates the Conflict Sensitive Assistance (CSA) in Libya Forum, funded by the European Union and Government of Switzerland. The CSA Forum, which has been running since 2012, provides resources for international implementers and donors working in Libya to help them be more conflict sensitive.

Over the reporting period, PCi's activities contributed to the conflict sensitivity of international assistance in Libya by:

- Convening the bimonthly CSA Forum, bringing together participants from embassies, international organisations and international NGOs to review the changing context in Libya, reflect on how that context affects and is affected by the assistance they provide, and identify recommendations for adjusting international assistance;
- Organising specialist workshops addressing the conflict sensitivity concerns which attend the transitional process, particularly elections, and which affect the ways in which the international community engages in Libya's South;

- Facilitating the CSA Leadership Group, which convenes ambassadors and senior representatives of diplomatic missions and UN agencies to review the conflict sensitivity concerns relating to Libya's transitional process, particularly elections;
- Providing resources and training to international implementers and donors working in Libya on conflict analysis and conflict-sensitive risk management;
- Providing specific advice and capacity building support to implementers under the European Union Trust Fund for Migration regarding the conflict sensitivity of their work.

Impact

The CSA forum facilitated by PCi continues to promote awareness of the importance of conflict sensitivity for international engagement in Libya, while providing an important space for critical self-reflection by donors, international organisations and international NGOs regarding the impact of their work.

Over the reporting period, PCi influenced policy discussions around elections and engagement in Southern Libya by encouraging conflict sensitivity reflection. PCi also actively worked with implementers to adapt their programming to be more conflict sensitive.

Challenges we faced

In the reporting period PCi's international staff remained unable to enter Libya due to sustained security challenges across the country, limiting the delivery of expertise to complex initiatives and the ability to undertake monitoring and evaluation of activities and impact. PCi has continued to increase opportunities for Libyan staff to hold trainings and meetings with international staff in Tunis, as well as strengthening support provided remotely. Incidents such as road and airport closures (e.g. Tripoli's Mitiga airport) had an impact on operations, causing delays in delivering activities or preventing staff and partners from participating in meetings. The ongoing fuel crisis led to growing transportation costs, especially in the south and east, which at times affected the number of participants able to attend meetings and trainings. The liquidity crisis, depreciation of currency, high inflation, and a volatile political situation have all placed communities under extreme financial pressure, especially in smaller towns where jobs and resources are scarcer.

A major outbreak of fighting between armed groups occurred in Tripoli in September 2018. Following the clashes, PCi's Tripoli office was temporarily closed and staff continued to work remotely (from home). In January 2019, the Libyan National Army led by Khalifa Haftar launched an offensive to take control of the city of Sabha and the rest of southern Libya from the internationally recognised Government of National Accord (GNA) and local factions; they moved up to Tripoli by April 2019 and sparked inter-ethnic conflict. Since the advance of the Haftar-affiliated Libyan National Army forces towards Tripoli in April 2019, PCi has leveraged its relationships across the country and within the international community to:

- Counter the polarising effect of the fighting in and around Tripoli through local and national networks of peace resources;
- Manage increased tensions caused by polarisation in 40 towns across Libya;
- Support the international community to minimise the risks of current assistance inadvertently causing harm.

An abandoned street in Tawergha; local communities fled during the 2011 conflict

SYRIA

The context

The peaceful revolution that began in 2011 quickly turned violent and has descended into a full-scale civil war. In the reporting period the Government of Syria made some substantial military gains across Syria, re-taking control of many parts of the country. International negotiation forums have made little progress towards a peaceful political settlement to the conflict.

How ordinary citizens experience conflict

LARGE SCALE VIOLENCE:
Government forces and some armed groups either deliberately target or negligently hit civilians.

DISPLACEMENT:
Millions of Syrians have fled their homes to new areas within Syria or into neighbouring countries. Tensions between host communities and refugees/IDPs are rising.

HUMAN RIGHTS ABUSES:
Ordinary people suffer from widespread human rights abuses such as arbitrary arrest, and restrictions on freedom of speech and of movement.

BREAKDOWN IN LAW AND ORDER:
In many areas, police and judiciary systems are not functioning properly. Crime is rising and minor disputes easily escalate into major violent conflicts.

DESTRUCTION OF THE SOCIAL FABRIC:
Before the conflict, different ethnic and religious groups relied on and supported each other. The conflict has increased divisions and mistrust.

Working at the Local Level

Local governance in Government-controlled parts of Syria is entrenching the poor governance practices that contributed to the start of the conflict in 2011 and will continue to drive instability in the country. Overall, however, the environment for civil society actors across the country to engage with the Government on issues such as good governance, transformational leadership and public affairs remains very restricted. Over the reporting period, therefore, PCi worked with Syrian civil society actors operating in Government-controlled areas to a) build their knowledge on governance issues, and b) test and expand the space for public discussion of these issues.

Actions

In the reporting period, PCi's Youth Empowerment and Participation in Public Affairs project undertook the following actions:

Building knowledge on good governance amongst young community leaders

- Trained a group of activists and trainers from Government-controlled areas in good governance, advocacy, public affairs, and transformational leadership. We worked with them to develop a training curriculum and materials that can be deployed inside Syria to raise awareness around good governance issues.

- These activists and trainers subsequently trained a group of 35 young men and women from different areas inside Syria. This group of young leaders reflected the diversity of Syrian society as they came from a range of different religious, cultural, political, social and geographic backgrounds. The training sessions covered topics such as:
  - The role of civil society in Syria and the role of youth within civil society;
  - Practical skills for context analysis (with context analysis positioned as a precursor to any influential actions);
  - Good Governance, with a focus on the duties of local authorities to address community needs, act with transparency and be accountable towards communities;
  - Leadership skills for becoming influential, active and visionary leaders.

Supporting national trust building amongst Syrian youth from across the conflict divide, in Beirut, Lebanon, September 2018

Creating opportunities for public discussion on good governance issues

- The young leaders trained through PCi's project cascaded the training they had received into their own communities through activities that tested and stretched the space for public discussions on good governance. These activities included, but were not limited to:
  - Damascus: The youth team provided community activists with the knowledge and skills to be more active in public affairs through workshops and discussion sessions;
  - Aleppo: The youth team created educational and awareness platforms to share materials that encourage young people to participate in work on public affairs issues (local administration elections, People's Assembly, laws and the constitution);
  - Homs: The youth team built a sustainable cultural space (YouTube channel and Facebook page), targeting all stakeholder groups in the town by organising cultural activities in a way that addresses the shared experiences and livelihood issues of the community.

Impact

Ensuring the safety and security of participants was PCi's primary concern during these activities. PCi provided risk management support and technical advice to the youth teams throughout these initiatives. The scope and ambition of these initiatives suggests that the youth teams were able to a) develop relevant and useful projects for their communities; b) find ways of engaging a broad range of community stakeholders beyond their own youth peers; and c) negotiate the restrictions on civil activity within their local communities while still finding ways to discuss issues related to governance and local development.

Working at the National Level

Opportunities for Syrians from different parts of the country to meet are extremely limited. This reinforces the mistrust, polarisation and divisions that contribute to maintaining conflict. Over the reporting period, PCi worked to create opportunities for young Syrians from different sides of the

conflict to meet and build working relationships by developing a better understanding of each other's perspectives and experiences.

Actions

During the reporting period, PCi facilitated two dialogue forums between young people from different parts of Syria. The dialogue forums took place in Lebanon and brought activists from Qamishli, Tartous, Damascus, Homs, Hasake, Aleppo, Daraa, Lattakia and Raqqa together for three days each time. The activists developed sufficient trust in each other to engage in robust and open discussion of their experiences during the conflict and aspirations for Syria's future. The discussion significantly nuanced their understanding of the perspectives and experiences of young people on different sides of the conflict and from different parts of Syria. PCi's follow-up monitoring indicates that the activists who participated in these discussions maintain communication with each other.

Case Study: Supporting National Trust Building Amongst Syrian Youth

After 7 years of civil war, Syrians on different sides of the conflict are deeply mistrustful of each other and are even afraid to meet.

PCi worked to bridge this trust gap by convening a group of 12 youth from politically diverse areas. The dialogue forum was held at a quiet hill retreat outside Beirut, Lebanon. It established a bridge-building process within the group, promoting a culture of perspective sharing, alongside the development of a genuine respect for 'the other'. Trust and confidence was slowly built.

Nadia, from Aleppo, is 27 and a graduate in Civil Engineering. She said: *"The different realities I heard during the dialogue forum were very important and played a significant role in breaking down stereotypes that I had formed during the war, due to lack of information. Listening to realities and experiences from other areas of Syria, I understand how much we need to live together and understand the differences between us."*

Youth from across the conflict divide in Syria come together in support of national trust building. Beirut, Lebanon, September 2018

The dialogue forum provided a platform for the young people to build their understanding of concepts such as human rights, conflict, violence etc., and how these relate to peacebuilding. The facilitators led a guided discussion that distinguished between economic and/or social violence, which is invisible (such as lack of access to health facilities or schools), and physical violence, which is very visible. The root causes of all forms of violence (invisible and visible) often need to be addressed to bring conflict to an end.

Khalid, a 19-year-old student from Homs, Syria's third largest city, had implemented civil society activities in his locality. He said: *"These concepts are important, especially after the end of the armed conflict in many areas of Syria. I want to be empowered with improved understanding of actions that respect human rights and non-violence. I want to learn the meaning of the concepts that underpin my work as a civil society activist."*

Working at the International Level

There are many groups and countries involved in Syria who bring their own agendas, making the situation and conflict dynamics extremely complex. PCi worked to bring together international

governments, NGOs and multilateral agencies who are delivering aid in Syria, and created an environment conducive to starting the conversation about how to take a conflict sensitive approach in this country's fast-changing environment.

Actions

PCi convened a one-day retreat on how to deliver conflict sensitive assistance in Syria when there is a high risk that this assistance will interact with the flourishing war economy in the country. The retreat, which took place in Lebanon, brought together representatives from 7 Syrian NGOs, 9 donor governments and 15 international aid agencies. PCi developed a new dedicated analysis tool to help agencies better understand how their assistance may be interacting with local corruption, check-point and siege economies, and generally supporting belligerent parties.

Impact

35 representatives of donor governments and international aid organisations were helped toward a better understanding of conflict dynamics in Syria and greater clarity on how their work may be contributing to those conflict dynamics. Some key insights that arose in the Conflict Sensitive Assistance workshops included:

- While organisations must work to vigorously minimise harm (when delivering aid), it is acknowledged that the complex context means harm is unlikely to be completely eliminated;
- There is a need to develop specific conflict sensitivity tools for Syria to account for the highly fluid and complex situation there.

Challenges we faced

Delivering projects inside Syria continued to be a challenge due to the ongoing security challenges. PCi does not have staff inside Syria, but worked in partnership with Syrian organisations, using robust systems for remote project management. To ensure that all monies were spent in an appropriate manner inside Syria, PCi required from partners detailed, itemised lists of all transactions made in relation to its projects, along with receipts and proof of authorisation against all items on the list of transactions. Funds were released in small tranches and no new funds were released before the previous tranche had been accounted for.

Syrian young people attend a dialogue forum in Beirut, Lebanon, September 2018

Despite the positive impact of PCi's youth- and governance-focused work in Syria, and a donor offer of ongoing funding, PCi decided to end its inside-Syria activities on 31 December 2018. This decision was predicated on circumstances where low-level Syrian Government figures insisted on being present at a youth event. While the youth and NGO facilitators were not placed at risk by this, the episode indicated that the prevailing operating conditions inside Syria are not currently conducive to meaningfully deepening this area of work, particularly where the work may be seen to be led by an international organisation. PCi is confident that the cadre of trainers and youth teams can productively carry forward the work that was begun in the reporting period, and may find more space to do so, without the challenge of being associated with an international organisation.

UKRAINE

The context

Since the street protests that unseated the country's president in 2014, Ukraine has experienced armed conflict that has led to the formation of two *de facto* states on its territory, 'Donetsk People's Republic' and 'Luhansk People's Republic', separated from the rest of the country by a militarised contact line and annexation of the Crimean peninsula, which borders the Kherson oblast.

How ordinary citizens experience conflict

POLARISATION IN SOCIETY: Divisions and distrust leave little space for constructive engagement between different sides, with significant parts of population feeling unrepresented in politics.

DISPLACEMENT: More than 1.4 million people have been displaced inside the country, having to restart their lives without the support of their usual social networks.

REDUCED FREEDOM OF MOVEMENT: Hundreds of thousands of people experience military checkpoints on a regular basis when travelling for work, education, or essential services.

PHYSICAL INSECURITY: Repeated ceasefire violations and widespread remnants of war pose ongoing insecurity challenges to communities in the east of the country.

Working at the Local Level

PCi worked in collaboration with the Ukrainian organisations Institute for Peace and Common Ground (IPCG), Donbass Dialogue, and the Mediation and Dialogue Research Centre at Kyiv-Mohyla Academy to enhance community dialogue, particularly along the line of contact between Government- and non-Government-controlled areas.

Ukraine has an active and experienced community of dialogue facilitators able to contribute to improving relations between citizens as well as between citizens and local government authorities. The Building a Community of Dialogue project looks to harness the potential of this resource for peace, by institutionalising it in Ukraine's culture and practices, capturing lessons about effective practices, and looking to work strategically on the underlying drivers of conflict in the country.

Actions

PCi provided training to 27 individuals as dialogue facilitators who formed the foundations of 9 local Dialogue Initiative Groups in Donetsk and Kherson regions; these groups held 31 facilitated dialogues. In addition, PCi:

- Worked with local government officials to see how dialogue approaches and other restorative practices could be institutionalised in their administrations;
- Accompanied community groups to help them deal with practical issues in constructive ways.

Impact

The Dialogue Initiative Groups are made up of citizens and representatives of local authorities who receive training on dialogue facilitation and work on tangible issues that impact the lives of people in their communities. In addition, they explore how dialogue can be more actively adopted by local authorities as a formal approach to managing conflict; this approach also promotes participative decision making.

Beryslav: The Dialogue Initiative Group worked in the community on rethinking the common past; this led them to resolve the conflict around a controversial monument in the town.

Sviatohirsk: The Dialogue Initiative Group facilitated the holding of a Forum – 'Strategy for the development of Sviatohirsk until 2022' – which inspired local civil society organisations, activists and representatives of local authorities to collaborate and work to develop their community together.

Chaplynka: The community instigated active dialogue work by providing restorative practices for teachers and children in a series of trainings. The Dialogue Initiative Group connected the community with national minorities representatives (mainly Meskhetian Turks) and integrated dialogue as an official approach to decision making in the United Territorial Community statute.

Pokrovsk: The Dialogue Initiative Group worked in the community with the Public Council, a civic tool for cooperation, developing a mechanism for effective communication with the local authorities.

Supporting dialogue practitioners in the conflict zone

Civil society organisations have formed the backbone of peacebuilding infrastructure in Ukraine – both for PCi and other international organisations supporting peacebuilding. Civil society in the non-Government-controlled areas have considerably less access to the peacebuilding support that has been carried out in the rest of Ukraine, as well as a far more restrictive environment in their own societies for working on drivers of conflict. PCi's work with local partners involved a series of activities that were organised specifically to create space for activists from the non-Government-controlled areas and allow them to develop the necessary skills to deal with complex topics in divided communities and think strategically about how to approach Ukraine's largest conflicts.

Working at the National Level

In a complex context where there are serious external challenges facing Ukraine, it is also vital to keep a central focus on the internal local dimension of the conflict. These are 'both/and' rather than 'either/or' issues. The case for local-level peacebuilding is not always easy to promote in some political circles. However, PCi has been determined to maintain a people-centred focus.

Actions

PCi brought together conflict experts from a variety of contexts to share their experience with Ukrainian ministry officials on policies in countries that have experienced violent conflict:

- The Roundtable events in June and October 2018 focused on the conflict in eastern Ukraine and sought to promote ways to engage across divided communities and promote dialogue in the interests of achieving practical changes for vulnerable people in conflict-affected areas.

PCi enables cooperation between Ukrainian organisations with different experiences of peacebuilding to help make their work more effective, professional, evidence-based and inclusive. This is done by creating more opportunities for cooperation and making learning materials more widely available to support their work. PCi supported the production and translation of the following peacebuilding materials:

- Guidance 'Dialogue in local communities. Recommendations for local governments' (produced);
- 'Little book of dialogue for difficult subjects' by Lisa Schirch and David Campt (translated);
- 'Materials on Basics of dialogue facilitation' (produced);
- 'Building Cohesive Community' by Nicola Sugden (translated);
- Impact assessment framework for dialogue facilitators (produced).

Case Study: PCi Participation in Kyiv Roundtable Events Co-Organised with the Parliamentary Human Rights Committee

The June Roundtable was convened by Chairman of the Verkhovna Rada Committee on Human Rights, National Minorities and Interethnic Relations Mr Hrihoriy Nemyria, and formed part of a series of events held in Kyiv in 2017. There were around 100 participants, including parliamentarians, government officials, and representatives from civil society organisations and multilateral organisations. Among panel participants in the PCi line-up were Dr Natalia Mirimanova, who spoke about the role of confidence building measures, particularly in the economic sphere, and Tom de Waal (Carnegie Europe), whose input focused on the possibilities for better engaging 'hearts and minds' at the local level.

Roundtable event, Kyiv, October 2018

The October event was held at the Ombudsman's Office. There was a similar range of participation, with speakers including Jonathan Cohen (Executive Director of Conciliation Resources), Craig Oliphant (Senior Adviser, PCi), Anthony Foreman (Head of Black Sea Region Programme at PCi), and Dr Natalia Mirimanova. PCi communicated its experience on the practice of institutionalising dialogue

at a local level in Ukraine. In addition, the discussions highlighted practical lessons from other conflict contexts where there are some useful ideas to harness. Drawing on that experience and with a focus on the Ukraine context, it is particularly important to engage constructively with local communities, and especially to address the needs of vulnerable people, in a situation where there are both major external and local challenges.

Working at the International Level

PCi commissions research and convenes discussions to inform the international response to the crisis in Ukraine and to disseminate understanding of how assistance can contribute to addressing the underlying drivers of conflict.

Actions

Under the project 'Building a community of dialogue', PCi partnered with the Mediation and Dialogue Research Centre at Kyiv-Mohyla Academy in Ukraine to produce the analytical report 'Understanding Dialogue in Ukraine: A survey-based study'.

Launch of the report 'Understanding Dialogue in Ukraine: A survey-based study' at Kyiv-Mohyla Academy Museum, 24 October 2018

Impact

The report studied 157 dialogue processes held in Ukraine since the political crisis of 2014 and identified trends that deserve the attention of dialogue practitioners. The report highlighted the following:

- Despite the significant expansion of dialogue initiatives in Ukraine, almost half of the country's regions (oblasts) seem to remain overlooked by the practice;

- Dialogue processes tend to bring in people with more mainstream political views, thereby limiting the impact dialogue can have on transforming the armed conflict the country is experiencing.

Challenges we faced

Ukraine saw elections in 2019, and the social and political context leading up to this contest for political power created an escalatory mood that posed challenges both to building relationships between different groups and to engaging with authorities to institutionalise new ways of managing conflict. In the same time period, several international incidents related to Ukraine-Russia relations contributed to further fluctuations in national feeling – in particular with respect to building new narratives of relations with Ukrainians living in the non-Government-controlled areas. The most significant of these were the capture of Ukrainian navy personnel by Russia in the straits near Crimea and the granting of autocephaly to the Ukrainian Orthodox Church. Peacebuilding programming in Ukraine already experiences difficulties in building mutual understanding between those parts of the population that feel an affinity with Russia and the rest, and international incidents aggravate such feeling – an escalation which feeds down to relations on a community level. The year also appeared to indicate a reduced interest from the international community in the conflict in Ukraine, which has been in a largely frozen state since 2016; this may be considered a stable *status quo* by some supporters of peacebuilding.

PCi FOCUS ON CONFLICT SENSITIVITY

What is Conflict Sensitivity?

Conflict sensitivity is based on a recognition that humanitarian, development and political assistance may have unintended impacts on the peace and conflict context. When delivered without considering the context, international assistance may exacerbate drivers of conflict and miss opportunities to contribute to sustainable peace.

Conflict sensitivity is a way of delivering assistance that aims to minimise the potential of international assistance to contribute to conflict and maximise opportunities to contribute to peace. Conflict sensitivity requires assistance providers to:

- Develop a nuanced understanding of peace and conflict dynamics where they are working;
- Identify the ways in which their work could have direct and indirect impacts on peace and conflict; and
- Adapt their work to reduce the risk of worsening conflict and to leverage opportunities to promote peace.

Why is Conflict Sensitivity Important?

Conflict sensitivity increases the likelihood that humanitarian, development and political assistance can contribute to deescalating violent conflict and contribute to sustainable peace – helping societies and communities move on from violent conflict and address their political, economic and social rights.

How is PCi working to promote Conflict Sensitivity?

PCi is working to promote conflict sensitivity as a norm for all international aid assistance. We do this in three ways:

- Developing tools and approaches to help actors at all levels within the aid sector adopt conflict sensitive approaches to their work;
- Advocating for and advising on how to adopt conflict sensitive approaches into international assistance;
- Providing conflict sensitivity advice to actors within specific contexts, namely Libya and Syria, by facilitating multi-stakeholder conflict sensitivity platforms where different actors can collectively reflect on and respond to conflict sensitivity considerations.

Conflict Sensitive Assistance Forum in Tunis

Syria, 2018

Financial Review

PCi's financial situation remained strong in FY2019. This was due to our success in continuing to attract awards from institutional donors, which are mainly the overseas aid agencies of a number of governments, the European Union, and the United Nations, to fund our portfolio of programmes. Our expenditure and activities have been maintained at similar levels to the previous financial year and, again, much of our expenditure is in support of activities undertaken by our partners in Libya, Syria and Ukraine. Our cash position at the start of the year was helped by improved payment terms with donors, with a significant increase in upfront payments received in FY2018 and spent down during FY2019.

In the reporting year we received funding from:

- The UK Foreign and Commonwealth Office
- The European Union
- The Swiss Federal Department of Foreign Affairs
- The United Nations Development Programme
- The German Corporation for International Cooperation (GIZ)

We also carried out consultancy work for:

- MENA Organisation for Economic Co-operation and Development
- International Organization for Migration
- Adam Smith International

Reserves policy

The Board of Trustees aimed to maintain funds in FY2019, having achieved in FY2018 the policy of attaining a financial reserve of at least £250,000. At the balance sheet date, PCi held reserves of £749,275 (2018: £683,817), of which £707,342 (2018: £640,942) related to restricted funds, thus achieving the goal. The Charity receives nearly all its income in the form of grants for specific programme expenditure. Many of these grant agreements include contributions overheads. FY2020 will see continued effort to increase unrestricted fundraising, as noted in the Plans for Future Periods section on page 23.

Risks and uncertainties

The Charity has a risk management policy in place and the Trustees track risk trends and mitigation measures through a risk register on an ongoing basis. In addition, the Charity has a range of insurance policies in place and enlists the services of specialist companies to help analyse risks in the specific areas in which we operate. The key risks that are tracked by the Trustees include:

- Physical security of staff and beneficiaries in the areas in which we operate;
- Solvency and cash flow;
- Misappropriation of funds or other benefits by proscribed groups within conflict zones;
- Reliance on a limited group of institutional funders;
- Psychological wellbeing of staff working overseas or in conflict zones;
- Safeguarding of beneficiaries;
- Handling of sensitive data and security of IT systems.

Plans for future periods

The Trustees have identified the following priorities for the future period:

- To consolidate PCi's expertise into a world-class reputation, focusing on areas such as conflict sensitivity and local-level peacebuilding. The Trustees foresee activities aimed at developing and disseminating innovative methodologies and tools that draw on PCi's programmatic experience, initiating and producing thought leadership, and the provision of technical expertise and support to others.

- To fortify PCi's charitable impact in existing programmes. The Trustees will place focus on the ongoing development of PCi's in-country ability to manage projects, raise funds, maintain operations, and deploy peacebuilding expertise.

- To expand the organisation's charitable impact into a limited number of conflict-affected countries in the regions in which PCi is already working. In particular the Trustees will seek opportunities to work in new countries through PCi's new status as a supplier on the CSSF Framework and develop technical expertise partnerships into larger scale programmes.

- To further enhance PCi's operational effectiveness. The Trustees will focus on establishing a dedicated contract management function, embedding new accounting software across the organisation and improving knowledge management. The Trustees also foresee a range of activities that contribute to making PCi a great place to work by establishing a career development programme, a compensation policy, augmenting performance management practices and fostering a healthy work/life balance.

- To retain a sharp focus on diversifying PCi's funding sources and the development of a strong unrestricted income funding stream. The Board of Trustees will focus its unrestricted fundraising efforts on trusts and foundations, and high net worth philanthropic individuals.

- To increase the diversity of the board of directors with a mix of (1) thematic peacebuilding expertise, (2) management experience, (3) financial management experience, (4) financial/fundraising connections, and (5) business development experience.

Structure, governance, and management

Peaceful Change initiative (PCi) was registered as a Charitable Company on 7 July 2015 (number 1162997). It has been registered as a Company Limited by Guarantee (number 07931944) since 1 February 2012. PCi is governed by a Memorandum of Incorporation dating from 1 February 2012 and Articles of Association as amended by special resolution dated 7 July 2015.

Subsidiary legal entities

As the organisation operates internationally, it has established legal entities where it works:

- Libya – Peaceful Change initiative, Libya (registered as a Civil Society Organisation)
- Tunisia – Peaceful Change initiative, Tunisia (registered as an external entity)
- Ukraine – Representative Office of Peaceful Change initiative in Ukraine (registration as a separate division of a foreign non-governmental organisation is in progress)

These entities exist purely to enable PCi to operate in these countries. All decision-making, management, control, and accounting is undertaken through PCi in the UK.

Board of Trustees

PCi is governed by a Board of Trustees, which governs in accordance with the Charity Commission guidance laid out in its publications. The aim is to have an inclusive Board, with a mix of experience in thematic peacebuilding, management, financial management, fundraising, business development, and legal/risk management.

The Board currently consists of:

- James Freeman
- Michael Holland (Chair)
- Anton Shihoff

Identification and induction of new trustees

New trustees are identified by fellow trustees together with the Chief Executive Officer and invited to join the Board, following a process of due diligence and substantial engagement to ensure that PCi's charitable objectives are well understood by the incoming trustee. They are vetted in accordance with the Charity Commission guidance laid out in its publication CC30. Orientation for trustees, carried out by existing trustees and PCi senior management, includes familiarisation with:

- The duties and responsibilities expected of trustees and as outlined in CC3;
- PCi's legal framework and governance;
- PCi's finances (including audit reports);
- The mission of PCi and the principles that underpin the delivery of that mission;
- The details of the current and future programmatic work of the organisation.

Meetings, minutes and decision making

The Board of Trustees meets regularly, usually in London, with PCi's AGM held on 8 November 2018. Trustees are in frequent communication between meetings, both amongst themselves and with the Chief Executive Officer, and with other senior management as appropriate.

Financial controls

Financial controls have been put in place, with the Board being accountable for the Charity's finances, and day-to-day responsibility for execution delegated to the Chief Executive Officer. The Board closely monitors the Charity's accounts, analysing fund income and expenditure and planning overall spend against overheads. Appropriate policies and procedures are in place, and annual audits are carried out by Goodman Jones LLP. Goodman Jones, or an alternative auditor specified by the donor, carries out audits at the close of individual grant funds.

Remuneration of key management personnel

Remuneration of key management personnel (Chief Executive Officer and other key senior positions) is set by the Board, with due attention to availability of funds, responsibilities undertaken, market rates and the charitable nature of the organisation.

Management structure

Fleur Just remains as Chief Executive Officer, reporting directly to the Board of Trustees. The Chief Operating Officer provides support to and management of PCi's non-programme operations.

Management Team

A Management Team, consisting of the Chief Executive Officer, the Chief Operating Officer, country and regional managers and the Dean of the College of Advisors, was established in 2016 and meets to provide:

- Input to the development of PCi strategic and business plans, and coordination of and collaboration on their implementation as agreed by the Board of Trustees;
- A platform for planning organisational activities that span different teams/programmes;
- A clearing house for the development and approval of new PCi policies and systems;
- A forum for discussing critical issues that affect the organisation as a whole;
- Recommendations to the Chief Executive Officer and Chief Operating Officer regarding issues being discussed at Board level.

Key management personnel consist of the Chief Executive Officer, the Chief Operating Officer, and Financial and Operations Manager.

College of Advisors

The College of Advisors was established in 2016, with membership made up of PCi's Senior Peacebuilding Advisors, to provide:

- A platform for enhancing coordination and collaboration between Senior Advisors;
- A platform for driving organisational learning and the ongoing enhancement of PCi's methodologies, approaches and tools;
- A forum for discussing the impact of PCi's programmes and for sharing ideas/advice for how to increase/leverage impact;
- A forum for peer support and appraisal.

It meets regularly and, on a rotational basis, each Senior Advisor acts as Dean of the College for a period of twelve months, to, *inter alia*, act as key point of interface with the Chief Executive Officer.

Reference and administrative details

Registered office address:

25B Lloyd Baker Street
London
WC1X 9AT

Company registered number:

07931944

Charity registered number:

1162997

Chief Executive Officer:

Fleur Auzimour Just

Independent auditors:

Goodman Jones LLP
Chartered Accountants
29-30 Fitzroy Square
London
W1T 6LQ

Bankers:

Co-operative Bank
PO Box 101
1 Balloon Street
Manchester
M60 4EP

Solicitors:

Dechert LLP
160 Queen Victoria Street
London
EC4V 4QQ

Other financial services providers:

- Western Union Business Services
- Clements Worldwide
- Arthur J Gallagher

Trustees' Responsibilities Statement

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

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting 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 charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and 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.

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware; and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

Auditors

The auditors, Goodman Jones LLP, have indicated their willingness to continue in office. A motion proposing the re-appointment of the auditors will be raised at a meeting of the Trustees.

This report was approved by the Trustees on 28 November 2019 and signed on their behalf by:

....

Michael Holland
Trustee

Independent Auditors' Report to the Members of Peaceful Change Initiative

Opinion

We have audited the financial statements of Peaceful Change Initiative for the year ended 30 March 2019 set out on pages 31 to 44. 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 30 March 2019 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; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

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 'Auditors' 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 United Kingdom, including the Financial Reporting Council'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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:
- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' Report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

- the information given in the Trustees' Report is inconsistent in any material respect with the financial statements; or
- the Charity has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to take advantage of the small companies' exemption.

Responsibilities of Trustees

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the directors of the Charity 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.

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditors 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 Auditors' 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

Use of our report

This report is made solely to the charitable company'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 charitable company'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 charitable company and its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

Goodman Jones LLP

Goodman Jones LLP

Chartered Accountants

29-30 Fitzroy Square
London
W1T 6LQ

Date: 04 . 12 . 19

Goodman Jones LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

Statement of Financial Activities incorporating Income and Expenditure Account
For the year ended 30 March 2019

	Note	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Income from:					
Donations and legacies	2	-	3,759,909	3,759,909	4,029,076
Charitable activities	3	35,746	-	35,746	101,300
Total income		35,746	3,759,909	3,795,655	4,130,376
Expenditure on:					
Charitable activities	4	34,942	3,695,255	3,733,867	3,613,887
Total expenditure		34,942	3,695,255	3,733,867	3,613,887
Net surplus before other recognised gains and losses		804	60,984	61,778	516,489
Transfers between funds		(1,746)	1,746	-	-
Net movement in funds		(942)	62,730	61,778	516,489
Reconciliation of funds:					
Total funds brought forward		42,875	640,942	683,817	167,328
Total funds carried forward		41,933	703,672	749,275	683,817

The notes on pages 34 to 44 form part of these financial statements.

Peaceful Change Initiative
Balance Sheet as at 30 March 2019

Company number 07931944

	Note	2019 £	2019 £	2018 £	2018 £
Fixed assets					
Tangible assets	9		**222**		6,314
Current assets					
Debtors	10	**497,561**		100,188	
Cash at bank and in hand		**474,579**		1,340.189	
		972,140		1,440,377	
Creditors: amounts falling due within one year	11	**(226,757)**		(762,874)	
Net current assets			**745,383**		677,503
Net assets			**745,605**		683,817
Charity Funds					
Restricted funds	12		**703,672**		640,942
Unrestricted funds	12		**41,933**		42,875
Total funds			**745,605**		683,817

The Charity's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The Trustees consider that the Charity is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the Charity to obtain an audit for the year in question in accordance with section 476 of the Act. However, an audit is required in accordance with section 144 of the Charities Act 2011.

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

The financial statements were approved and authorised for issue by the Trustees on 28 November 2019 and signed on their behalf, by:

....
Michael Holland
Trustee

The notes on pages 34 to 44 form part of these financial statements.

Statement of Cash Flows
For the year ended 30 March 2019

	Note	2019 £	2018 £
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	14	**(865,610)**	1,010,816
Cash flows from investing activities:			
Purchase of tangible fixed assets		-	(667)
Net cash used in investing activities		-	(667)
Change in cash and cash equivalents in the year		(865,610)	1,010,149
Cash and cash equivalents brought forward		**1,340,189**	330,040
Cash and cash equivalents carried forward	15	**474,579**	1,340,189

The notes on pages 34 to 44 form part of these financial statements.

Notes to the Financial Statements
For the year ended 30 March 2019

1.   Accounting Policies

1.1   Basis of preparation of financial statements

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) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Peaceful Change Initiative meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

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

1.2   Company status

The Charity is a company limited by guarantee. The members of the company are the Trustees named on page 24. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the Charity.

1.3   Going concern

The Charity receives nearly all of its income in the form of grants for specific programme expenditure. Many of these grant agreements include an allowance for overheads. After reviewing the level of recurring expenditure, expected income for FY2020, and the future plans of the Charity, the Trustees consider that the Charity is a going concern. As noted in the Trustees' Report on page 22, FY2020 will see continued efforts to increase unrestricted funding.

1.4   Consolidation

The Charity operates internationally and has established a legal entity in Libya (Peaceful Change Initiative, Libya - registered as a Civil Society Organisation) allowing it to operate in Libya. During the year, the Charity has also established a legal entity in Tunisia (Peaceful Change Initiative, Tunisia). Registration of a further legal entity, a division of a foreign non-governmental organisation) in Ukraine (Representative Office of Peaceful Change initiative in Ukraine) is currently in progress. These entities are to enable operation of PCi at local level and all operations and accounting transactions are managed and accounted for through the UK charity for all entities. As such consolidated financial statements are not required.

1.5   Fund accounting

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

Notes to the Financial Statements
For the year ended 30 March 2019

1. Accounting Policies (continued)

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

1.6 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received, and the amount of income receivable can be measured reliably.

Grant income is recognised once the above criteria have been met, together with any performance conditions attached to the grant. Grant income received is deferred only when the Charity has yet to fulfil the performance conditions.

Donated services or facilities are recognised when the Charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the Charity of the item is probable and that economic benefit can be measured reliably. On receipt, donated 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.

1.7 Expenditure

Expenditure is recognised inclusive of irrecoverable VAT 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.

1.8 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.

Notes to the Financial Statements
For the year ended 30 March 2019

1. Accounting Policies (continued)

1.9 Operating leases

Rentals under operating leases are charged to the Statement of Financial Activities incorporating Income and Expenditure Account on a straight-line basis over the lease term.

1.10 Tangible fixed assets and depreciation

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities incorporating Income and Expenditure Account.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Fixtures and fittings   -   33.33% straight line

1.11 Debtors

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

1.12 Cash at Bank and in hand

Cash at bank and 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.

1.13 Liabilities and provisions

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.14 Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

Notes to the Financial Statements
For the year ended 30 March 2019

1. Accounting Policies (continued)

1.15 Taxation

The Charity has been considered by HM Revenue & Customs to meet the definition of a charitable company for UK corporation tax purposes in accordance with Paragraph 1 Schedule 6 of the Finance Act 2010. Accordingly, the Charity is exempt from taxation in respect of income or capital gains received.

1.16 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction. Exchange gains and losses are recognised in the Statement of Financial Activities incorporating Income and Expenditure Account.

1.17 Pension

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

2. Income from donations and legacies

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Grants	-	3,759,909	3,759,909	4,029,076
Total 2018	-	4,029,076	4,029,076	

Grant income is received from UK and non-UK governments and governmental organisations. During the year, the Charity received grants totalling £1,407,465 (2018: £1,406,208) from the UK government.

3. Income from charitable activities

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Conflict resolution and peacebuilding	35,746	-	35,746	101,300
Total 2018	101,300	-	101,300	

Notes to the Financial Statements
For the year ended 30 March 2019

4.   Analysis of expenditure by activities

	Activities undertaken directly 2019 £	Grant funding of activities 2019 £	Support costs 2019 £	Total 2019 £	Total 2018 £
Conflict resolution	3,301,081	295,201	137,585	3,733,867	3,613,887
Total 2018	3,223,387	235,101	155,399	3,613,887	

5.   Analysis of grants

	Grants to Institutions 2019 £	Total 2019 £	Total 2018 £
Conflict resolution	295,201	295,201	235,101
Total 2018	235,101	235,101	

Grants were awarded in the year to local organisations in Libya and Syria towards intra-community, social integration, and peacebuilding projects. Grants are only awarded where the activities and projects being funded will be used in line with Peaceful Change Initiative's charitable objectives.

Notes to the Financial Statements
For the year ended 30 March 2019

6. Support costs

	Governance £	Conflict resolution £	Total 2019 £	Total 2018 £
Communications and translation costs	-	1,135	1,135	-
Travel	-	14,036	14,036	8,772
Rent	-	36,943	36,943	30,938
Insurance	-	663	663	2,227
Office expenses	-	3,093	3,093	573
Printing, postage and stationery	-	-	-	1,442
Telephone	-	-	-	350
Computer	-	546	546	15,347
Legal and professional fees	-	16,439	16,439	11,574
Accountancy	-	8,145	8,145	2,070
Audit	8,950	-	8,950	8,750
Staff welfare and training	-	-	-	3,774
Bank charges	-	17,022	17,022	5,995
Surplus/deficit on foreign currency	-	24,046	24,046	34
Sundry expenses	-	-	-	3,733
Trustees' meeting expenses	-	475	475	16
Wages and salaries	-	-	-	53,429
Depreciation	-	6,092	6,092	6,375
	8,950	**128,635**	**137,585**	*155,399*
Total 2018	*8,750*	*146,649*	*155,399*	

7. Net income/(expenditure)

This is stated after charging:

	2019 £	2018 £
Depreciation of tangible fixed assets:		
- owned by the charity	**6,092**	*6,411*
Audit fees	**8,950**	*8,750*

During the year, none of the Trustees received remuneration for their role as trustees. Related party transactions are disclosed in note 17.
During the year, no Trustees received any benefits in kind (2018 - £NIL).
1 Trustee received reimbursement of expenses amounting to £455 in the current year, (2018 - 1 Trustee - £16).

Notes to the Financial Statements
For the year ended 30 March 2019

8. **Staff costs**

Staff costs were as follows:

	2019 **£**	2018 £
Wages and salaries	**1,130,040**	1,101,571
Social security costs	**27,315**	26,131
Other pension costs	**13,163**	11,583
	1,170,518	1,139,285

The average number of persons employed by the Charity during the year was as follows:

	2019 **No.**	2018 No.
Administration and management	**2**	2
Projects	**17**	14
	19	16

No employee received remuneration amounting to more than £60,000 in either year.

Included within wages and salaries above are amounts paid to third party project workers. Remuneration totalling £180,729 (2018: £152,168) was paid to key management personnel.

9. **Tangible fixed assets**

	Fixtures and fittings **£**
Cost	
At 31 March 2018	**29,127**
Additions	**-**
At 30 March 2019	**29,127**
Depreciation	
At 31 March 2018	**22,813**
Charge for the year	**6,092**
At 30 March 2019	**28,905**
Net book value	
At 30 March 2019	**222**
At 30 March 2018	6,314

Notes to the Financial Statements
For the year ended 30 March 2019

10. Debtors

	2019	2018
	£	£
Trade debtors	**1,186**	21,952
Other debtors	**2,600**	2,600
Prepayments and accrued income	**493,775**	75,636
	497,561	100,188

11. Creditors: Amounts falling due within one year

	2019	2018
	£	£
Bank loans and overdrafts	**28**	-
Other creditors	**7,119**	5,174
Accruals and deferred income	**219,610**	757,700
	226,757	762,874

	£
Deferred income	
Deferred income at 31 March 2018	**716,855**
Resources deferred during the year	**150,885**
Amounts released from previous years	**(716,855)**
Deferred income at 30 March 2019	**150,885**

Deferred income represents grant income received for programme expenditure where associated performance conditions had not been met at the balance sheet date.

Notes to the Financial Statements
For the year ended 30 March 2019

12. Statement of funds

Statement of funds - current year

	Balance at 31 March 2018 £	Income £	Expenditure £	Expenditure £	Balance at 30 March 2019 £
Unrestricted funds					
General Funds	42,875	35,746	(34,942)	(1,746)	41,933
Restricted funds					
Libya Programs	639,623	2,984,824	(2,932,291)	-	692,156
Syria Programs	-	366,226	(354,710)	-	11,516
Black Sea Programs	1,319	408,859	(411,924)	1,746	-
	640,942	3,759,909	(3,698,925)	-	703,672
Total funds	683,817	3,795,655	(3,733,867)	-	745,605
		129,500	4,022,693	(3,613,887)	538,306	129

Statement of funds - prior year

	Balance at 31 March 2017 £	Income £	Expenditure £	Transfers in/out £	Balance at 30 March 2018 £
Unrestricted funds					
General Funds	37,828	101,300	(71,964)	(24,289)	42,875
Restricted funds					
Libya Programs	129,500	3,308,477	(2,798,354)	-	639,623
Syria Programs	-	556,494	(580,783)	24,289	-
Black Sea Programs	-	164,105	(162,786)	-	1,319
	129,500	4,029,076	(3,541,923)	24,289	640,942
Total funds	167,328	4,130,376	(3,613,887)	-	683,817

Restricted comprise the following:

Libya - this programme focuses on strengthening the capacity of local leaders to manage conflict during the country's political transition, and aims to reduce tensions within and between communities as well as contributing to laying the foundations for a political settlement at the national level.

Syria - the work in Syria focuses on human security (strengthening resilience to conflict in vulnerable communities and contributing towards stabilisation efforts) and civil society work (supporting civil society organisations to connect, share experiences, and be part of decision-making).

Black Sea – this programme focuses on strengthening the capacity of civil society organisations to design and carry out effective peace and confidence building projects across conflict boundaries.

Notes to the Financial Statements
For the year ended 30 March 2019

13. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £
Tangible fixed assets	222	-	222
Current assets	117,583	854,557	972,140
Creditors due within one year	(75,872)	(150,885)	(226,757)
	41,933	703,672	745,605

Analysis of net assets between funds - prior year

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £
Tangible fixed assets	6,314	-	6,314
Current assets	52,028	1,388,349	1,440,377
Creditors due within one year	(15,467)	(747,407)	(762,874)
	42,875	640,942	683,817

14. Reconciliation of net movement in funds to net cash flow from operating activities

	2019 £	2018 £
Net income for the year (as per Statement of Financial Activities)	61,788	516,489
Adjustment for:		
Depreciation charges	6,092	6,441
(Increase)/decrease in debtors	(397,373)	71,234
(Decrease)/increase in creditors	(536,117)	416,652
Net cash (used in)/provided by operating activities		
	(865,610)	1,010,816

Notes to the Financial Statements
For the year ended 30 March 2019

15.   Analysis of cash and cash equivalents

	2019 £	2018 £
Cash in hand	474,579	1,340,189
Total	474,579	1,340,189

16.   Pension commitments

The Charity operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Charity in an independently administered fund. The pension cost charge represents contributions payable by the Charity to the fund and amounted to £13,163 (2018 - £11,583). Contributions totalling £1,152 (2018 - £1,532) were payable to the fund at the balance sheet date and are included in creditors.

17.   Related party transactions

At the balance sheet date £nil (2018: £13) was owed to M Holland, one of the Trustees, in respect of expenses to be reimbursed. During the year, M Holland received £2,500 for consultancy services. No remuneration was received for his role as a trustee.

During the year, £46,698 (2018: £49,989) was paid to the spouse of a member of key management personnel for consultancy and project advisory services provided during the year. At the balance sheet date an amount totalling £986 (2018: £nil) was owed by the Charity in respect of these services.

18.   Controlling party

The Charity is under the control of the members. There is no overall individual controlling party.