

Financial report 2016
issued to
GPPAC Foundation
at
THE HAGUE

*GPPAC Foundation,
The Hague (Legal seat in Amsterdam)*

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1 Board Report

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1.1 Introduction

In 2016, GPPAC members all over the world made significant contributions to prevent violent conflict and foster peace in our communities. We focused on extensive analysis of our members' regional contexts to identify the added value that we could provide as a network to address some of the most pressing challenges in different regions of the world. Some highlights, which you will also read more about in this report, include our engagement with the security sector for peacebuilding, setting up and co-facilitating the Civil Society - United Nations Prevention Platform, continuing to contribute to the peacebuilding process in Mali through our human security and dialogue work and successfully finalising our project on peacebuilding in the Great Lakes region.

1.2 Governance

The GPPAC Board held two face-to-face meetings throughout the year; one in The Hague (May 2016) and one in South Bend (USA) in October 2016. There was also a Board meeting via telephone held in February.

The GPPAC International Steering Group (ISG) took place in November 2016. GPPAC members were hosted by the Kroc Institute for International Peace Studies of the University of Notre Dame, in South Bend (Indiana).

GPPAC began 2016 with a new five-year strategic plan and a new funding situation. Moving towards a more project-oriented approach, we will continue seeking to grow our income by focusing on securing long-term, multi-year grants. We will give priority to collaboration with network members and other partners that complement our vision and mission. At the same time, diversifying sources of income remains an important element of contributing to the long-term sustainability of the network.

1.3 Finances and donor relations

GPPAC closed the financial year 2016 with a positive result of EUR 8,872. GPPAC received financial support from the Dutch Ministry of Foreign Affairs, the Austrian Development Agency (ADA), the European Union (EU), OXFAM-NOVIB and NWO-WOTRO. In addition to these donor contributions, GPPAC continued to generate income other than grants through activities like online partnerships and the provision of trainings.

1.4 Human resources

2016 was also a year of significant changes for the GPPAC staff. After several years of relative stability and little staff rotation, some key staff that had been in the organisation for several years moved on to other opportunities. This included a change of GPPAC's Executive Director. After more than nine years in the job, Peter van Tuijl left GPPAC to pursue a new career opportunity. In November 2016, Darynell Rodríguez Torres was appointed the new Executive Director. He had previously been the Managing Adviser Policy and Advocacy within GPPAC.

At the end of 2016, GPPAC Global Secretariat had 13 staff employed. It is worth highlighting the significant commitment, motivation and dedication of the Global Secretariat team despite being overstretched and often working overtime. This is reflected, for example, in indicators such as the continued low level of sick-

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leave, which was sustained, at 1.19 %, well below the average in the Netherlands, which stood at 3,9% in 2016 (Source: Central Bureau Statistics).

1.5 Communications

The launch of the new brand by the Global Secretariat was completed by launching a new website and introducing the new identity to our social media channels. The 5 years communications strategy was finalized and approved.

1.6 Planning, monitoring, evaluation and learning

In 2016, GPPAC and the two coalitions hosted by WFM-IGP, the International Coalition for the Responsibility to Protect and the Coalition for the International Criminal Court, undertook an extensive review (baseline meetings) of the main issues we work on, particularly in the Middle East and North Africa, West Africa, Eastern and Central Africa, Eastern Europe and Southeast Asia. The outcomes of the review determined the strategies and plans for the main objectives under this partnership until the end of 2020.

1.7 Organisation

2016 was a year of changes for GPPAC in a number of ways. The first significant change relates to organisation's transition from a funding scheme based on core institutional grants to a projects based approach. The second one relates to changes within the governance and operational structures of the network itself to adapt to this new funding context. The third one relates to changes in the personnel of the Global Secretariat, including the appointment of a new Executive Director in November 2016.

The changes in the funding environment, where core funding by donors is being largely replaced by support to specific projects, led to a process of reviewing GPPAC's sustainability strategy. The network started a process to shift towards a more project oriented approach in an effort to accommodate to the new context. This poses some challenges for us as donor priorities tend to focus in selected regions, while GPPAC aspires to keep its global focus and support all of its regional networks across the world.

This new funding scenario has also led GPPAC to adapt its network structures and reinvigorate the commitments of the regional secretariats. GPPAC has implemented a process to sign memorandums of understanding (MoUs) with the different regional secretariats, aimed at outlining what is expected from each part and enhancing mutual accountability. On the other hand, some structures that existed in the previous scheme, such as the working groups or the programme steering committee, were adapted to comply with the new demands of the Prevention Upfront project and the new GPPAC strategic plan. The working groups were transformed into communities of practice around issues like enabling collaboration, human security, peace education and improving practice. The programme steering committee was transformed into the Global Strategy Group, which will provide the overall direction to respond to the evolving political context and provide strategic coherence to the different projects GPPAC seeks to develop.

GPPAC's business processes are certified under the International Standard of Organisations 9001:2008 (ISO 9001:2008). The annual audit took place in January 2016 and was concluded successfully. The annual

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Management Review continues to be a useful instrument to guide the development of the management of the foundation and keep it up-to-date. GPPAC will use the year 2017 for transition towards the new ISO 9001:2015 standard. There were no major investments in physical infrastructure of the organisation in 2016.

1.8 Activities

The different activities developed by GPPAC throughout the year focused on contributing to the three main outcomes defined by our Strategic Plan 2016 – 2020: 1) enabling collaboration, 2) improving practice and 3) influencing policy. This report provides some highlights of GPPAC's work during 2016. More detailed information about GPPAC's activities and results, can be found in our annual report and on our website www.gppac.org.

2016 marked the last year of the four-year Great Lakes Project funded by the Dutch Ministry of Foreign Affairs. The first phase of the project focused on civil society capacity enhancement and the development of the appropriate structures (the civil society forums), to enable effective civil society engagement with the International Conference on the Great Lakes Region, (ICGLR). The final phase focused on documenting and sharing the experiences gained through the project. We produced a number of practice and policy briefs and the CSO handbook on the International Regional Conference for the Great Lakes Region.

International conflict prevention and peacebuilding face major challenges. The “Whole of Society Conflict Prevention and Peacebuilding” (WOSCAP) project focuses on practical approaches and tools that can enable the European Union (EU) to take these challenges into account, to make its interventions more coherent and inclusive, and thus more sustainable. The project started in June 2015 with GPPAC as the project coordinator, leading a consortium of / with ten partners. Over 2016, the project activities focused on evidence-based research, producing a number of case studies and thematic reports. To assess the EU's past and ongoing conflict prevention and peacebuilding initiatives, it looked at three types of existing EU interventions, namely multi-track diplomacy, security sector reform, and governance reform. This was done through a combination of desk and field research in case study countries: Mali, Yemen, Georgia, Ukraine, Kosovo, Afghanistan, Sri Lanka, Guatemala and Honduras. The research provides the EU institutions involved in peacebuilding, with evidence-based input from the research field.

Since it began in 2014, the project “Civil Society for a Human Security Strategy in Mali” has been working to support a civil society network in Mali that mobilises around issues of human security and peacebuilding. Through this project, we continued to facilitate dialogue with communities in Mali and linking them to the international level. During the project it was observed that coordination and collective advocacy amongst local civil society organisations is an important priority for the advancement and constructive role of Malian civil society. With that in mind, it was decided to organise an advocacy week in New York with a delegation of Malian civil society organisations. This was important, as the Mali CSOs brought their experiences and stories of Malian women, men and youth to policymakers and donors at the United Nations (UN). The Mali delegation attended various events and meetings, such as the roundtable “The Challenges and Opportunities for Civil Society Contributions to the Malian Peace Accord and its Implementation,” and a

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meeting with the UN-Civil Society Prevention Platform, which GPPAC co-facilitates with QUNO. They also participated in a two-day training on lobbying and advocacy towards the UN.

GPPAC partnered with The Hague Institute for Global Justice in a project to explore lessons learnt by Malian and international civil society actors working on the design and implementation of a human security strategy for Mali. This initiative was funded by the Netherlands Organisation for Scientific Research (NWO-WOTRO).

In 2016, the five-year strategic partnership with the Dutch Ministry of Foreign Affairs and WFM-IGP started. GPPAC initiated the “Prevention up Front” alliance with the World Federalist Movement – Institute for Global Policy (WFM-IGP) in a strategic partnership with the Dutch Ministry of Foreign Affairs. Together we aim to increase our impact and open spaces for engagement and influence to strengthen, adopt and implement norms, laws and policies for prevention. In 2016, GPPAC and the two coalitions hosted by WFM-IGP, the International Coalition for the Responsibility to Protect and the Coalition for the International Criminal Court, undertook an extensive review (baseline meetings) of the main issues we work on, particularly in the Middle East and North Africa, West Africa, Eastern and Central Africa, Eastern Europe and Southeast Asia. The outcomes of the review determined the strategies and plans for the main objectives under this partnership until the end of 2020.

During 2016, GPPAC contributed to a range of training courses such as the Dutch and German defence colleges, the Folke Bernadotte Academy course on Security Sector Reform in Sweden, and the preparation of the Swedish and Dutch troops deploying to the MINUSMA peacekeeping mission in Mali. These efforts are part of GPPAC’s strategic objective to improve the practice of conflict prevention and peacebuilding actors through enhanced cooperation with civil society.

GPPAC continues to engage with Regional Intergovernmental Organisations (RIGOs) for effective conflict prevention and peacebuilding. Regional intergovernmental organisations (RIGOs) play an important role in the collective peace and security architecture. They are increasingly called upon to take greater responsibility to sustain peace and security in their respective regions and contribute to the establishment of functioning democratic institutions in post-conflict countries in transition. As part of its ongoing work to promote greater cooperation between regional organisations, civil society organisations and the UN system, GPPAC organised a side event during the High Level Thematic Debate on Peace and Security convened by the President of the UN General Assembly in May 2016. The title of the event was “Beyond the UN Peace and Security Architecture: How can Enhanced Cooperation with Civil Society and Regional Organisations Help the UN to Fulfil its Purpose?”

Finally, it is also worth highlighting the establishment of the Civil Society – United Nations Prevention Platform which GPPAC co-facilitates with the Quakers United Nations Office, QUNO. This initiative aims to contribute to meaningful inclusion in prevention policies by establishing partnerships among local actors, civil society and the UN system. The Civil Society - UN Prevention Platform was created in 2016 against the backdrop of a renewed focus at the UN on prevention and inclusivity. In cooperation with the UN

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Department of Political Affairs (UN-DPA) and other UN agencies and departments, the Platform holds thematic and country-specific meetings to bring UN and civil society actors together.

1.9 Budget 2017

The current three grants from the Dutch MFA, EU and ZIVIK provide a secured income of EUR 2.970.000 for 2017. This is not sufficient to cover all the foreseen costs for the year. As part of its fundraising efforts, GPPAC is currently in a very advanced stage of conversations with a potential new donor who could provide substantive core funding for the years 2017-2019. GPPAC is also working on a number of new project proposals. In the unlikely case that none of our fundraising efforts leads to success; the continuity reserve will be able to cover the deficit. The budget for 2017 looks as follows:

Income	2,970,000
Expenditures on behalf of the objectives	2,880,000
Costs Management and administration	140,000
Total expenses	3,020,000
Projected result	-50,000

GPPAC Board composition, June 2017,

Sharon Bhagwan Rolls (Chair), Miguel Alvarez (Vice-Chair), Rob Zeldenrust (Vice-Chair); Liesbeth Reekers, Treasurer; Ivana Gajovic, Mariska van Beijnum, Walter Odhiambo,

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2 Financial Report

2.1 Balance sheet as at December 31, 2016 (after appropriation of the result)
(all amounts in euro)

	December 31, 2016	December 31, 2015
Assets		
Tangible fixed assets		
Equipment	4,684	8,336
	<u>4,684</u>	<u>8,336</u>
Current assets		
Receivables	485,490	985,236
Cash and cash equivalents	544,759	924,178
	<u>1,030,249</u>	<u>1,909,414</u>
	<u><u>1,034,933</u></u>	<u><u>1,917,750</u></u>
Liabilities		
Reserves		
Continuity reserve	106,278	93,223
Short-term reserve	546	4,729
	<u>106,824</u>	<u>97,952</u>
Short-term liabilities		
Accounts payable	13,342	30,993
Taxes and social security payments	57,866	76,906
Received pre-payments donors	610,465	1,569,872
Accruals, provisions and other liabilities	246,436	142,027
	<u>928,109</u>	<u>1,819,798</u>
	<u><u>1,034,933</u></u>	<u><u>1,917,750</u></u>

2.2 Statement of income and expenditure for the year 2016

(all amounts in euro)

	Realisation 2016	Budget 2016	Realisation 2015
Income			
Grants from governments and others	3,373,072	3,300,000	4,030,542
Income other than grants	14,550	0	80,537
Sum of income	3,387,622	3,300,000	4,111,079
Expenses			
Expenditure on behalf of the objective			
Enabling collaboration	1,350,433	1,100,000	1,481,222
Improving practice	1,158,451	900,000	1,107,122
Influencing policy	685,873	350,000	388,867
Online partnerships	503	0	114
	3,195,260	3,080,000	3,870,181
Expenditure fundraising			
Costs obtaining government grants and others	48,104	60,000	59,886
Management & administration			
Costs management & administration	135,386	160,000	159,506
Sum of expenses	3,378,750	3,300,000	4,089,573
Surplus/deficit	8,872	0	21,506
Appropriation of result			
Continuity reserve	13,055		20,173
Short-term reserve	- 4,183		1,333
	8,872		21,506

2.3 Notes to the accounts

2.3.1 Foundation

- The foundation was formed on September 1, 1997 and is statutory domiciled in Amsterdam. As of January 1st, 2011, the Foundation hosting the Global Secretariat of GPPAC has changed its name from European Centre for Conflict Prevention (ECCP) to GPPAC Foundation.
- The objectives of the Foundation are to contribute to the prevention and management of violent conflicts by providing initiatives that seek to provide early warning signals and early actions.
- The main task of GPPAC Foundation is to act as the Global Secretariat of the Global partnership for the Prevention of Armed Conflict (GPPAC), the world-wide civil society-led network to build a new international consensus on peace building and the prevention of violent conflict. The GPPAC program works to strengthen civil society networks for peace and security by linking local, national, regional and global levels of action and effective engagement with governments, the UN system and regional organisations.

2.3.2 Financing of the foundation

- The income of the foundation exists of grants from various donors that support the purpose of the foundation. Most grants are requested on a yearly basis, some of the grants are received for more than one year. At the date of signing of this financial report, various grants have been pledged by donors, others are being discussed and negotiated.
- The foundation has been exploring opportunities for income other than grants by providing trainings and portal-services (“online partnerships”). This resulted in revenues in 2016.
- Based on the before-mentioned reasons the principles of valuation have been based on the continuity of the foundation.

2.3.3 Comparison with prior year

The principals used for valuation and determination of result have remained unchanged compared to the prior year. As of 2016, the costs have been allocated to the objectives of the Strategic plan 2016-2020. The 2015 figures have been re-calculated to these new objectives.

2.3.4 General accounting principles for the preparation of the financial statements

- The financial statements have been prepared in accordance with RJ 640.
- Valuation of assets and liabilities and determination of the result takes place under the historical cost convention. Unless presented otherwise, the relevant principle for the specific balance sheet item, assets and liabilities are presented at face value.
- Income and expenses are accounted for on accrual basis. Profit is only included when realized on balance sheet date. Losses originating before the end of the financial year are taken into account if they have become known before preparation of the financial statements.
- Tangible fixed assets are presented at cost less accumulated depreciation and, if applicable, less impairments in value. Depreciation is based on the estimated useful life and calculated as a fixed percentage of cost, taking into account any residual value. Depreciation is provided from the date an asset comes into use.

2.3.5 Principles of determination of result

- Income is accounted for in the year to which it relates. Expenditure is accounted for in the year in which the relevant income is accounted for. Losses are already accounted for as soon as they are foreseeable.
- Operating government grants are included in the profit and loss account in the year to which the subsidized expenses are charged / in which the loss of income is incurred / in which the operating loss has occurred.

2.3.6 Foreign currencies

Receivables, liabilities and obligations denominated in foreign currency are translated at the exchange rates prevailing as at balance sheet date. Transactions in foreign currency during the financial year are recognised in the financial statements at the exchange rates prevailing at transaction date. The exchange differences resulting from the translation as at balance sheet date are recorded in the profit and loss account.

2.4 Notes to the balance sheet as at December 31, 2016

(all amounts in euro)

Tangible fixed assets

ICT and other office equipment

	ICT equipment	Other equipment	Total equipment
Cost prize 31 December 2015	33,080	9,038	42,118
Accumulated depreciation 31 December 2015	- 25,926	- 7856	- 33,782
Book value 31 December 2015	7,154	1,182	8,336
Investments 2016	932	1,377	2,309
Depreciation 2016	- 5,538	- 422	- 5,960
Book value 31 December 2016	2,547	2,137	4,684

Expenses for hardware, software, furniture, fixtures and fittings with a cost prize more than EUR 450 are presented as investments. The yearly depreciation rate is 20 %.

Receivables

Receivables can be divided in grant receivables and other receivables.

Grants receivable can be specified as follows:

	2016	2015
WPP- MENA 1325	0	5,898
WANEP-ADA project	12,799	26,114
EU Woscap project	181,938	0
Dutch Ministry of Foreign Affairs Great lakes project	21,158	0
Dutch Ministry of Foreign Affairs MFS2	0	4,500
	<u>215,895</u>	<u>36,512</u>
	=====	=====

Other receivables can be specified as follows:

Accounts receivables	56,288	15,367
Prepayments	-155	827
Receivables project partners: MFS2	0	22,393
Receivables project partners: Great Lakes	0	211,261
Receivables project partners: WOSCAP (EU)	0	305,757
Receivables project partners: Strategic Partnership DMFA	185,582	0
Receivables projects	778	327,647
Other receivables	27,102	65,472
	<u>269,595</u>	<u>948,724</u>
	=====	=====
Total receivables	485,490	985,236
	=====	=====

2.4 Notes to the balance sheet as at December 31, 2016

(all amounts in euro)

Cash at banks and in hand are available on demand. For optimal cash-flow management bank deposit accounts with monthly and quarterly interest calculation have been used.

Equity

	2016	2015
	-----	-----
Balance as at January 1	97,952	76,446
Result for the financial year	8,872	21,506
	-----	-----
Balance at December 31	106,824	97,952
	=====	=====

The positive result for the financial year has been added to the continuity reserve after deducting the earmarked accrued interest (EUR 546) for the Strategic Partnership project. The interest has been added to the short-term reserve with the condition to spend this amount on behalf of the objective before the end of the grant period. All accrued interest concerning the Great Lakes project has been used in 2016 for project related activities

	2016	2015
	-----	-----
Continuity reserve	106.278	93.223
Short-term reserve	546	4.729
	-----	-----
Balance at December 31	106.824	97.952
	=====	=====

Taxes and social security payments

	2016	2015
	-----	-----
Dutch Tax Authority: social security premiums	20,770	32,171
Dutch Tax Authority: VAT	28,847	32,065
ABP: pension premiums	8,249	12,670
	-----	-----
	57,866	76,906
	=====	=====

2.4 Notes to the balance sheet as at December 31, 2016

(all amounts in euro)

Received pre-payments project

Received pre-payments projects relates to the costs less income received relating to various projects. which are not completed as per December 31.

	2016	2015
	<u> </u>	<u> </u>
MFA The Netherlands (Great lakes project)	0	219,465
MFA The Netherlands (Strategic partnership)	610,465	800,000
EU (WOSCAP)	0	550,407
	<u>610,465</u>	<u>1,569,872</u>
	=====	=====

Accrued liabilities

The items yet to be paid can be broken down as follows:

	2016	2015
	<u> </u>	<u> </u>
Audit fee	6,000	6,050
Holiday allowance	27,417	36,266
Holiday leave days	18,024	18,024
Project invoices to be received	175,934	63,761
Various other expenses	19,061	17,926
	<u>246,436</u>	<u>142,027</u>
	=====	=====

Commitments and receivables not included in the balance sheet

The foundation has an obligation amounting to EUR 57,087 a year under a rental contract for the office in The Hague. The rental contract can be prolonged for a period of one year.

Contracts signed with the service providers Worth-IT and BMP partners are leading to a total annual obligation of EUR 59,549 including 21% VAT.

2.5 Notes to the statement of income and expenditure for the year 2016
(all amounts in euro)

	2016	2015
	<u> </u>	<u> </u>
Grants from governments and others (appropriated income)		
Austrian Development Agency-WANEP*	38,414	109,172
Cordaid North East Asia project	0	115,000
Cordaid Research project	0	243,237
European Union WOSCAP*	732,345	345,144
Dutch Ministry of Foreign Affairs MFS 2	77,530	1,742,920
Dutch Ministry of Foreign Affairs Great Lakes of Africa*	691,845	1,044,040
Dutch Ministry of Foreign Affairs Strategic Partnership*	1,789,535	
OXFAM-WPP	8,199	20,586
Rockefeller Brothers Fund	0	369,348
Swedish International Development Cooperation	0	41,095
Hague Institute for Global Justice	20,795	0
EPLO	14,409	0
	<u> </u>	<u> </u>
*: Grant not officially closed yet by donor	3,373,072	4,030,542
	=====	=====
Income other than grants		
Interest	795	4,892
Online Partnerships	6,756	2,362
Other revenues	6,999	73,283
	<u> </u>	<u> </u>
	14,550	80,537
	=====	=====

2.5 Notes to the statement of income and expenditure for the year 2016

(all amounts in euro)

Expenditures on behalf of the objectives

Objectives	Total costs	Project costs	Progr man	Operational progr costs
Enabling collaboration	1,350,433	1,105,075	103,850	141,508
Improving practice	1,158,451	772,194	244,749	141,508
Influencing policy	685,873	375,319	169,046	141,508
Subtotal	3,194,757	2,252,588	517,645	424,524
Online partnerships	503			
Total expenditure on behalf of objectives	3,195,260			
Costs obtaining gov grants and others	48,104			
Costs management and administration	135,386			
Total expenses	3,378,750			

Operational programme costs are costs for communication, PM&E, donor relations and indirect costs, like staff time and other expenses.

The total costs reported by WFM-IGP for 2016 (EUR 765,175) concerning the Strategic Partnership project Prevention Up Front, are for 100% allocated to our objective Enabling collaboration.

The objectives from the Strategic plan 2016-2020 differ from the objectives from the Strategic plan 2011-2015. The table below shows the re-calculation of the total amounts of 2015 of the previous objectives to the current ones.

Objectives	Network strengthening	Action learning	Policy and advocacy	Public outreach	Totals
Enabling collaboration	1,481,222	0	0	0	1,481,222
Improving practices	0	1,107,122	0	0	1,107,122
Influencing policy	0	0	388,867	892,856	1,281,723
Totals	1,481,222	1,107,122	388,867	892,856	3,870,067

The management costs are costs related with the staff at the Global Secretariat including the office costs in The Hague. The total value amounted EUR 1,125,660 in 2016 (2015: EUR 1,315,900). These costs are allocated to the various programmes based on time registration system and the actual personnel and office costs. In the next table an overview of these management costs.

	2016	2015
Expenditure		
Personnel costs	914,278	1,095,140
Office costs	211,382	220,760
Direct program costs	3.253.090	2,773,673
	<u>3,378,750</u>	<u>4,089,573</u>
	=====	=====

2.5 Notes to the statement of income and expenditure for the year 2016

(all amounts in euro)

Management costs/ costs Global Secretariat	Realisation 2016	Budget 2016	Realisation 2015
Personnel costs			
Gross salaries	687,383	715,000	816,621
Taxes and social premiums	113,439	118,000	128,971
Pension costs	85,160	87,000	107,034
<i>Subtotal Salary costs</i>	<i>885,982</i>	<i>920,000</i>	<i>1,052,626</i>
Commuting	19,178	24,000	21,434
Training	3,895	10,000	12,126
Other personnel costs	5,223	3,000	8,954
	914,278	957,000	1,095,140
 Office costs			
Depreciation	5,960	6,300	5,741
Rent office	56,916	57,300	56,638
Office expenses	22,647	29,000	23,832
ICT	46,739	67,000	51,821
Accountancy & consultancy	23,391	26,000	29,882
Other office costs	55,729	54,400	52,846
	211,382	240,000	220,760
	1,125,660	1,197,000	1,315,900

During 2016, the foundation employed an average of 15 fte's (2015:17).

Mr Darynell Rodriguez Torres is the director of the GPPAC Foundation and was appointed on a 100% position by the board as per 1st of November 2016. His gross salary of 2016 amounted EUR 11,753. This is including holiday allowance but excluding the employer pension contribution of EUR 1,097. No other allowances were paid to him. The former Executive Director Mr. Peter van Tuijl left the organisation as per 30 October 2016. His gross salary of 2016 amounted EUR 76,415 (100%, 2015: EUR 90,908). This is also including holiday allowance but excluding employer pension contribution of EUR 9,886 (2015: EUR 13,097). No other allowances were paid to him.

Apart from reimbursement of expenses, GPPAC Board members do not receive any financial compensation for their assignment. The table below presents an overview of all Board members and their membership in 2015 and 2016.

2.5 Notes to the statement of income and expenditure for the year 2016

(all amounts in euro)

Name	Function	Period 2016	Financial compensation 2016	Period 2015	Financial compensation 2015
Sharon Bhagwan Rolls	Chair	1/1-31/12	Not applicable	1/1-31/12	Not applicable
Miguel Alvarez	Vice-Chair	1/1-31/12	Not applicable	1/10-31/12	Not applicable
Joris Voorhoeve	Vice-Chair	1/1-31/12	Not applicable	1/1-31/12	Not applicable
Liesbeth Reekers	Treasurer	1/1-31/12	Not applicable	1/1-31/12	Not applicable
Ivana Gajovic	Member	1/11-31/12	Not applicable	-	Not applicable
Mariska van Beijnum	Member	1/1-31/12	Not applicable	1/1-31/12	Not applicable
Walter Odhiambo	Member	1/1-31/12	Not applicable	1/5-31/12	Not applicable
Raya Kadyrova	Member	1/1-31/10	Not applicable	1/1-31/12	Not applicable
Gus Miclat Jr.	Vice-Chair	-	Not applicable	1/1-31/10	Not applicable
Emmanuel Bombande	Chair	-	Not applicable	1/1-31/5	Not applicable

Depreciation

	2016	2015
	-----	-----
Automation	5,538	5,414
Office equipment	422	327
	-----	-----
	5,960	5,741
	=====	=====

Housing costs

Housing costs consist of rental costs for the office at Laan van Meerdervoort 70, The Hague.

	2016	2015
	-----	-----
Office expenses		
Telephone	5,419	5,937
Office equipment/material	1,621	2,158
Postal charges	375	473
Contributions	4,313	3,988
Other	10,919	11,276
	-----	-----
	22,647	23,832
	=====	=====
ICT	46,739	51,821
	=====	=====

As per 2013, the external costs of the Peace Portal as far as related to the GPPAC network are being booked

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under ICT where they were previously registered as programme costs.

Accountancy and consultancy costs

Consultancy costs	4,646	4,783
Auditor costs	11,637	11,358
Project audit costs	4,758	10,820
Salary administration costs	2,350	2,921
	<u>23,391</u>	<u>29,882</u>
	=====	=====

Other office costs

Communication/marketing	18,877	28,327
Insurances general	19,816	21,180
Other expenses	17,036	3,338
	<u>55,729</u>	<u>52,845</u>
	=====	=====

In 2015, communication costs were made for the branding and look-and-feel process including further updates of the GPPAC website.

The Hague, 30 June 2017

The Board,

Sharon Bhagwan Rolls, Chair
Miguel Alvarez, Vice-Chair
Rob Zeldenrust, Vice-Chair
Liesbeth Reekers, Treasurer
Walter Odhiambo
Ivana Gajovic
Mariska van Beijnum



INDEPENDENT AUDITOR'S REPORT

To: the Board of Stichting Global Partnership for the Prevention of Armed Conflict

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS 2016 INCLUDED IN THE FINANCIAL REPORT

OUR OPINION

We have audited the financial statements 2016 of Stichting Global Partnership for the Prevention of Armed Conflict, based in The Hague.

In our opinion the accompanying financial statements give a true and fair view of the financial position of Stichting Global Partnership for the Prevention of Armed Conflict, as at 31 December 2016 and of its result for 2016 in accordance with the Guideline for annual reporting 640 'Not-for-profit organisations' of the Dutch Accounting Standards Board and the Dutch WNT (Wet normering bezoldiging topfunctionarissen publieke en semipublieke sector).

The financial statements comprise:

- 1 the balance sheet as at 31 December 2016
- 2 the statement of income and expenditure for 2016; and
- 3 the notes comprising a summary of the accounting policies and other explanatory information.

BASIS FOR OUR OPINION

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing and the WNT audit protocol. Our responsibilities under those standards are further described in the 'Our responsibilities for the audit of the financial statements' section of our report.

We are independent of Stichting Global Partnership for the Prevention of Armed Conflict in accordance with the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics).

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

REPORT ON THE OTHER INFORMATION INCLUDED IN THE FINANCIAL REPORT

In addition to the financial statements and our auditor's report thereon, the annual report contains other information that consists of:

- The board report; and
- Appendix Donor overview 2016.

Based on the following procedures performed, we conclude that the other information:

- is consistent with the financial statements and does not contain material misstatements;
- consist all the information based on the Guideline for annual reporting 640 'Not-for-profit organisations'.

Ref.: J.MI.17298

Accon avm controlepraktijk B.V., Plesmanstraat 64, 3905 KZ Veenendaal, PO Box 888, 3900 AW Veenendaal
T: 0318 559 559, F: 0318 559 569, www.acconavm.nl

Accon avm controlepraktijk B.V. (Chamber of Commerce 09114597) forms a part of Stichting acconavm controlepraktijk (Chamber of Commerce 09173535). Our services are governed by General Terms and Conditions ('algemene voorwaarden'), which include provisions regarding our liability. These General Terms and Conditions have been filed at the Arnhem Chamber of Commerce. Our General Terms and Conditions are free of charge and also at www.acconavm.nl available. Visit our website for more information about our services, our people and our ambitions.



We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing these procedures, we comply with the requirements of the Dutch Standard 720. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements.

The board is responsible for the preparation of the other information, including the board report in accordance with the Guideline for annual reporting 640 'Not-for-profit organisations' of the Dutch Accounting Standards Board.

DESCRIPTION OF RESPONSIBILITIES REGARDING THE FINANCIAL STATEMENTS

RESPONSIBILITIES OF THE BOARD FOR THE FINANCIAL STATEMENTS

The board is responsible for the preparation and fair presentation of the financial statements in accordance with the Guideline for annual reporting 640 'Not-for-profit organisations' of the Dutch Accounting Standards Board and the WNT. Furthermore, the board is responsible for such internal control as the board determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, the board is responsible for assessing the company's ability to continue as a going concern. Based on the financial reporting framework mentioned, the board should prepare the financial statements using the going concern basis of accounting unless the board either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

OUR RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objective is to plan and perform the audit assignment in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit.

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. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

A more detailed description of our responsibilities is set out in the appendix to our report.

Veenendaal, 30 June 2017
accon avm controlepraktijk B.V.

Original has been signed by drs. J. Snoei RA



APPENDIX TO OUR AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS 2016 OF STICHTING GLOBAL PARTNERSHIP FOR THE PREVENTION OF ARMED CONFLICT

In addition to what is included in our auditor's report we have further set out in this appendix our responsibilities for the audit of the financial statements and explained what an audit involves.

THE AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

We have exercised professional judgment and have maintained professional skepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements, independence requirements and the WNT. Our audit included e.g.:

- Identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Concluding on the appropriateness of management's use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company to cease to continue as a going concern.
- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures; and
- Evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the those charged with governance ('the board') regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identify during our audit.

*GPPAC Foundation,
The Hague (Legal seat in Amsterdam)*

Appendix

Appendix 4.1: Donor overview 2016

(all amounts in euro)

Name of donor: Dutch Ministry of Foreign Affairs	Funds allocated 2016:	77,530	Installments received 2016:	82,030
Donor reference: MFS2: 22157	Totally allocated:	8,203,098	Installments received in total:	8,203,098
Contract period: 01012011-31122015	Total contract funding:	8,203,098	Installments to receive:	0
Name of donor: Dutch Ministry of Foreign Affairs	Funds allocated 2016:	691,845	Installments received 2016:	451,028
Donor reference: Great lakes of Africa: 24345	Totally allocated:	3,235,883	Installments received in total:	3,214,531
Contract period: 01012011-31122015	Total contract funding:	3,280,134	Installments to receive:	21,352
Name of donor: European Union	Funds allocated 2016:	732,345	Installments received 2016:	0
Donor reference: WOSCAP (Horizon 2020)	Totally allocated:	1,077,489	Installments received in total:	895,551
Contract period: 01062015 - 30112017	Total contract funding:	1,990,116	Installments to receive:	1,094,565
Name of donor: Dutch Ministry of Foreign Affairs	Funds allocated 2016:	1,789,535	Installments received 2016:	1,600,000
Donor reference: Strategic partnership: act. 27553	Totally allocated:	1,789,535	Installments received in total:	2,400,000
Contract period: 01012016-31122020	Total contract funding:	10,000,000	Installments to receive:	7,600,000
Name of donor: HIGJ-NWO	Funds allocated 2016:	20,795	Installments received 2016:	18,000
Donor reference: W 08.400.2015.121	Totally allocated:	20,795	Installments received in total:	2,795
Contract period: 01012016-31122016	Total contract funding:	20,795	Installments to receive:	0
Name of donor: WANEP/ADA Mali	Funds allocated 2016:	38,414	Installments received 2016:	51,729
Donor reference: Human Security Strategy in Mali	Totally allocated:	275,378	Installments received in total:	262,579
Contract period: 01112013-31122016	Total contract funding:	327,708	Installments to receive:	12,799
Name of donor: WPP 1325	Funds allocated 2016:	8,199	Installments received 2016:	14,097
Donor reference: 1325MENA-02	Totally allocated:	34,642	Installments received in total:	34,642
Contract period: 01102013-30042016	Total contract funding:	35,522	Installments to receive:	0
Name of donor: EPLO	Funds allocated 2016:	14,409	Installments received 2016:	14,409
Donor reference: Member State Meeting 2016	Totally allocated:	14,409	Installments received in total:	14,409
Contract period: 29022016-31052016	Total contract funding:	14,409	Installments to receive:	0