

Financial report 2019
issued to
GPPAC Foundation
at
THE HAGUE

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

Contents

1	Board report	3
2	Financial report	
2.1	Balance sheet as at December 31, 2019	13
2.2	Statement of income and expenditure for the year 2019	14
2.3	Notes to the accounts	15
2.4	Notes to the balance sheet as at December 31, 2019	16
2.5	Notes to the statement of income and expenditure for the year 2019	20
3	Auditor's report	27
4	Appendix: Donor overview 2019	
4.1	Donor overview 2019	32

1 Board Report

1.1 Introduction

As part of a movement of peacebuilders from across the globe, we strive to create a world in which violent conflict is prevented. Many of our activities aim to create new spaces and mechanisms for collaboration with other actors, promote the active role of civil society in building more secure and peaceful communities, free from fear, want and indignity. The work of GPPAC in 2019 reflects our desire to achieve a broader understanding of inclusivity. Our annual report showcases some of the fundamental work and initiatives undertaken by our members all over the world and by our team at the Global Secretariat.

Part of GPPAC's efforts to achieve inclusivity are reflected on youth focused projects. Examples of this include two major initiatives focusing on youth empowerment in Kyrgyzstan and on youth becoming agents of change in Uganda. Youth participants felt empowered by these projects. They now feel that they themselves can make a change, and deal with challenges in their countries through peaceful means. These are just some two examples of brave women and young peacebuilders from around the world. Through our annual report, we are excited to share their stories and some of last year's successes.

1.2 Governance

The GPPAC Board held four meetings throughout the year in 2019. Face-to-face meetings were held in May, in Odessa, Ukraine and in November in The Hague, the Netherlands. Two telephone conferences were held in February and April. In June 2019, Mrs. Reekers, treasurer of the Board resigned.

The GPPAC International Steering Group (ISG) convened in Odessa, Ukraine, in May 2019. The GPPAC regional secretariat for Eastern Europe, Non-Violence International, coordinated this event.

1.3 Finances and donor relations

GPPAC closed the year with a deficit of EUR 16,088. This can be explained by an amount of EUR 20,000 spent on the change process of the Global Secretariat that is covered by the earmarked reserve of the foundation.

GPPAC received financial support from the Dutch Ministry of Foreign Affairs, the Swedish International Development Agency (Sida), the United Nations Peacebuilding Fund and ifa (Institut für Auslandsbeziehungen)/zivik.

1.4 Human resources

In 2019, the Global Secretariat went through a change process to improve efficiency and become better 'fit for purpose'. With the support of an external consultant, we defined a new organisational structure with a clear hierarchy, four generic role levels and a fixed set of competencies per role level. During this process, it was also identified that there was a need to create a culture of Operational Excellence, with greater accountability of quality management and a strengthened HR ground rule. The new structure consists of three teams: the Global Advocacy team, the Regional Support team and the Operations team. Staff went through an application procedure and the members of each team were appointed in November 2019. The new organisational structure became operational from January 2020 onwards.

On 31 December 2019, the GPPAC Global Secretariat had 14 employees. The sick-leave rate was at 2.3% for 2019 that was influenced by a long-term sick leave case. Despite this one case, the sick leave rate decreased from 4.0% in 2018. It was also below the average sick leave percentage in The Netherlands, which was at 4.4% for 2019 (Source: Central Bureau Statistics).

1.4.1 Integrity

Integrity and accountability are at the heart of GPPAC's work, and we strive to conduct all our operations with honesty and transparency. In 2019, we initiated the set-up of an integrity system to ensure ethical and responsible conduct throughout the GPPAC network and Global Secretariat. Two policies are at the core of the integrity system:

- The Global Secretariat Code of Conduct applies to all our employees, interns, contractors, as well as to GPPAC Board members. It outlines the need to protect the organisation's legality and thus behave ethically and responsibly concerning the organisations' finances, partnerships and public image. At the same time, respect is the underlying principle of the code. Any discrimination, harassment or victimisation is seen as unacceptable behaviour. The code sets the basis to ensure that any conduct that is perceived as inappropriate will be addressed. For that matter, we have appointed two confidential counsellors and two integrity officers to ensure that any issue raised which possibly relates to integrity, is followed up and investigated if necessary.
- The GPPAC Network Integrity policy sets out how member organisations, their employees, interns, volunteers and others associated with them should put into practice the same principles of the Code of Conduct in their involvement in GPPAC activities, and when representing GPPAC in any way. In 2019, this policy received broad support of our network members and was approved by the International Steering Group. It was also agreed that a Network Integrity Committee should be established in 2020 to ensure the implementation of this policy. We also encourage members to apply the principles of this policy in their non-GPPAC work and to develop their own code of conduct if they do not have one already.

The GPPAC Global Secretariat aims to align its code of conduct with the internal working culture. Accordingly, we have adopted a set of actions to focus on the strengthening of two main topics: a culture of feedback and individual ownership. Some of the activities foreseen are: a quarterly "take the pulse" mini-survey coordinated by the confidential counsellor, discussing possible ethical dilemmas regularly during team meetings and a workshop for providing feedback and active listening, which will take place in the first half of 2020. The management team of GPPAC Global Secretariat is taking this topic seriously and is keen on setting the right example of good behaviour.

1.5 Communications

GPPAC has embedded the strategy of storytelling within its work. Over the past years, this has led to a significant increase in visibility.

During 2019, we continued highlighting personal stories of practitioners and conflict-affected persons, which allowed us to clearly communicate the human aspect of our work and increase the impact of our communication.

In 2019, our online reach was very successful, as highlighted in the adjacent infographic. In 2019, a 63% increase in the number of visitors was seen. Just like last year, Google Ads have been extremely valuable in relation to the number of visits, as they were responsible for 59% of all visits.

On Social Media, we can see a similar trend of growth.

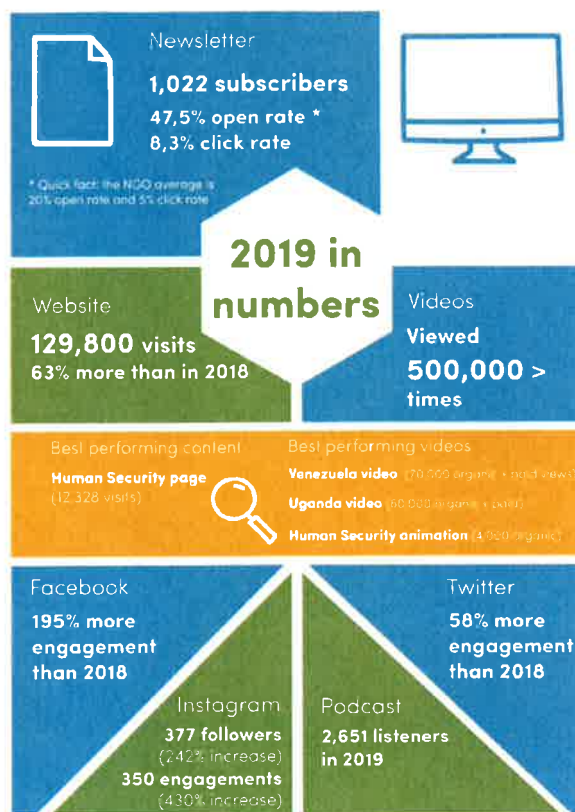
This was the case for all Social Media platforms, but mostly for Facebook, which in part can be explained by strategically running paid posts.

The newsletter has steadily grown after losing many subscribers, due to the implementation of the GDPR process. The list grew with 45% -from 703 to 1,022 subscribers. Engagement with the newsletter grew from the figures in 2018 and, again, performed a lot better than the average of the non-profit sector. In 2019, the newsletter had a 47,5% open rate and a 8,3% click rate.

Unsurprisingly, video content performed best throughout 2019. Of that content, the best performing videos were emotionally engaging and told personal stories, such as those focusing on Venezuela and Uganda. Another video that performs well every year is the human security animation. Organically, without the use of paid advertisement, the animation received almost 4,000 views in 2019. There was also a huge spike in visits to the human security page on the website.

Beyond video content, written content that was most engaged with, was around youth, women, peace education, the podcast, peace prize/honourable mentions and SDGs. Apart from this thematic content, stories performed well (e.g. of Wilmer and Fadi) as well as an interview on the Philippines and articles of GPPAC's ED.

If we look at the audiences, it becomes clear that we have a highly engaged audience in the Netherlands, US and UK. While much quantitative engagement came from the Philippines, India, Pakistan, Nigeria and South Africa, qualitative engagement (longer average session durations and more pages viewed) came mostly from Western countries. While this is not the case for every single platform, it is a notable crosscutting trend. Therefore, generally speaking, it can be said that our more engaged audiences come from Western countries.



1.6 Planning, monitoring, evaluation and learning

The mid-term review conducted in 2018 demonstrated that we had not been collecting a lot of the results that were being achieved throughout the network. In 2018 and continuing into 2019, we retroactively collected many more outcomes and outputs from the preceding years than we had previously. The resulting mid-term review report in 2019 gave us a great deal of insight into our progress in implementing our 2016-2020 strategic plan. The conclusions and reflections of the mid-term review have been used as input for the development of the new strategic plan for 2021-2025.

As a result of the initially poor collection of results for the mid-term review, we revised our reporting format. The new reporting format combines quarterly and annual reporting in one single document and intends to improve the efficiency and process of collecting information on results and outcomes. In 2020, we will evaluate the reporting format, including whether the Global Secretariat actually uses all the submitted data, and whether we can make the format more user-friendly.

1.7 Organisation

In 2019, we completed a change process of the structure of the Global Secretariat that the Board of the GPPAC Foundation had begun in June 2018. With the guidance of an external consultant, we began to analyse the areas that needed improvement. These were: Planning and priority setting; the Embedding of Quality management; Organizational structure and hierarchy and Management and governance. Based on these conclusions, the Board agreed to undertake the implementation of a change process focused on installing an organisational structure with a clear hierarchy and creating a culture of Operational Excellence.

This has led to a new organisational structure composed by three teams:

- The Regional Support Team: To address the strengthening of the regional support in a holistic way. The team will support regional fundraising, regional communications to external stakeholders and regional advocacy. It will monitor the implementation of activities and achievement of results and will be accountable for regional budgets.
- The Global Advocacy Team: To focus on a limited set of central themes in line with the Strategic Plan, and approach holistic funding, stakeholder management and donor strategy.
- The Operations Team: To enable all functions of the GS internal, GPPAC network and governing bodies together in one team. Strengthening of HR and Finance at management level and taking a holistic approach to ensure quality improvement and consistency regarding processes

The new organisational structure became operational from January 2020 onwards.

The annual external audit of our Quality Management system took place in January 2019. It was the first visit of the auditors after the renewal of our certificate and the transition to the ISO 9001:2015 standard in 2018. In January 2020, the visit of the auditor was a combination of the focus visit for ISO 9001:2015 and the initial assessment of the ISO 9001:2015 Partos V2018 standard. Both assessments were successfully completed.

1.8 Activities

The different activities developed by GPPAC throughout the year focused on thematic priorities that include gender mainstreaming, human security, peace education and dialogue and mediation. We strive to integrate

these thematic perspectives into all of our work. We worked to support efforts that focus on 'prevention', and are locally owned and driven by the human security needs of local populations. We placed particular emphasis on the following thematic areas:

1. Sustaining peace by furthering progress on SDG 16+ and relevant UN resolutions;
2. Filling the gap between national, regional, and international peace and security architectures and strategies;
3. Strengthening inclusive conflict prevention and peacebuilding;

Some of the highlights of the work done in 2019 are:

- Peace education webinars series: GPPAC's peace education experts shared their decades of experience integrating peace education into formal (schools, colleges and universities) and informal (community) education structures. Some of the webinars that took place in 2019 are: *The Peace School: Building peace by confronting social conflict in Mexico*, *Peace Education in Armenia: Experience and Lessons Learned*, and *Violent Extremism and Terrorism: Exploring New Frontiers in West Africa*. All webinars are available at www.gppac.net/peace-education
- Localisation of SDG 16: The implementation of the SDGs is critical to our efforts to strengthen conflict prevention, as an integral element of inclusive and sustainable development. In 2019, we developed the SDG 16 Toolkit. This consists of a flowchart, guiding peacebuilders to develop an advocacy plan on SDGs, where to find the governmental SDG focal point in your country, how to influence key actors on SDG16+ implementation, or how to write a "SDG 16+ shadow report." We produced in collaboration with members, two case studies in which we researched the progress of SDG 16+ implementation in [Ghana](#) and [Cameroon](#). This involved analysing from a CSO perspective, the progress towards peaceful, just and inclusive societies. Governments, civil society and their partners need to accelerate and broaden bottom-up, people centred realisation of SDG 16+. GPPAC's policy brief makes use of the SDG progress reports from Cameroon and Ghana and builds on experiences from other GPPAC members across the world who have worked on the SDGs or accompanied official Voluntary National Reviews (VNRs).
- The 'Cameras in Hands' project was successfully finalised. This project aimed to empower Kyrgyzstani youth into becoming agents of change, and bridge social, gender, and ethnic divides. The project started in 2018 in four regions of Kyrgyzstan and it was unique due to the innovative use of the participatory video methodology in peacebuilding. It is an empowering tool, which contributes towards conflict prevention by creating spaces for dialogue and reconciliation, and increasing understanding and acceptance of "the other." In June 2019, eight young participants of this project came to the Netherlands and Belgium and presented their short movies and their views about the peaceful future. Children had numerous meetings, informal discussions and workshops with different actors concerned with the situation in their country including representatives of the Dutch Ministry of Foreign Affairs, the Municipality of The Hague, the EU Commission, European Peacebuilding Liaison Office, PAX, Search for Common Ground, SaferWorld, UNOY, the embassy of Kyrgyzstan and many others. The final delivery of the project was in the form of the following publication: [Participatory Video in Peacebuilding: Lessons Learnt from Occupied Palestinian Territories and Kyrgyzstan](#) Published in English and Russian.
- Gender mainstreaming: in 2019, we continued to make women's participation in peace processes an absolute priority. One of the highlights of the year was the gathering of GPPAC experts in New York from the 26th to 31st October, to mark years of work Shifting the Power to women peacebuilders preventing conflict at the local and regional level. They united to continue their efforts in Redesigning

GPPAC Foundation,
The Hague (Legal seat in Amsterdam)

the Table of the UN Security Council to meaningfully include women in all their diversity in peace and security decision-making, as their participation still remains very limited. A number of our gender experts participated in the annual Women, Peace and Security (WPS) Week, a time dedicated to taking stock on how far the women, peace and security agenda has come, what challenges remain and the way forward. They brought with them expertise from their daily work and key recommendations on how to support efforts of women peacebuilders on the ground to New York-based policymakers.

- Uniting for Peace in Northeast Asia: In November 2019, as part of a delegation going to Northeast Asia, GPPAC members visited Beijing, China and Pyongyang in the Democratic People's Republic of Korea (DPRK, North Korea). The purpose of these two visits were to share experiences with local partners, and increase capacities for conflict analysis and understanding of the role of civil society in peacebuilding and dialogue.

The delegation was comprised of representatives of the GPPAC Global and Northeast Asia Secretariats and members of GPPAC's Improving Practice Working Group (IPWG). In Beijing, they conducted a series of activities to develop the capacities of network members and local partners in conflict prevention and peacebuilding. Seven delegates continued to Pyongyang, where the group was hosted by the Korean National Peace Committee (KNPC) as the latest in a series of learning exchanges. This formed part of GPPAC's ongoing engagement to facilitate dialogue in Northeast Asia.

GPPAC held the first-ever Conflict Analysis workshop of its kind in Pyongyang. Activities were based on our conflict analysis field guide, developed by network members and partners, to strengthen civil society's capacity for conflict analysis. This was attended by members of KNPC and five other local organisations, involving lively debate and interactive workshops to develop participants' capacities for critical thinking.

- Storytelling: we continued sharing the stories behind the work of GPPAC members successfully. We released two series of the Peace Corner Podcast in 2019, with 2,651 listeners. Some of the videos we produced had a very high outreach, such as the [Venezuela video](#) with almost 170,000 views and over 2,400 engagements (likes, comments and shares) and the [Uganda video](#) with 60,000 views.

1.9 Budget

Income for 2020 is secured by grants from the Dutch MFA, Sida and IFA/Zivik. The Board approved the budgets for activity and Global Secretariat costs for 2020 in their meeting of November 2019. This was subject to an update of the budget with the final implications of the implementation of the new Global Secretariat structure. As Covid-19 started to hit the world, GPPAC had to review their plans on regional and global level in consultation with our donors. This resulted in updated regional and global plans and a reviewed Global secretariat budget, all of them for 100% covered by secured income.

1.10 Looking forward

GPPAC continues to contribute towards developing new projects and finding sufficient funding. In 2020, both multiple year grant periods with the Dutch MFA and with Sida are coming to an end. GPPAC submitted an application for the next five-year grant period, with three other partners, to the Dutch MFA in March of this year. At the end of May, we were informed by the Dutch MFA that our application for the Power of Voices framework was not successful. Two weeks later, Sida confirmed in a conference call their intention to keep supporting GPPAC, which they re-confirmed in a second conference call in the beginning of September. The new agreement with Sida will be formalized early 2021. GPPAC anticipated on the new funding reality by taking measurements in order to bring the budget of 2021 in line with the available and secured funding.

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

In 2020, GPPAC will finalise the development of the new strategic plan for the 2021-2025 period, in a participatory process involving as many of our members as possible. While already identifying new trends and opportunities for our network to work on in 2020 and beyond, we will continue to focus on diversifying our sources of revenue, securing long-term and multi-year grants and collaborating with like-minded and complementary partners.

1.11 Risks and mitigation

The context in which civil society organisations operate remains challenging. Organisations are experiencing increased difficulties in carrying out their mission in safe and secure conditions. These barriers include limitations on their freedom of assembly, to pressure from rising right-wing nationalism. These challenges are compounded by difficulties in generating funding to support their activities.

GPPAC is not immune to this challenging environment and has been struggling to secure core funding for its global network as well as for its cross-regional activities. The funding landscape for peacebuilding and conflict prevention is one that is more and more competitive. It either still favours funding geared towards developing countries or fragile states, despite conflict not being limited to these places, or is driven by donor countries' foreign policy interests as opposed to local needs and priorities.

In 2020, we will continue to work with our members, governments and international institutions so commitments are implemented in practical ways within national government frameworks – development plans, national budgets, peace and human security and humanitarian frameworks.

GPPAC recognises the challenge of bringing the needs of the network members in line with services provided by the Global Secretariat, whilst balancing the current workload of the Secretariat. This contributed towards the decision to undergo a restructuring process, which began in 2018. This aims to provide insights and recommendations that will allow the Global Secretariat to respond to its current needs from an organisational and network perspective. It furthermore looks into the necessities for GPPAC to be a healthy workplace and to provide the organisation with a solid basis to respond to future developments.

Though the financial situation for GPPAC is relatively good, the short- and long-term outlook remains uncertain because of the temporary support from our donors. GPPAC continues to invest in fundraising and project development and build on close and transparent relationships with potential and current donors.

At the moment of writing this report, we are in the middle of the COVID-19 pandemic. The crisis affected the implementation of our plans as international and national travel is either heavily restricted or not possible at all. In consultation with the members of the network and our donors, we have revised the 2020 plans and adapted our activities to ensure that we can still work towards our objectives, using different means than originally envisaged. In this way the corona crisis does hardly have any implications on the budget of 2020. It is an unprecedented situation, but we are looking for innovative ways to mitigate the negative effects of the crisis.

We have started a process to identify the main risks we face, in order to ensure the continuity of the organisation. We have collected a list of potential risks, which we propose to divide into two categories: Critical risk events and Non-critical risk events. Critical risk events refer to the possibility that an unforeseen situation occurs that will have a negative effect on the daily practice of the organisation and could potentially jeopardize the continuity of the organisation. We have identified four business-critical risk events: Donor status, Global

GPPAC Foundation,

The Hague (Legal seat in Amsterdam)

crisis (health-pandemic / economic / security) Political environment and Capacity to deliver. In 2020, we will further evaluate the impact of each risk and as a result, define suitable mitigation strategies.

GPPAC Board composition, 28 September 2020

Sharon Bhagwan Rolls (Chair), Miguel Alvarez (Vice-Chair), Robert Zeldenrust (Vice-Chair), Herman Kreulen (Treasurer), Ivana Gajovic, Mariska van Beijnum, Yoshioka Tatsuya.

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

2 Financial Report

GPPAC Foundation,
The Hague (Legal seat in Amsterdam)

2.1 Balance sheet as at December 31, 2019 (after appropriation of the result)

(all amounts in euro)

	December 31, 2019	December 31, 2018
Assets		
Fixed assets		
Tangible assets	15,043	18,594
Intangible assets	33,106	41,382
	48,149	59,976
Current assets		
Receivables	77,932	97,458
Cash and cash equivalents	1,027,105	1,444,097
	1,105,037	1,541,555
	1,153,186	1,601,531
Liabilities		
Reserves		
Continuity reserve	78,912	146,340
Earmarked reserve	51,340	
Short-term reserve	652	652
	130,904	146,992
Short-term liabilities		
Accounts payable	43,763	31,878
Taxes and social security payments	39,934	38,107
Received pre-payments donors	759,667	1,137,555
Accruals, provisions and other liabilities	178,918	246,999
	1,022,282	1,454,539
	1,153,186	1,601,531

2.2 Statement of income and expenditure for the year 2019

(all amounts in euro)

	Realisation 2019	Realisation 2018
Income		
Grants from governments and others	3,535,590	3,258,068
Income other than grants	4,015	31,665
Sum of income	3,539,605	3,289,733
Expenses		
Expenditure on behalf of the objective		
Enabling collaboration	1,567,526	1,503,448
Improving practice	1,003,101	876,918
Influencing policy	786,654	684,435
Online partnerships	103	98
	3,357,384	3,064,899
Expenditure fundraising		
Costs obtaining government grants and others	48,634	45,911
Management & administration		
Costs management & administration	149,675	147,356
Sum of expenses	3,555,693	3,258,166
Surplus/deficit	16,088	31,567
Appropriation of result		
Continuity reserve	-67,428	31,567
Earmarked reserve	51,340	0
	16,088	31,567

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 2019.
- 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 principles used for valuation and determination of result have remained unchanged compared to the prior year. As of 2017, the costs have been allocated to the objectives of the Strategic plan 2016-2020.

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, 2019

(all amounts in euro)

Fixed assets

Tangible and intangible assets

	ICT equipment	Other equipment	Total tangible assets	Total intangible assets	Total fixed assets
Cost price 31 December 2018	24,968	9,196	34,164	41,382	75,546
Accumulated depreciation 31 December 2018	-9,607	-5,963	-15,570	0	-15,570
Book value 31 December 2018	15,361	3,233	18,594	41,382	59,976
Investments 2019	1,677	0	1,677	0	1,677
Depreciation 2019	-4,318	-910	- 5,228	-8,276	-13,504
Book value 31 December 2019	12,720	2,323	15,043	33,106	48,149

Expenses for hardware, software, furniture, fixtures and fittings and website development with a cost price 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.

No grants receivable can be specified.

Other receivables can be specified as follows:

Accounts receivables	0	3,963
Prepayments	5,314	844
Receivables project partners	34,213	66,597
Receivables projects	0	5,924
Other receivables	38,405	20,130
	<hr/>	<hr/>
	77,932	97,458
	=====	=====
Total receivables	77,932	97,458
	=====	=====

Cash and cash equivalents

Cash at banks and in hand are available on demand.

Equity

	2019	2018
	<hr/>	<hr/>
Balance as at January 1	146,992	115,425
Result for the financial year	-16,088	31,567
	<hr/>	<hr/>
Balance at December 31	130,904	146,992
	=====	=====

The Board decided in May 2019 to save a minimum of EUR 75,000 as a continuity reserve and to have the possibility to earmark the additional resources for building the capacity of the Global Secretariat, including fundraising. No interest was earned on the bank deposits in 2019.

GPPAC Foundation,
The Hague (Legal seat in Amsterdam)

	2019	2018
	<hr/>	<hr/>
Continuity reserve	78,912	146,340
Short-term reserve	652	652
Earmarked reserve	51,340	0
	<hr/>	<hr/>
Balance at December 31	130,904	146,992
	=====	=====

Taxes and social security payments

	2019	2018
	<hr/>	<hr/>
Dutch Tax Authority: social security premiums	23,189	20,881
Dutch Tax Authority: VAT	5,270	6,275
ABP: pension premiums	11,475	10,951
	<hr/>	<hr/>
	39,934	38,107
	=====	=====

Received pre-payments donors

Received pre-payments donors relates to the unspent balance at the end of the year of received instalments from our donors.

	2019	2018
	<hr/>	<hr/>
MFA The Netherlands (Strategic partnership)	561,549	670,614
Sida	198,118	382,818
UN PBSO	0	84,123
	<hr/>	<hr/>
	759,667	1,137,555
	=====	=====

Accrued liabilities

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

	2019	2018
Audit fee	16,000	11,949
Holiday allowance	29,384	30,703
Holiday leave days	22,741	22,741
Project invoices to be received	94,386	164,324
Various other liabilities	16,407	17,282
	178,918	246,999
	=====	=====

Commitments and receivables not included in the balance sheet

The foundation has an obligation amounting to EUR 60,376 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 Two Kings, Account Software Groep and BMP partners are leading to a total annual obligation of EUR 31,813 including 21% VAT.

2.5 Notes to the statement of income and expenditure for the year 2019
(all amounts in euro)

	2019	2018
	<hr/>	<hr/>
Grants from governments and others (appropriated income)*		
Dutch Ministry of Foreign Affairs Strategic Partnership	2,109,065	1,985,030
European Union WOSCAP	0	22,086
Knowledge Platform	0	5,175
UN PBSO	241,867	260,389
Sida	1,031,737	898,511
Zivik	152,921	86,877
	<hr/>	<hr/>
*: more information in the appendix	3,535,590	3,258,068
	=====	=====
Income other than grants		
Online Partnerships	2,665	2,410
Other revenues	1,350	29,255
	<hr/>	<hr/>
	4,015	31,665
	=====	=====

Expenditures on behalf of the objectives

Objectives	Total costs	Project costs	Progr. man	Operational progr. costs
Enabling collaboration	1,567,526	1,217,310	145,130	205,086
Improving practice	1,003,101	642,110	155,904	205,086
Influencing policy	786,654	412,858	168,710	205,086
Subtotal	3,357,281	2,272,278	469,744	615,258
Online partnerships	103			
Total expenditure on behalf of objectives	3,357,384			
Costs obtaining gov grants and others	48,634			
Costs management and administration	149,675			
Total expenses	3,555,693			

In line with the Strategic plan 2016-2020, GPPAC allocates all their expenditure to the three main objectives: Enabling collaboration, Improving practice and Influencing policies. Detailed budgets of the annual plans managed by the Global Secretariat (Network development, Knowledge, Practice and Advocacy activities, Working groups) and each of the regional annual plans are allocated to the three objectives based on their main focus. No budget targets were set for the current strategic plan.

GPPAC allocates separate projects to the objectives as well. The costs of the UNPBSO project in Kyrgyzstan 'Camera's in hand' in 2019 (EUR 241,867) falls under the objective Improving practice. The total costs reported by WFM-IGP for 2019 (EUR 805,799) concerning the Strategic Partnership project Prevention Up Front, are for 100% allocated to our objective Enabling collaboration.

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 1,283,312 in 2019 (2018: EUR 1,108,750). These costs are allocated to the various programmes (programme management), operations, fundraising, and management and administration, based on time registration system and the actual personnel and office costs. In the next table an overview of these management costs with their budgets.

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

	2019	2018
Expenditure		
Personnel costs	1,002,219	890,110
Office costs	281,093	218,640
Direct program costs	2,272,381	2,149,416
	3,555,693	3,258,166

Management costs/ costs Global Secretariat	Realisation 2019	Budget 2019	Realisation 2018
Personnel costs			
Gross salaries	701,186	720,000	647,292
Taxes and social premiums	124,150	128,000	111,413
Pension costs	107,849	110,000	97,080
<i>Subtotal Salary costs</i>	<i>933,185</i>	<i>958,000</i>	<i>855,785</i>
Commuting	23,955	24,000	22,298
Training	38,303	30,000	8,350
Other personnel costs	6,776	3,000	3,677
	1,002,219	1,015,000	890,110
Office costs			
Depreciation	13,504	3,500	4,951
Rent office	58,818	59,000	57,731
Office expenses	14,300	30,000	19,995
ICT	41,995	42,650	51,418
Accountancy & consultancy	91,437	44,600	35,842
Other office costs	61,039	66,250	48,703
	281,093	246,000	218,640
	1,283,312	1,261,000	1,108,750

GPPAC Foundation,
The Hague (Legal seat in Amsterdam)

Personnel costs

The foundation employed an average of 13.44 fte's in 2019 (2018:12.53). Changes in staff in 2019 related to changes in project management (UNPBSO project was extended) and extra support functions. GPPAC received compensation from the insurance company for sick leave of one staff. ABP pension fund increased the pension premium in 2019.

Mr Darynell Rodriguez Torres is the director of the GPPAC Foundation and was appointed through a contract of employment on a 100% position by the board as per 1st of November 2016. His gross salary of 2019 amounted EUR 79,667 (in 2018: EUR 75,850). This is including holiday allowance but excluding the employer pension contribution of EUR 13,792 (in 2018: EUR 12,560). No other allowances were paid to him. His total remuneration for 2019 remains below the maximum amount for 2019 of EUR 181,000 according to the Dutch Standards for Remuneration Act, section development cooperation.

Apart from reimbursement of expenses, GPPAC Board members do not receive any financial compensation for their assignment.

Name	Function	Period 2019	Financial compensation 2019	Period 2018	Financial compensation 2018
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	1/1-31/12	Not applicable
Robert Zeldenrust	Vice-chair/ Treasurer	1/1-31/12	Not applicable	1/1-31/12	Not applicable
Liesbeth Reekers	Treasurer	1/1-17/6	Not applicable	1/1-31/12	Not applicable
Yoshioka Tatsuya	Member	1/3-31/12	Not applicable	1/3-31/12	Not applicable
Ivana Gajovic	Member	1/1-31/12	Not applicable	1/1-31/12	Not applicable
Mariska van Beijnum	Member	1/1-31/12	Not applicable	1/1-31/12	Not applicable

GPPAC Foundation,
The Hague (Legal seat in Amsterdam)

Office costs

Depreciation

	2019	2018
	<u> </u>	<u> </u>
Automation	4,318	4,011
Office equipment	910	940
Intangible assets	8,276	0
	<u> </u>	<u> </u>
	13,504	4,951
	<u> </u>	<u> </u>

Housing costs

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

GPPAC Foundation,
The Hague (Legal seat in Amsterdam)

	2019	2018
	<hr/>	<hr/>
Office expenses		
Telephone	2,846	4,136
Office equipment/material	992	2,929
Postal charges	526	341
Contributions	4,304	5,783
Other	5,632	6,806
	<hr/>	<hr/>
	14,300	19,995
	=====	=====
ICT	41,995	51,418
	=====	=====
Accountancy and consultancy costs		
Consultancy costs	63,453	19,258
Auditor costs	25,075	18,799
Project audit costs	0	-5,000
Salary administration costs	2,909	2,785
	<hr/>	<hr/>
	91,437	35,842
	=====	=====

	2019	2018
	<hr/>	<hr/>
Other office costs		
Communication/marketing	26,086	24,112
Insurances general	18,217	14,754
Other expenses	16,735	9,837
	<hr/>	<hr/>
	61,038	48,703
	<hr/>	<hr/>

Subsequent events

At the moment of writing this report, we are in the middle of the COVID-19 pandemic. The crisis affected the implementation of our plans as international and national travel is either heavily restricted or not possible at all. In consultation with the members of the network and our donors, we have revised the 2020 plans and adapted our activities to ensure that we can still work towards our objectives, using different means than originally envisaged. In this way the corona crisis does hardly have any implications on the budget of 2020. It is an unprecedented situation, but we are looking for innovative ways to mitigate the negative effects of the crisis.

GPPAC submitted an application for the next five-year grant period to the Dutch MFA in March of this year. At the end of May, we were informed by the Dutch MFA that our application for the Power of Voices framework was not successful. Two weeks later, Sida confirmed in a conference call their intention to keep supporting GPPAC, which they re-confirmed in a second conference call in the beginning of September. The new agreement with Sida will be formalized early 2021. The direct implication of these developments is that there is 50-60% less budget available in 2021. GPPAC anticipated on the new funding reality by taking measurements in order to bring the budget of 2021 in line with the available and secured funding. The Board decided in their meeting in August to downsize the number of staff working at the Global Secretariat and to reconsider our objectives for 2021.

The Hague, 28 September 2020

The Board,

Sharon Bhagwan Rolls, Chair
Miguel Alvarez, Vice-Chair
Robert Zeldenrust, Vice-Chair and acting-Treasurer until June 10, 2020
Herman Kreulen, Treasurer from June 10, 2020
Yoshioka Tatsuya
Ivana Gajovic
Mariska van Beijnum

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

3 Auditor's report



INDEPENDENT AUDITOR'S REPORT

To: the members of the board and director of Stichting Global Partnership for the Prevention of Armed Conflict

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS 2019 INCLUDED IN THE FINANCIAL REPORT

OUR OPINION

We have audited the financial statements 2019 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 2019 and of its result for 2019 in accordance with the Guideline for annual reporting 640 'Not-for-profit organizations' 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 2019;
- 2 the statement of income and expenditure for 2019; 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.

EMPHASIS ON THE IMPACT OF THE CORONAVIRUS (COVID-19) ON THE ORGANIZATION

We draw attention to the paragraph "Subsequent events" in the notes to the financial statements which describes the impact of the coronavirus on the organization after the balance sheet date of the financial statements. Our opinion is not modified in respect of this matter.

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 2019.

Ref.: J.MI.20269

Accon avm controlepraktijk B.V., Bosscheweg 5, 5301 LA Zaltbommel
T: 088 – 44 69 00 7, F: 088 – 69 04 6, www.acconavm.nl

Op onze dienstverlening en/of andere rechtshandelingen zijn steeds de algemene voorwaarden van accon■avm controlepraktijk b.v. van toepassing, waarin een beperking van aansprakelijkheid is opgenomen. Deze algemene voorwaarden zijn gedeponeerd bij de Kamer van Koophandel onder nummer 09114597 en zullen op eerste verzoek kosteloos aan u worden toegezonden. Tevens kunt u de algemene voorwaarden via onze website <https://www.acconavm.nl/algemene-voorwaarden/> raadplegen. Bezoek ook onze website voor meer informatie over onze dienstverlening, onze mensen en onze ambities. Bovengenoemde disclaimer en aansprakelijkheidsbeperking gelden niet alleen voor accon■avm controlepraktijk b.v. maar ook voor iedere andere entiteit binnen het Accon avm-netwerk en onze en hun respectieve personeelsleden.



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

- is consistent with the financial statements and does not contain material misstatements;

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.

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 organizations' 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.

The board should disclose events and circumstances that may cast significant doubt on the company's ability to continue as a going concern in the financial statements."

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.

For a more detailed description of our responsibilities, we refer to the appendix of this auditor's report.

Zaltbommel, 28 September 2019
accon avm controlepraktijk B.V.

Original has been signed by W.J. Warmerdam MSc RA



APPENDIX TO OUR AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS 2019 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 among others:

- 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.
- Evaluating the subsequent events disclosure regarding the impact of the coronavirus COVID-19 on the organization. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report;
- 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.

4 Appendix

GPPAC Foundation,
The Hague (Legal seat in Amsterdam)
(all amounts in euro)

Appendix: Donor overview 2019

Name of donor:	Dutch Ministry of Foreign Affairs	Funds allocated 2019:	2,109,065	Installments received 2019:	2,000,000
Donor reference:	Strategic Partnership: act. 27553	Totally allocated:	7,776,451	Installments received in total:	8,338,000
Contract period:	01012016-31122020	Total contract funding:	10,000,000	Installments to receive:	1,662,000
Status:	In progress (short term)				
Specifics:	Limited to focus regions: East Africa, West Africa, the Middle East & North Africa, Europe, Southeast Asia				
Name of donor:	Sida	Funds allocated 2019:	1,031,737	Installments received 2019:	847,036
Donor reference:	11088	Totally allocated:	2,064,085	Installments received in total:	2,262,202
Contract period:	01012017-31122020	Total contract funding:	SEK 33,000,000	Installments to receive:	SEK 10,000,000
Status:	In progress (short term)				
Specifics:	Restrictions on flow of funds to organisations registered in non-ODA countries; contract period extended with one year				
Name of donor:	Zivik	Funds allocated 2019:	152,921	Installments received 2019:	153,001
Donor reference:	KP-057/19	Totally allocated:	152,921	Installments received in total:	153,001
Contract period:	01032019-31122019	Total contract funding:	152,921	Installments to receive:	-80
Status:	Done, pending approval by donor				
Specifics:	None				
Name of donor:	UN PBSO	Funds allocated 2019:	241,867	Installments received 2019:	157,744
Donor reference:	Camaras in hands (00109241)	Totally allocated:	502,256	Installments received in total:	502,256
Contract period:	01022018-04112019	Total contract funding:	USD 599,005	Installments to receive:	0
Status:	Done, pending approval by donor				
Specifics:	Contract period extended with two months; totally allocated funds in line with certified financial report				