

Financial report 2021

issued to

GPPAC Foundation

at

THE HAGUE

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

Contents

| | | |
|----------|--|-----------|
| 1 | Board report | 3 |
| 2 | Financial report | 11 |
| 2.1 | Balance sheet as at December 31, 2021 | 12 |
| 2.2 | Statement of income and expenditure for the year 2021 | 13 |
| 2.3 | Notes to the accounts | 14 |
| 2.4 | Notes to the balance sheet as at December 31, 2021 | 16 |
| 2.5 | Notes to the statement of income and expenditure for the year 2021 | 20 |
| 3 | Auditor's report | 28 |
| 4 | Appendix: Donor overview 2021 | 30 |
| 4.1 | Donor overview 2021 | 31 |

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

1 Board Report

1.1 Introduction

2021 was a crucial year of change for GPPAC. On the one hand, we implemented the transition plan that was approved by the ISG at the end of 2020. The transition responded to the challenging financial situation we faced after not being able to renew the strategic partnership with the Dutch Ministry of Foreign Affairs. We saw the reduction of 60% of our budget as an opportunity to make a profound reflection, rethink ourselves, revise our added value, and improve the way we work to ensure the organisation's sustainability in the long term.

On the other hand, we started with the implementation of the Strategic Plan 2021-2025. It was the result of a truly collaborative effort between our network members. The strategy has a new thematic focus on locally-led peacebuilding, inclusivity and climate change and emerging threats. We are convinced that we are on the right path to continue building peace together.

Fortunately, the COVID-19 pandemic did not halt local peacebuilding work. Instead, it threatens broader peace and stability by exacerbating persistent political, social, and economic structural inequalities. In 2021, we continued to meet mainly in virtual space. We were able to meet in much greater numbers and much more frequently than when we met in person. However, we also noticed that our members who work in the most remote areas often lack a stable internet connection. We witnessed colleagues in conflict zones suffer from frequent power cuts and noticed the absence of simultaneous translation into local languages in virtual meetings.

1.2 Governance

The GPPAC Board held six online meetings throughout the year in 2021. Usually, the Board meets four times a year. However, two extra meetings took place because online sessions are shorter, and the transition process required taking decisions regularly.

The Board renewed its membership. In January 2021, the appointed international members Charlotte Divin, Alvito de Souza and Nqobile Moyo and the new Dutch member Frank van den Akker were incorporated into the Board. The selection process focused on profiles with a fundraising/donor relations or organisational development background. Mariska van Beinum stepped down in March 2021 after ten years of being a Board member, and Rob Zeldenrust (vice-chair) resigned in July. The term of Sharon Bhagwan Rolls (chair) ended in May 2021, but it was extended to ensure continuity at the Board Chair level. She stepped down as board member on 15 December 2021. Sharon will continue as an honourable guest to support Yoshioka as interim chairperson. Yoshioka Tatsuya was appointed interim Chair until the end of 2022. Miguel Álvarez Gandara (vice-chair) stepped down from the board upon completing his 2nd term in December 2021. Alvito de Souza resigned from the Board in October 2021 in order to submit his application for the position of Executive Director of GPPAC.

In November 2021, a recruitment process started to appoint two or three new Board members. Five applications were received. The Board aims to send a recommendation for new Board members to the ISG in April 2022.

1.3 Finances and donor relations

GPPAC closed the year with a deficit of EUR 11,100. Main reason for this is a severance payment agreed upon with one of the employees from which the contract of employment was terminated within the framework of the restructuring of the Global Secretariat. The severance payment is covered by the earmarked reserve of the foundation.

Fundraising is ongoing and crucial, and it was one of the pillars of the transition process. In 2021, we set up the Fundraising Committee formed by two/three members of the Board, the Global Advocacy team manager and the Executive Director. The committee meets at least once a quarter, and it is meant to identify concrete tasks that the Board members can initiate to support fundraising efforts.

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

GPPAC received financial support from the Dutch Ministry of Foreign Affairs, the Swedish International Development Agency (Sida), Ifa (Institut für Auslandsbeziehungen)/ Zivik, UN Women, the Permanent Mission of the United Kingdom to the United Nations (UK-DFID), United Nations Development Programme (UNDP) and the KMF Innovation Grant.

1.4 Human resources

During the last quarter of 2020, we had to reorganise the Global Secretariat to be able to operate with a 60% budget reduction. After going through a process of defining priorities, and after considering legal and financial aspects, contracts of four employees and one consultant were terminated.

2021 was a tough year for the staff. Even though we aimed to reduce the number of tasks, the capacity was continuously stretched. The workload remains a point of attention.

The second phase of the reorganisation continued in 2021 as part of the transition process. It aimed to critically look at the Global Secretariat to ensure that it is reflective of and grounded in the network while operating as efficiently as possible to adapt to the challenging funding environment. And to identify the functions needed in a reduced Global Secretariat in terms of fundraising, advocacy and communications. Following the work of the Transition Committee, the ISG agreed to

- revise the leadership structure to match a smaller Global Secretariat team,
- to move towards a Global Secretariat consisting of more people based in the regions (decentralisation) to better reflect our global south membership (not applicable to finance, HR, administration and quality assurance because of the need to comply with Dutch legislation).
- to have a stronger focus at the Global Secretariat on providing technical support such as fundraising, PMEL and advocacy because of insufficient capacity to deliver regional support

In line with these ISG recommendations, the Board approved in September 2021 a new structure to be implemented from January 2022. The new structure of the Global Secretariat goes from three to two teams, allocating extra capacity for fundraising and PMEL. Three staff members were to be terminated with a timeline of 6 months to reduce staff costs, ensure enough funds for the regions and have the right skills at the GS.

The reorganisation also made it possible to move forward with the transition plan section on Leadership and hire a new Executive Director, who started in April 2022.

On 31 December 2021, the GPPAC Global Secretariat had 9 employees. The sick-leave rate for 2021 was at 4.0%, twice as much as the 2.0% of 2020. The 4% is below the average sick leave percentage in The Netherlands, which was at 4.9% for 2021 (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.
- 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,

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

this policy received broad support from network members and was approved by the International Steering Group. It was also agreed that a Network Integrity Committee should be established to ensure the implementation of this policy. In 2021, the committee membership was updated, which is composed of: a network member (Gary Shaw), a Board member (Charlotte Divin) and the Executive Director of the Global Secretariat.

In 2021, no breaches of integrity were reported. To date, breaches of integrity in the network have been rare, and network members have felt comfortable enough to raise them with Global Secretariat staff when they did occur. We have dealt with these on an ad hoc basis in the past, and this is part of what helped us realise we needed a system and a structured approach. We are confident that having a code of conduct and a Network Integrity Policy in place will allow us to manage any integrity-related incident in the future appropriately, whether it concerns the behaviour of our staff or our network members.

1.5 Communications

Because of the staff reduction, we moved from two staff members working on communications full-time in 2020 to two staff members dedicating a total of 16 hours per week in 2021. Accordingly, GPPAC's communication efforts had to be more targeted, and we reviewed and improved GPPAC's communication approach. As a result, GPPAC was able to enhance its visibility and position the network as a leading actor in the field of peacebuilding and conflict prevention.

To use GPPAC's social media channels effectively, we reviewed not only our target audience but also content creation for specific platforms. This led to the following changes on
Twitter: target audience = various key stakeholders for fundraising and advocacy purposes. The main goal is to maintain and raise awareness of our peacebuilding work. For this, we engage them in the conversation (retweeting key stakeholders with our messaging), develop more visuals (graphs, quotes etc.) to attract attention and easily explain and simplify content to be able to tag key stakeholders for wider reach.
Instagram: target audience = broader public and members for knowledge exchange and learning. The main goal is for interested actors to get a "look and feel" of the GPPAC network as well as gain deeper knowledge about peacebuilding. For this, we have started producing so-called Knowledge Posts that explain key peacebuilding concepts (e.g. Peace Education) and frameworks (e.g. WPS Agenda) in a brief non-jargon way. We see the success of GPPAC positioning itself as a learning platform, using Instagram as an explanatory tool because users save the Knowledge Posts. To ensure a consistent Instagram feed and appear professional, GPPAC started to maintain an Instagram Grid, meaning sharing a photo, then a visual, and then a photo again. We also use Instagram stories on a regular basis to share updates, photos of our members, quotes. Lastly, we started posting Instagram Reels (60-90 second videos) to share content, gain more followers, and position ourselves as a leading actor in peacebuilding.
Facebook: target audience = members. The main goal of our engagement on Facebook is to share news from members and highlight opportunities (e.g. events or training opportunities). In 2021, we reduced our efforts on Facebook as we did not see the same engagement compared to Twitter and Instagram
LinkedIn: target audience = broader public and like-minded people and organisations. The main goal is to share statements, publications, and key news.

On the GPPAC website, we focused more on producing content that complements our fundraising and advocacy efforts as we see the website as a means to showcase our track record. For advocacy purposes, we publishing)

With every piece of content we produced, we asked ourselves why it is important, meaning how it contributes to GPPAC's overall goal and strategic plan. We did not produce content for the sake of producing content. Rather, all content was planned and used in a strategic manner (e.g. sharing during key advocacy moments with key messaging). This approach turned out to be very successful as organic traffic to the GPPAC website increased by 120% in 2021. In 2020, GPPAC still relied on Google Ads and most traffic to the GPPAC website was paid traffic (58%). Speaking to a Google Analytics representative in December 2020, we learned that paid traffic should always be less than organic traffic, as content appears purely based on the quality and content of the page, not because we pay google to put it on the first page of its search engine. According to her, organic traffic to a

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

website should always be between 50-60%. In 2021, we managed to generate 60,101% of organic traffic to the GPPAC website.

1.6 Planning, monitoring, evaluation and learning

Pillar 5 of the transition process aimed to continue with ongoing improvements, mainly in planning, monitoring, evaluation and learning. With the new strategic period, we wanted to implement a lighter and more effective PME system. We realised that PM&E processes were too heavy: collecting too much information that we could not process, and we were not always collecting the right information (too heavily focussed on activities & outputs). Instead, in all our PM&E processes, we wanted to shift the focus from quantity to quality - to allow us to focus our attention on social change in all parts of the PM&E process.

Accordingly, we simplified the PMEL templates and reduced the reporting from quarterly to bi-annual. We also went through a process to support all Regional Secretariats in developing regional strategic plans, to help the monitoring and evaluation of results, as well as to ensure alignment with the Global Strategy.

As part of the governance pillar of the transition process, the ISG approved a revised purpose of the network, with a greater focus on learning and exchange. This learning will be rooted in members' expertise and is geared towards increasing the impact of their peacebuilding practice; and ensuring that local peacebuilding expertise informs policy.

Accordingly, we updated GPPAC's Theory of Change and together with an external consultant, we developed a results-oriented learning approach to support implementing the 2021-5 strategy. We developed a set of learning questions, focusing on the results we want to achieve. The learning questions provide a simple way for staff to focus on how well GPPAC is performing.

The next step was to develop a results framework that lays out very specific and the intended changes GPPAC wants to see in ways we can measure. The results framework is conducive for monitoring and evaluation as it specifies where GPPAC wants to measure its contribution. Additionally, progress markers and outcomes can be seen as a form of 'milestone' to aid GPPAC to prioritise and plan its work. GPPAC has chosen two 'result areas' to focus on: 1. Local, regional, and global outcomes resulting from GPPAC's effectiveness in running a learning and collaboration platform & facilitating capacity strengthening, in short used in the annual accounts 'Network and Learning'. 2. Regional and global policy and campaigning outcomes, in short 'Policy change'. Because we want to have a culture of learning and adaptation, the results framework is a 'living document'. It will change as it is used.

1.7 Organisation

The governance pillar of the Transition process aims to assess how the network operates and identify opportunities to strengthen its relevance for long-term sustainability. We hired an external consultant who conducted a consultation of the network, interviewing network members, representatives of the different governance bodies and external partners to collect feedback from all levels within and outside the network. The consultation aimed to assess and reflect on regional capacities and review GPPAC's Governance structures. The result was a report with a set of recommendations for improvement.

This report was used by a second consultant to develop a design report fiction imagining what GPPAC might look like in 2030. It was an exercise to help us rethink the network, emphasising members as the main organiser and driver of the network, suggesting ways to focus while being flexible, and a more operational Board that's more engaging and supportive of the regions.

We asked members to share their opinions about the recommendations via a survey. And we created a transition committee formed of network members. The transition committee discussed the reports and members' input and prepared a set of recommendations for the ISG to approve. In September 2021, the ISG approved 36 recommendations about the purpose and focus of GPPAC, membership, network structures and processes and the global secretariat.

GPPAC Foundation,
The Hague (Legal seat in Amsterdam)

The leadership pillar was delivered by appointing a new Executive Director, Alvito de Souza, a former Board member. Alvito will start on April 1st 2022.

The annual external audit of our Quality Management system took place in January 2022. The auditor's visit 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. In January 2022, the two certificates were renewed.

1.8 Activities

2021 was a year of transformation - not only for the world around us still in the process of adapting to the global COVID-19 pandemic but also for us at GPPAC as we started implementing our new Strategic Plan 2021-2025. The belief that social change should be led and driven locally, is also central to GPPAC's new Strategic Plan. To bring this plan into action and contribute to sustainable, peaceful and inclusive societies, the network identified three thematic areas that require us to take joint action: Locally-led Peacebuilding Action; Inclusivity and Climate Change and Emerging Threats. Building on collaborative regional and global action, 2021 marked the beginning of the network's efforts in bringing this vision into reality.

Key highlights of our achievements at the global and regional level in 2021 are :

GLOBAL ACTION

Our work at the global level continues to primarily centre around facilitating a meaningful and inclusive feedback loop between local and global action. In practice, this means that 1) we bring local voices to global fora so as to make global frameworks and norms more locally-informed and locally-driven; and 2), we inform and build the capacity of our members to understand, use and/or adapt global frameworks and norms to their local context. Some examples of our global work per strategic thematic area include:

Locally-led peacebuilding action:

- Local informing global and global adapting to local: publication of Building Peace Locally Amidst a Global Pandemic: Infrastructures for Peace in the Era of COVID-19 as part of GPPAC-UNDP project which explored how I4P supports local peacebuilding goals.
- Creating more effective funding solutions for local peacebuilding: Together with DHF, publication of Designing Effective Financing Mechanisms for Local Peacebuilders that provides concrete suggestions to donor governments and fund managers on how to more effectively resource locally-led peacebuilding.

Inclusivity

- Nigeria has become the 1st country in Africa and 2nd in the world behind Finland to adopt a National Action Plan on UNSCR 2250 (YPS): this was spearheaded by GPPAC member Building Blocks 4 Peace, who initiated the Nigerian Coalition on YPS with funds received from the GPPAC YPS Small Grants programme.
- GPPAC started a 12-month INGO partnership with the Women Peace and Humanitarian Fund for the implementation of its Rapid Response Window for the participation of women in peace processes and the implementation of peace agreements.

Climate change and emerging threats:

- As part of the development of GPPAC's Climate Strategy, publication of "At the Forefront of Climate Action: Local Approaches to Climate-Sensitive Conflict and Violence Prevention" that features examples of local initiatives for climate-sensitive conflict and violence prevention.
- December 2021 marks the start of a 1-year partnership with UNDP aimed at developing a Guidance Note for the localisation of the conceptual framework and toolkit established by the UN Climate and Security Mechanism (CSM). The note will be piloted in Uganda, Mozambique and Zimbabwe, with the support of GPPAC members in these three countries.

At the regional level, it is our regional networks that set their priorities and develop activities to fulfil their annual plans. Some noteworthy examples of our members' achievements in 2021 include:

- in Eastern and Central Africa: Building on the 2020 CECORE-GPPAC study on Uganda's progress on SDG16+, CECORE was invited by the Office of the Prime Minister to contribute to the process of developing a national SDG localization manual.
- In Central Asia and the South Caucasus: in these two regions that have been riddled with regional conflict, GPPAC facilitates the exchange of views and ideas between CSOs across the divide. In 2021, members from that region were even able to meet in person in 2021, in Turkey.
- In Eastern Europe and Western Balkans: our members have built a longstanding expertise in using peace education to successfully foster peace between ethnic groups, in partnership with their governments. In 2021, our members in Western Balkans organized more than 35 workshops for teachers and students.
- Finally, our 3-year EU-funded project in Northeast Asia is being successfully implemented despite remaining a very politically sensitive region. Among the various activities organized throughout 2021, the first training to be held in NEA was on YPS, for participants in Ulaanbaatar. This was implemented on December 14, 2021, organised by GPPAC in collaboration with Mongolian NGOs Blue Banner and Youth for Regional Peace and Prosperity (Y4RP). 25 Mongolian participants joined the training, which provided an introduction to the link between Youth, Peace and Security, related United Nations developments, and space for discussion on the issues faced in Northeast Asia in relation to peace and security, and how youth are taking relevant action. The training was youth-led, including young facilitators from Mongolia and Japan. This was the first time for almost all participants to join a peacebuilding related training, and feedback received through post-workshop surveys indicated that the majority of the respondents would like to continue this learning.

1.9 Budget 2022

In 2022, we adapted the budget format to align it with the new strategic plan and provide a better insight into the allocation and usage of the budget. The budget is organised around three sections: network, governance, and global operations. We have also added the budget for earmarked regional projects when the Global Secretariat is the lead partner, even though most of the budget is used at the regional level. In 2022, income is secured by grants from Sida, UN Women, UNDP, UK DFID and the European Union with a total amount of EUR 2,107,990.

One of the goals of the transition process was to reduce the Global Secretariat expenses so that we could allocate enough resources to the network. The 2022 budget allocates EUR 25.000 to each Regional Network; we have been able to reintroduce the Emergency Fund with EUR 50.000 and allocate a budget for Working Groups (EUR 20.000). The Board approved the 2022 budget in October 2021, which was in line with the Transition recommendations of the ISG, increasing the budget on fundraising and PME, and reducing the management layer of the Global Secretariat.

1.10 Looking forward

The five pillars of the Transition phase (1-Governance, 2- Fundraising, 3- Global Secretariat, 4- Leadership, 5- Other improvements/PMEL) were delivered by the end of 2021 as planned. However, the recommendations approved by the ISG regarding Regional Networks governance and Working Groups still need to be discussed further in detail with network members to ensure implementation is realistic. A new Transition committee was set up in Q1 2022 to develop the recommendations further, and concrete proposals will be presented to the ISG April meeting. The aim is to update the Charter with all Transition recommendations by the summer of 2022.

The focus for 2022 continues to be the need to increase funds and diversify our donor base to ensure the network's sustainability in the long term. Sida is our main donor, and our current agreement will end by December 2023.

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

Besides, internal processes require attention to keep the workload at acceptable levels. And the improvement of regional reporting remains a point of attention as quality is not good enough to show the added value of the network to potential new donors.

1.11 Risks and mitigation

In 2021, we finalised the risk management grid, the main document we use to evaluate risks. It includes a list of potential risks, which we divide into two categories: the critical risk events and the 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 jeopardise the continuity of the organisation. We have identified four business-critical risk events: Funding environment, Global crisis, Political environment and Capacity to deliver.

We have developed a Risk Management process, which the Board approved in 2021. The new process that will be implemented in 2022 aims to discuss risks at all governance bodies. In Q1, the Management Team, together with the Finance Officer, reviews the Risk Management Grid. In Q2, the revised Risk Management Grid is shared for feedback with the Finance Committee. After that, the Executive Director processes the feedback and shares that with the Board. The Board reflects on the document and discusses specifically fraud risk. In Q3, the International Steering Committee discusses the grid, with special attention to political risks and revises mitigation measures. Afterwards, the Management Team processes all feedback and undertakes any mitigation measure agreed.

Furthermore, once a year, the staff of the Global Secretariat will discuss and reflect on the Risk Management grid and mitigation measures. This reflection will be done in Quarter 4, and the input provided will be used by the MT in their Quarter 1 review.

At the moment of writing this report, we experience a delay and lack of clarity from one of our members in response to our questions on their financial and narrative reporting. We need to note that there is no evidence of misappropriation, though we have felt the need to share our reservations with their board.

GPPAC Board composition, July 2022

Yoshioka Tatsuya, Chair
Frank van den Akker, Vice-Chair,
Herman Kreulen, Treasurer
Charlotte Divin,
Nqobile Moyo,

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

2 Financial Report

2.1 Balance sheet as at December 31, 2021 (after appropriation of the result)

(all amounts in euro)

| | December 31, 2021 | December 31, 2020 |
|--|----------------------|----------------------|
| Assets | | |
| Fixed assets | | |
| Tangible assets | 2,777 | 7,030 |
| Intangible assets | 16,553 | 24,829 |
| | <hr/> | <hr/> |
| | 19,330 | 31,859 |
| Current assets | | |
| Receivables | 182,112 | 184,165 |
| Cash and cash equivalents | 896,425 | 578,034 |
| | <hr/> | <hr/> |
| | 1,078,537 | 762,199 |
| | <hr/> | <hr/> |
| | 1,097,867 | 794,058 |
| Liabilities | | |
| Reserves | | |
| Continuity reserve | 87,407 | 82,477 |
| Earmarked reserve | 18,920 | 34,298 |
| Short-term reserve | 0 | 652 |
| | <hr/> | <hr/> |
| | 106,327 | 117,427 |
| Short-term liabilities | | |
| Accounts payable | 5,868 | 27,098 |
| Taxes and social security payments | 24,086 | 65,356 |
| Received pre-payments donors | 864,369 | 280,410 |
| Accruals, provisions and other liabilities | 97,217 | 303,767 |
| | <hr/> | <hr/> |
| | 991,540 | 676,631 |
| | <hr/> | <hr/> |
| | 1,097,867 | 794,058 |
| | <hr/> | <hr/> |

2.2 Statement of income and expenditure for the year 2021

(all amounts in euro)

| | Realisation 2021 | Realisation 2020 |
|---|------------------|------------------|
| Income | | |
| Grants from governments and others | 1,698,785 | 3,287,886 |
| Income other than grants | 4,931 | 3,565 |
| Sum of income | 1,703,716 | 3,291,451 |
| Expenses | | |
| Expenditure on behalf of the objective | | |
| Result area 1: Network and Learning | 970,021 | 1,906,411 |
| Result area 2: Policy change | 454,764 | 1,153,250 |
| Online partnerships | 0 | 115 |
| | 1,424,785 | 3,095,776 |
| Expenditure fundraising | | |
| Costs obtaining government grants and others | 104,260 | 85,647 |
| Management & administration | | |
| Costs management & administration | 185,771 | 159,505 |
| Sum of expenses | 1,714,816 | 3,304,928 |
| Surplus/deficit | - 11,100 | - 13,477 |
| Appropriation of result | | |
| Continuity reserve | 4,930 | 3,565 |
| Short-term reserve | -652 | - |
| Earmarked reserve | -15,378 | -17,042 |
| | -11,100 | -13,477 |

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 the 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 2021.
- 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 2021, the costs have been allocated to the objectives (result areas) of the Strategic plan 2021-2025. In the Statement of income and expenditure for the year 2021 we have distributed the expenditure of the goals of last year over the two result areas as follows: Enabling collaboration 100% result area 1, Improving practice 50/50% and Influencing policy 100% result area 2.

2.3.4 General accounting principles for the preparation of the financial statements

- The financial statements have been prepared in accordance with RJ 640.
- In applying the accounting policies and rules for the preparation of the financial statements, the board of the organization makes various judgements and estimates that may be essential for the amounts recognized in the financial statements. If applicable, the nature of these judgements and estimates, including the assumptions used, is included in the notes to the relevant financial statement items. Actual results may differ from these estimates and assumptions. The estimates and underlying assumptions are continuously assessed. Revisions and estimates are recognized in the period in which the estimate and or revisions occur and in future financial years for which the revision has consequences.
- All legal entities that can be controlled, jointly controlled or significantly influenced are considered to be a related party. Also entities which can control the organization are considered to be a related party. In addition, the board, statutory directors, other key management of GPPAC and close relatives are regarded as related parties.
- Transactions with related parties are disclosed in the notes insofar as they are not transacted under normal market conditions. The nature, extent and other information is disclosed if this is necessary in order to provide the required insight.
- 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.
- Financial instruments include both primary financial instruments, such as receivables and payables, and derivative financial instruments (derivatives). For the principles of primary financial instruments, reference is

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

made to the paragraph principles of valuation of assets and liabilities. GPPAC does not use derivative financial instruments.

- Income and expenses are accounted for on an 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.
- Intangible fixed assets are stated at historical cost less amortisation and, if applicable, less impairments in value. Depreciation is based on the estimated useful life and calculated as a fixed percentage of cost. Depreciation is provided from the date an asset comes into use.
- 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.
- Upon initial recognition the receivables are valued at fair value and then valued at amortised cost, which equals the face value, after deduction of any provisions. The fair value and amortised cost equal the face value. Any provisions for the risk of doubtful debts are deducted. These provisions are determined based on individual assessment of the receivables.
- The cash is valued at face value. If cash equivalents are not freely disposable, then this has been taken into account in the valuation.
- The foundation has formed a continuity reserve to finance any negative operating risks of the organization. The continuity reserve is adjusted with movements in the above items. The earmarked reserve concerns the equity capital of the foundation, to which conditions have been set by the board of the association for its use. Uses of these appropriated reserves, as well as additions to appropriated reserves, are processed through the appropriation of the result.
- On initial recognition current liabilities are recognised at fair value. After initial recognition current liabilities are recognised at the amortised cost price, being the amount received, taking into account premiums or discounts, less transaction costs. This usually is the nominal value.

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.
- The foundation has a pension scheme for its employees to which the provisions of the Dutch Pension Act apply and in which contributions are paid on a contractual basis to ABP, pension fund for employees in the government and education sectors. At year-end 2021, the pension fund has a (current) funding ratio of 110.2% (2020: 93.5%). The premiums are recognized as personnel costs as soon as they are due. Premiums paid in advance are recognized as accrued income if they lead to a refund or a reduction in future payments. Premiums not yet paid are included in the balance sheet as a liability.

The main features of the pension scheme are:

- There is a defined contribution scheme;
- The scheme includes a retirement, partner and orphan's pension;
- The retirement age is 68 years;
- The pensionable basis is the salary minus the AOW-franchise (2021: EUR 14,544) with a maximum (2021: EUR 112,189) and taking into account the part-time factor;
- The defined contribution payable is a percentage of 25.90% (in 2020: 24.90%) of the pensionable basis;
- The foundation is only obliged to pay the premiums. Under no circumstances is there an obligation to make additional payments.

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, 2021

(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 2020 | 20,787 | 1,377 | 22,164 | 41,382 | 63,546 |
| Accumulated depreciation 31 December 2020 | -13,986 | -1,148 | -15,134 | -16,553 | -31,687 |
| Book value 31 December 2020 | 6,801 | 229 | 7,030 | 24,829 | 31,859 |
| Investments 2021 | 0 | 0 | 0 | 0 | 0 |
| Depreciation 2021 | -4,024 | -229 | -4,253 | -8,276 | -12,529 |
| Book value 31 December 2021 | 2,777 | 0 | 2,777 | 16,553 | 19,330 |

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 %. As per 1 January 2020 GPPAC has moved to a new office. The book value of the equipment mentioned in the above table per 31 December 2020 is of the equipment in use in the new building.

Receivables

Receivables can be divided in grant receivables and other receivables.

Grant receivables can be specified as follows:

| | 2021 | 2020 |
|----------------------|--------|-------|
| KMF Innovation grant | 6,026 | 0 |
| UK-DFID | 51,961 | 0 |
| UNDP | 29,689 | 0 |
| | 87,676 | 0 |
| | ===== | ===== |

Other receivables can be specified as follows:

| | 2021 | 2020 |
|------------------------------|---------|---------|
| | _____ | _____ |
| Prepayments | 0 | 0 |
| Receivables project partners | 76,187 | 158,117 |
| Receivables projects | 0 | 3,900 |
| Other receivables | 18,248 | 22,148 |
| | _____ | _____ |
| | 94,436 | 184,165 |
| | ===== | ===== |
| Total receivables | 182,112 | 184,165 |
| | ===== | ===== |

Cash and cash equivalents

Cash at banks and in hand are available on demand.

Equity

| | 2021 | 2020 |
|-------------------------------|---------|---------|
| | _____ | _____ |
| Balance as at January 1 | 117,427 | 130,904 |
| Result for the financial year | -11,100 | -13,477 |
| | _____ | _____ |
| Balance at December 31 | 106,327 | 117,427 |
| | ===== | ===== |

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 2020. The board proposes to recognize the negative balance of income and expenses for 2021 of EUR 11,100 in accordance with the appropriation of the result as included in the statement of income and expenses 2021. This proposal has been incorporated as such in the annual accounts.

GPPAC Foundation,
The Hague (Legal seat in Amsterdam)

| | 2021 | Changes 2021 | 2020 |
|------------------------|---------|-----------------|---------|
| | ----- | ----- | ----- |
| Continuity reserve | 87,407 | 4,930 | 82,477 |
| Short-term reserve | 0 | -652 | 652 |
| Earmarked reserve | 18,920 | -15,378 | 34,298 |
| | ----- | ----- | ----- |
| Balance at December 31 | 106,327 | -11,100 | 117,427 |
| | ===== | ===== | ===== |

The continuity reserve is meant to cover short term risks and to ensure that the organisation has a buffer to respond to its obligations in the long term. Accrued interest has been added to the short-term reserve with the condition to spend it on behalf of the GPPAC objectives. The earmarked reserve has been allocated for building the capacity of the Global Secretariat, including fundraising.

Taxes and social security payments

| | 2021 | 2020 |
|---|--------|--------|
| | ----- | ----- |
| Dutch Tax Authority: social security premiums | 13,318 | 40,963 |
| Dutch Tax Authority: VAT | 2,649 | 12,079 |
| ABP: pension premiums | 8,119 | 12,314 |
| | ----- | ----- |
| | 24,086 | 65,356 |
| | ===== | ===== |

Received pre-payments donors

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

| | 2021 | 2020 |
|---|---------|---------|
| | _____ | _____ |
| MFA The Netherlands (Strategic partnership) | 0 | 93,361 |
| Sida | 596,306 | 184,082 |
| IFA/Zivik | 830 | 2,968 |
| UN-Women | 204,507 | |
| EU - NEA | 62,726 | 0 |
| | _____ | _____ |
| | 864,369 | 280,410 |
| | ===== | ===== |

Accrued liabilities

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

| | 2021 | 2020 |
|---------------------------------|--------|---------|
| | _____ | _____ |
| Audit fee | 12,000 | 19,000 |
| Holiday allowance | 20,211 | 21,463 |
| Holiday leave days | 13,310 | 15,303 |
| Project invoices to be received | 15,498 | 156,814 |
| Various other liabilities | 12,903 | 12,373 |
| Downsizing costs | 23,295 | 78,814 |
| | _____ | _____ |
| | 97,217 | 303,767 |
| | ===== | ===== |

Commitments and receivables not included in the balance sheet

The foundation has an obligation amounting to EUR 23,043 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 17,376 including 21% VAT.

2.5 Notes to the statement of income and expenditure for the year 2021

(all amounts in euro)

| | 2021 | 2020 |
|--|-----------|-----------|
| | _____ | _____ |
| Grants from governments and others (appropriated income)* | | |
| Dutch Ministry of Foreign Affairs Strategic Partnership | 70,000 | 2,030,188 |
| UNDP | 25,789 | 3,900 |
| EU NEA | 153,956 | 0 |
| Sida 2017-2021 | 681,941 | 964,830 |
| Sida 2021-2023 | 379,778 | 0 |
| IFA-Zivik Cameroon project | 187,921 | 86,068 |
| IFA-Zivik Uganda project | 0 | 202,900 |
| IFA-Zivik Mali project | 132,218 | 0 |
| UN Women | 1,205 | 0 |
| KMF Innovation grant | 14,015 | 0 |
| UK DFID | 51,961 | 0 |
| | _____ | _____ |
| *: more information in the appendix | 1,698,785 | 3,287,886 |
| | ===== | ===== |
| Income other than grants | | |
| Online Partnerships | 2,933 | 3,565 |
| Other revenues | 1,998 | 0 |
| | _____ | _____ |
| | 4,931 | 3,565 |
| | ===== | ===== |

Expenditures on behalf of the objectives

| Objectives | Total costs | Project costs | Progr. man | Operational progr. costs |
|---|-------------|---------------|------------|-----------------------------|
| Result area 1: Network and Learning | 970,021 | 545,657 | 264,492 | 159,872 |
| Result area 2: Policy change | 454,764 | 359,851 | 60,027 | 34,886 |
| Subtotals | 1,424,785 | 905,508 | 324,519 | 194,758 |
| Total expenditure on behalf of objectives | 1,424,785 | | | |
| Costs obtaining gov grants and others | 104,260 | | | |
| Costs management and administration | 185,771 | | | |
| Total expenses | 1,714,816 | | | |

As of 2021 and in line with the Strategic plan 2021-2025, GPPAC allocates their expenditure to the two main objectives, being result area 1: GPPAC Members increase local, regional, and global impact as a result of the GPPAC platform and result area 2: Policymakers ensure regional and global policies and practises are rooted in the learnings of locally grounded peacebuilding. No budget targets were set for these result areas in the strategic plan.

GPPAC continues to distribute the project costs over the different objectives, including the part of the donor grants that were managed by our regional members. They accounted for their expenditure with narrative and financial reports and documents supporting the expenses.

The management costs are costs related with the staff at the Global Secretariat including the office costs in The Hague. The total value amounted to EUR 809,308 (2020: EUR 1,213,898). The restructuring of the Global Secretariat causes this significant decrease in costs. These costs are allocated to the two result areas under Programme management, Operational programme costs (like PMEL and Communications), Fundraising, and Management and administration. The calculations are made with the actual personnel and office costs and supported by time-registration forms. In the next table an overview of these management costs with their budgets.

| | 2021 | 2020 |
|----------------------|------------------|------------------|
| | _____ | _____ |
| Expenditure | | |
| Personnel costs | 609,458 | 935,925 |
| Office costs | 199,850 | 277,973 |
| Direct program costs | 905,508 | 2,091,030 |
| | <u>1,714,816</u> | <u>3,304,928</u> |

| Management costs/ costs Global Secretariat | Realisation 2021 | Budget 2021 | Realisation 2020 |
|---|-----------------------|-----------------------|-------------------------|
| Personnel costs | | | |
| Gross salaries | 440,677 | 469,000 | 710,476 |
| Taxes and social premiums | 73,218 | 74,000 | 94,225 |
| Pension costs | 73,099 | 74,000 | 105,842 |
| <i>Subtotal Salary costs</i> | <i>586,994</i> | <i>617,000</i> | <i>910,543</i> |
| Commuting | 4,351 | 4,000 | 10,656 |
| Training | 11,630 | 16,000 | 5,986 |
| Other personnel costs | 6,483 | 4,000 | 8,740 |
| | 609,458 | 641,000 | 935,925 |
| Office costs | | | |
| Depreciation | 12,529 | 14,000 | 16,290 |
| Rent office | 23,092 | 28,000 | 60,376 |
| Office expenses | 16,323 | 8,000 | 10,165 |
| ICT | 23,865 | 30,000 | 34,422 |
| Accountancy & consultancy | 73,702 | 70,000 | 81,041 |
| Other office costs | 50,339 | 43,000 | 75,679 |
| | 199,850 | 193,000 | 277,973 |
| | <u>809,308</u> | <u>834,000</u> | <u>1,213,898</u> |

The foundation employed an average of 8.54 fte in 2021 (2020: 13.19). Changes in staff in 2021 related to the downsizing of the Global Secretariat as a result of less secured income for 2021. ABP pension fund slightly increased the pension premium in 2021.

In 2021, Mrs. Carreras Lloveras was the interim-director of the GPPAC Foundation. She was appointed in this function by the Board as per 1 November 2020. Her part-time percentage of her contract of employment increased from 84,21% to 94,74% as per the 1st of January 2021. Her gross salary costs for 2021 amounted to EUR 74,034 (in November and December 2020: EUR 8,702). This gross salary amount does not include the employer pension contribution of EUR 13,335 (In November and December 2020: EUR 1,538).

| Name of the employee | V. Carreras Lloveras | D. Rodriguez Torres |
|--|----------------------|---------------------|
| Role | Executive Director | Executive Director |
| Start and end of employment in 2021 | 01/01-31/12 | 01/01-01/01 |
| Part-time percentage | 94,74% | 100% |
| Employment contract | Yes | Yes |
| Remuneration | | |
| Remuneration and taxable reimbursements | 74,762 | 0 |
| Provision for future remuneration | 13,335 | 0 |
| <i>Subtotal</i> | <i>88,097</i> | <i>0</i> |
| Remuneration cap | 180.953 | 191,000 |
| -/- Unduly paid and not yet refunded amount | Not applicable | Not applicable |
| Remuneration | 88,097 | 0 |
| Justification for excess remuneration | Not applicable | Not applicable |
| Explanation of the claim for undue payment | Not applicable | Not applicable |
| Data 2020 | | |
| Role | Executive Director | Executive Director |
| Start and end of employment in 2020 | 31/10-31/12 | 01/01-31/12 |
| Part-time percentage | 84,21% | 100% |
| Employment contract | Yes | Yes |
| Remuneration | | |
| Remuneration plus taxable expense allowances | 10,702 | 90,588 |
| Provision for future remuneration | 1,538 | 14,363 |
| <i>Subtotal</i> | <i>12,240</i> | <i>104,951</i> |
| Remuneration cap | 26,526 | 189,000 |
| Remuneration | 12,240 | 104,951 |

GPPAC Foundation,
The Hague (Legal seat in Amsterdam)

In 2020, Mr Darynell Rodriguez Torres was the director of the GPPAC Foundation. He resigned on 1st of January 2021. He was appointed through a contract of employment on a 100% position by the board as per 1st of November 2016. His gross salary of 2020 amounted to EUR 90,588. This included paid out holiday allowance and the balance of untaken holidays. The gross salary amount does not include the employer pension contribution of EUR 14,363. In 2021 he received a gross severance payment of EUR 38,190.

| | |
|--|----------------------------|
| Name of the employee | D. Rodriguez Torres |
| Role | |
| Position(s) upon termination of employment | Executive Director |
| Part-time percentage | 100% |
| Year in which employment was terminated | 2021 |
| Payment due to termination of employment | |
| Agreed benefits due to termination of employment | 38,190 |
| Individually applicable maximum | 75,000 |
| Total benefits due to termination of employment | 38,190 |
| Of which paid in 2021 | 38,190 |
| Undue paid and not yet refunded amount | Not applicable |
| Justification for excess payment | Not applicable |
| Explanation of the claim for undue payment | Not applicable |

The total remuneration for 2021 of the above-mentioned management remains below the maximum amount for 2021 of EUR 191,000 according to the Dutch Standards for Remuneration Act (Wet Normering Topinkomen), section development aid.

GPPAC Board members do not receive any financial compensation for their assignment.

| Name | Function | Period 2021 | Financial compensation 2021 | Period 2020 | Financial compensation 2020 |
|----------------------|--------------------------|-------------|-----------------------------|-------------|-----------------------------|
| 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 | 1/1-17/7 | Not applicable | 1/1-10/6 | Not applicable |
| Frank van den Akker | Member | 15/1-31/12 | Not applicable | - | - |
| Herman Kreulen | Treasurer | 1/3-31/12 | Not applicable | 10/6-31/12 | Not applicable |
| Yoshioka Tatsuya | Chair | 1/1-31/12 | Not applicable | 1/1-31/12 | Not applicable |
| Ivana Gajovic | Member | - | - | 1/1-31/12 | Not applicable |
| Mariska van Beijnum | Member | 1/1-19/3 | Not applicable | 1/1-31/12 | Not applicable |
| Charlotte Divin | Member | 1/1-31/12 | Not applicable | - | - |
| Nqobile Moyo | Member | 1/1-31/12 | Not applicable | - | - |
| Alvito de Souza | Member | 1/1-31/10 | Not applicable | - | - |

GPPAC Foundation,
The Hague (Legal seat in Amsterdam)
Office costs

Depreciation

| | 2021 | 2020 |
|-------------------|--------|--------|
| | _____ | _____ |
| Automation | 4,024 | 5,919 |
| Office equipment | 229 | 2,094 |
| Intangible assets | 8,276 | 8,277 |
| | _____ | _____ |
| | 12,529 | 16,290 |
| | ===== | ===== |

Housing costs

Housing costs consist of rental costs for the office at Laan van Meerdervoort 70, The Hague. As of the 1st of January 2021, we moved to a new office, Alexanderveld 5 in The Hague.

| | 2021 | 2020 |
|--|--------|--------|
| | _____ | _____ |
| Office expenses | | |
| Telephone | 1,942 | 2,376 |
| Office equipment/material | 1,808 | 808 |
| Postal charges | 271 | 647 |
| Contributions | 6,866 | 4,177 |
| Other | 5,436 | 2,157 |
| | _____ | _____ |
| | 16,323 | 10,165 |
| | ===== | ===== |
| ICT | 23,865 | 34,422 |
| | ===== | ===== |
| Accountancy and consultancy costs | | |
| Consultancy costs | 37,803 | 59,010 |
| Auditor costs | 29,906 | 18,300 |
| Project audit costs | 0 | 0 |
| Salary administration costs | 5,993 | 3,732 |
| | _____ | _____ |
| | 73,702 | 81,041 |
| | ===== | ===== |

GPPAC Foundation,
The Hague (Legal seat in Amsterdam)

| | 2021 | 2020 |
|---------------------------|--------|--------|
| Other office costs | | |
| Communication/marketing | 10,442 | 42,966 |
| Insurances general | 18,970 | 22,850 |
| Other expenses | 20,927 | 9,863 |
| | <hr/> | <hr/> |
| | 50,339 | 75,679 |
| | ===== | ===== |

The Hague, 18 July 2022

The Board,

Yoshioka Tatsuya, Chair
Frank van den Akker, Vice-Chair
Herman Kreulen, Treasurer
Charlotte Divin
Nqobile Moyo

*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 2021 INCLUDED IN THE FINANCIAL REPORT

OUR OPINION

We have audited the financial statements 2021 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 2021 and of its result for 2021 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 2021;
- 2 the statement of income and expenditure for 2021; 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 2021.

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.

Ref.: J.MI.22174

accon avm controlepraktijk B.V., Burg. Burgerslaan 44, Postbus 2085, 5202 CB 's Hertogenbosch
T: 088 44 69 000, www.acconavm.nl

All our services and/or other juristic acts are governed by the General Terms and Conditions of accon■avm controlepraktijk b.v., which limit our liability. Our General Terms and Conditions, which have been filed with the Chamber of Commerce under number 09114597, are available free of charge upon request. They can also be viewed on our website (<https://acconavm.com/general-terms-and-conditions/>). For more information about our services, our people and our ambitions, please visit our website. This disclaimer and our limitation of liability apply equally to accon■avm controlepraktijk b.v. and to any other entity within the accon■avm network, as well as to our and their respective employees.



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 Dutch 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 organization'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 organization 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 organization'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.

's Hertogenbosch, 18 July 2022

accon avm controlepraktijk B.V.

On behalf of:

Original has been signed by: R. Leus RA EMITA



APPENDIX TO OUR AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS 2021 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.

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 organization'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 organization'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 an organization 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 them 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)*

4 Appendix

Appendix: Donor overview 2021

| | | | | | |
|------------------|--|-------------------------|----------------|---------------------------------|----------------|
| Name of donor: | Dutch Ministry of Foreign Affairs | Funds allocated 2021: | 0 | Installments received 2021: | -93,361 |
| Donor reference: | Strategic Partnership: act. 27553 | Totally allocated: | 9,806,639 | Installments received in total: | 9,806,639 |
| Contract period: | 01012016-31122020 | Total contract funding: | 10,000,000 | Installments to receive: | 0 |
| Status: | Closed, approved by the donor | | | | |
| Specifics: | Limited to focus regions: East Africa, West Africa, the Middle East & North Africa, Europe, Southeast Asia | | | | |
| Name of donor: | Sida | Funds allocated 2021: | 681,941 | Installments received 2021: | 497,859 |
| Donor reference: | 11088 | Totally allocated: | 3,710,856 | Installments received in total: | 3,710,856 |
| Contract period: | 01012017-30062021 | Total contract funding: | SEK 38,000,000 | Installments to receive: | 0 |
| Status: | Done, pending approval by donor | | | | |
| Specifics: | Restrictions on flow of funds to organisations registered in non-ODA countries; contract period extended with one year | | | | |
| Name of donor: | Sida | Funds allocated 2021: | 379,778 | Installments received 2021: | 976,084 |
| Donor reference: | 13917 | Totally allocated: | 379,778 | Installments received in total: | 976,084 |
| Contract period: | 01072021-31122023 | Total contract funding: | SEK 30,000,000 | Installments to receive: | SEK 20,000,000 |
| 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: | IFA/Zivik | Funds allocated 2021: | 187,921 | Installments received 2021: | 187,949 |
| Donor reference: | KP-007/21 | Totally allocated: | 187,921 | Installments received in total: | 187,949 |
| Contract period: | 01022021-31122021 | Total contract funding: | 187,949 | Installments to receive: | -29 |
| Status: | Done, pending approval by donor | | | | |
| Specifics: | None | | | | |
| Name of donor: | IFA/Zivik | Funds allocated 2021: | 132,219 | Installments received 2021: | 133,020 |
| Donor reference: | KP-059/21 | Totally allocated: | 132,219 | Installments received in total: | 133,020 |
| Contract period: | 15052021-31122021 | Total contract funding: | 133,020 | Installments to receive: | -801 |
| Status: | Done, pending approval by donor | | | | |
| Specifics: | None | | | | |
| Name of donor: | UNDP | Funds allocated 2021: | 25,789 | Installments received 2021: | 0 |
| Donor reference: | Impact of COVID-19 | Totally allocated: | 29,689 | Installments received in total: | 0 |
| Contract period: | 01112020-31082021 | Total contract funding: | USD 34,000 | Installments to receive: | USD 34,000 |
| Status: | Done, pending approval by donor | | | | |
| Specifics: | None | | | | |
| Name of donor: | EU | Funds allocated 2021: | 153,956 | Installments received 2021: | 216,682 |
| Donor reference: | ICSP 2020/419-694 | Totally allocated: | 153,956 | Installments received in total: | 216,682 |
| Contract period: | 01022021-31012024 | Total contract funding: | 999,561 | Installments to receive: | 782,879 |
| Status: | In progress (short term) | | | | |
| Specifics: | | | | | |
| Name of donor: | The Knowledge Platform Security & Rule of Law | Funds allocated 2021: | 14,015 | Installments received 2021: | 7,989 |
| Donor reference: | CR3036_1.1 | Totally allocated: | 14,015 | Installments received in total: | 7,989 |
| Contract period: | 20052021-20022022 | Total contract funding: | 19,972 | Installments to receive: | 11,983 |
| Status: | Done, pending approval by donor | | | | |
| Specifics: | None | | | | |
| Name of donor: | UK DFID | Funds allocated 2021: | 51,961 | Installments received 2021: | 0 |
| Donor reference: | - | Totally allocated: | 51,961 | Installments received in total: | 0 |
| Contract period: | 01092021-31032022 | Total contract funding: | USD 108,130 | Installments to receive: | USD 108,130 |
| Status: | Done, pending approval by donor | | | | |
| Specifics: | None | | | | |
| Name of donor: | UN Women | Funds allocated 2021: | 1,205 | Installments received 2021: | 205,712 |
| Donor reference: | - | Totally allocated: | 1,205 | Installments received in total: | 205,712 |
| Contract period: | 15112021-14112022 | Total contract funding: | 257,140 | Installments to receive: | 51,428 |
| Status: | In progress (short term) | | | | |
| Specifics: | None | | | | |
| Name of donor: | United Nations Development Programme | Funds allocated 2021: | 0 | Installments received 2021: | 0 |
| Donor reference: | CPPRI Global Programme | Totally allocated: | 0 | Installments received in total: | 0 |
| Contract period: | 01122021-31122022 | Total contract funding: | USD 150,000 | Installments to receive: | USD 150,000 |
| Status: | In progress (short term) | | | | |
| Specifics: | None | | | | |