

Financial report 2023  
issued to  
GPPAC Foundation  
at  
THE HAGUE

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

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## **1 Board Report**

## BOARD REPORT 2023

In 2023, GPPAC faced ongoing challenges both internally and externally. Internally, the organization grappled with the absence of an Executive Director for more than half of the year. Externally, the political landscape saw the election of far-right governments in two main donors to peacebuilding, Sweden and the Netherlands. However, amidst these difficulties, GPPAC persisted in positioning its network as a crucial partner at the policy level and as a robust support structure for local peacebuilding initiatives. These efforts led to increased fundraising opportunities, expected to materialize in 2024.

### 1. Governance

In 2023, the GPPAC Global Secretariat operated without an Executive Director. In the absence of an Executive Director, the Board agreed to exceptionally and temporarily transfer the formal decision-making and signatory authority on matters related to HR, Finance, and the daily operations of GPPAC to two members of GPPAC's Board: the Board Human Resources Liaison and Board Treasurer. This temporary arrangement would end once the hiring process for a new Executive Director resumed. As part of this arrangement, these two Board members also attended the bi-weekly management team meetings. The Board later decided to further postpone the search for a new Executive Director until the financial situation stabilized and to hire an interim Chief Operating Officer instead to support the management of day-to-day operations. This decision was to a large extent, driven by the understanding that a successful search for a new ED would be futile given the uncertain funding situation of GPPAC.

#### GPPAC Board composition, April 2024

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

One additional candidate international board member is still subject to final registration.

### 2. Finances, donor relations, and fundraising

In 2023, GPPAC received financial support from the Swedish International Development Agency (Sida), UN Women/Women's Peace & Humanitarian Fund (WPHF), the European Union (EU), and the United Nations Development Programme (UNDP).

While we continue to value Sida as a key donor, we intensified our efforts to position GPPAC strategically towards other potential donors with the aim of diversifying GPPAC's funding base. This included aligning our content with a greater focus on climate issues and showcasing our unique network approach. In addition, we revised our fundraising strategy in light of a concerning political trend of more countries shifting towards the right, potentially resulting in decreased funding and support for peacebuilding initiatives.

These fundraising advocacy efforts, particularly towards the EU, have yielded positive outcomes, resulting in the EU's Foreign Policy Instrument (FPI) Service granting GPPAC a 3-year funding contract. This grant is designed to support the EU's priority of enhancing peacebuilding capacities by strengthening networks of local organizations. Both the EU and GPPAC have decided to allocate this grant to climate-focused activities scheduled for launch in 2024.

Our partnership with Women's Peace & Humanitarian Fund (WPHF)/UN Women has been progressing well, with WPHF/UN Women extending the partnership for an additional six months, until October 2024.

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In the last two months of 2023, we dedicated our efforts to developing a proposal in response to a dedicated call (*Programme grant Contributing to Peaceful and Safe Societies 2024-2031*) issued by the Dutch Ministry of Foreign Affairs. While the process was demanding, a successful application could offer a new, more sustainable perspective and serve as a foundation for GPPAC's work over the next eight years. The Dutch Ministry of Foreign Affairs is expected to announce its choice of partners in May 2024.

GPPAC closed the 2023 year with a positive result of EUR 5,138. This result is added to the continuity reserve.

### 3. Organisational support

#### GPPAC network governance

In 2023, our primary focus was to enhance network engagement within GPPAC, recognizing its pivotal role in advancing our mission. To achieve this, we organized two online ISG meetings in June and November, during which plans were made for an in-person ISG meeting in January 2024. Additionally, we commissioned an external consulting firm to conduct a Mid-Term Review of our 2021-2025 Strategic Plan; this was supported by the establishment of a reference group composed of GPPAC members. Furthermore, we piloted a network visualization tool to present regional priorities and plans. Despite encountering challenges due to limited capacities at the Global Secretariat and at the regional level, we were nevertheless able to foster proactive cross-regional interaction and knowledge-sharing.

The recruitment of a second network coordinator was delayed due to financial constraints; this will be reconsidered contingent upon the success of fundraising endeavours.

#### GPPAC Global Secretariat

A five-month process, "*Step-by-Step to a Healthy Resilient Global Secretariat*," launched in 2022, fostered open communication among team members regarding various issues and concerns. However, it did not address workload challenges. While staff acknowledged that the process contributed to enhancing organizational culture and individual development, certain difficulties, such as funding constraints and the absence of an Executive Director (ED), remained beyond the control of the Global Secretariat. The lack of an Executive Director continued to be a significant factor in workload management and the prioritization of tasks and responsibilities.

Amidst the continuing financial uncertainty, the GPPAC Board postponed the recruitment process for a new ED. Consequently, an interim Chief Operating Officer was appointed in September 2023 to support the Global Secretariat's day-to-day management. The potential recruitment of a permanent Executive Director hinges on the outcome of our application to the Dutch Ministry of Foreign Affairs.

On 31 December 2023, the GPPAC Global Secretariat had eight employees. Our sick leave percentage for 2023 was 2% (2022: 2.3%). This is below the average in The Netherlands, 6.5% for 2023 (Source: [Central Bureau Statistics](#), non-profit organisations (*Dutch: Niet-commerciële dienstverlening*)).

#### GPPAC Quality Management

The annual external audit of our Quality Management system took place in January 2023. The auditor's visit was a combination of the focus visit for ISO 9001:2015 and the assessment of the ISO 9001:2015 Partos V2018 standard. Both assessments were successfully completed.

### 4. Integrity

#### GPPAC Global Secretariat

Integrity and accountability remain at the heart of GPPAC's work, both at the network and the Global Secretariat level, as we strive to conduct all our operations with honesty and transparency. In 2023, we updated the **Code of Conduct** and improved the **Reporting and Investigation Protocols** undesirable behaviour, integrity violations, or

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abuse for the **Global Secretariat staff**. To further embed and integrate integrity in daily operations and our working environment, we are finalizing an **Integrity and Culture plan for 2024-2025**. We will focus on raising staff

awareness, thinking together about and discussing vulnerabilities and risks under the guidance of an external specialist. We did not receive integrity violation reports in 2023 regarding the GPPAC Global Secretariat.

### **GPPAC member organisations**

In early 2023, the GPPAC Global Secretariat received reports of potential integrity violations within one of the GPPAC member organisation acting as GPPAC Regional Secretariats. In response, the GPPAC Network Integrity Committee was activated. In March 2023, a call with the Regional Representative was conducted, followed by a letter from the GPPAC Network Integrity Committee to support the establishment of an internal committee to investigate the matter. The investigative committee's findings resulted in appointing a new Regional Secretariat, a decision supported by regional members.

## **5. Communications**

Throughout 2023, GPPAC continued its efforts to position the network as a leading actor in peacebuilding and conflict prevention, reaching its target audience (members, policymakers, and donors) through various communication channels, including the **website, social media**, and the **newsletter**. Transitioning to *Google Analytics 4* presented challenges in comparing website metrics with previous years, requiring deeper time investment to understand and analyze the changes fully. Nonetheless, it was evident that pages such as "*What We Do*", focusing on inclusivity and financing for local peacebuilding, garnered higher average engagement times, indicating their significance to visitors. On social media, the takeover of *Twitter* by Elon Musk hindered analytics' functionality for months. However, GPPAC kept up regular postings, particularly during key global policy events. This allowed GPPAC to increase its number of *Twitter* followers by more than 1,000. GPPAC's *Instagram* performance flourished, with a nearly 300-count increase in followers. A notable highlight of such increased engagement was the December 2023 reposting of GPPAC content by the UN Peacebuilding account. Increased activity on *LinkedIn* boosted engagement and traffic to GPPAC's page. Lastly, GPPAC's newsletters sent out twice in 2023, garnered a successful opening rate ranging between 32% (focused on the launch of GPPAC's climate guidance note) and 40% (focused on women's empowerment).

Moving forward in 2024, we will continue to enhance our website content to increase organic traffic, share targeted content across our social media platforms, and distribute thematic newsletters during key moments. Additionally, we will promote content related to projects funded by the EU, UN Women, and the Dutch Ministry of Foreign Affairs, aligning our communication strategy with these initiatives. Finally, we will work closely with GPPAC members who possess expertise in communication to mentor and develop the skills of other members.

## **6. Planning, monitoring, evaluation and learning**

The year 2023 marked the midpoint of our 2021-2025 Strategic Plan, providing a timely and strategic opportunity to assess its implementation to-date. GPPAC, therefore, engaged a team of consultants to conduct a network-wide Mid-Term Review (MTR) over seven months, from June to December 2023. Overall, the MTR proved essential for confirming the assumptions that formed the basis of the Strategic Plan, for better understanding areas of strength and challenges, and for identifying areas of adaptation that are crucial for the iterative nature of the network.

### **Some of the MTR findings include:**

- Reflection on Results Framework: we should consider redefining and improving the results framework to better align with the work of the members.
- Shared Understanding: certain challenges that are observed at the Global Secretariat are mirrored in the region. This shared understanding is a positive note as it fosters a sense of unity in addressing those challenges
- Outcome Harvesting and Result Framework Redesign: the outcome harvesting process is out of alignment with the current results framework. Therefore, as part of our efforts to continuously improve our PME processes, we will use the findings of the MTR to redesign the PME framework for better

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alignment with and mutual benefit for the members.

- Majority World Focus: greater emphasis should be put on building the capacity of members, particularly when it comes to enhancing cross-region learning and reducing directive approaches from the Global Secretariat.

Moving forward, we will develop a plan to implement the MTR's recommendations, including adapting the results framework and conceptualising the next Strategic Plan.

## 7. Global and regional activities

### Global activities

In 2023, GPPAC pursued priorities and projects that had started the year before to advance the three themes of the GPPAC 2021-2025 Strategic Plan. Some noteworthy examples include:

- **Locally-led peacebuilding action:** in December 2023 in New York, GPPAC supported the inaugural CSO-UN Dialogue on Peacebuilding aimed at bringing civil society and UN officials together to discuss peacebuilding strategies and policies and to shape global peacebuilding goals jointly. On the margins of that dialogue, GPPAC took the lead in organizing a special session hosted by the Dutch Mission to the UN on the Role of Networks, Movements and Coalitions in Peacebuilding and Sustaining Peace.

When it comes to our work on financing for peacebuilding, we continue to leverage any opportunity to engage with (new) donors as demonstrated by the civil society-donor roundtable discussion organized in Yaoundé in May 2023 held in parallel to a project led by a member in Cameroon and which GPPAC is supporting. As regards GPPAC's proposed *Pilot Mechanism to Test Innovative Approaches for Financing Local Peacebuilding*, the Dutch MFA still remains very interested in supporting it. However, they have been busy with and will continue to have to prioritize their Call for Proposals and granting process for the Programme grant Contributing to Peaceful and Safe Societies 2024-2031 until at least Q2 of 2024.

Finally, to mark the Fifth Anniversary of the 2018 United Nations and World Bank '*Pathways for Peace: Inclusive Approaches to Preventing Violent Conflict*' report, GPPAC partnered with Dag Hammarskjöld Foundation and Quaker UN Office to organize a discussion focused on the need for building the data and evidence base around the impact of prevention programming in a way that responds to local priorities and perspectives.

- **Inclusion of women and youth:** As part of our NGO partnership with the Women's Peace & Humanitarian Fund (WPHF) for the implementation of its Rapid Response Window (RRW), GPPAC has been supporting a six-month project in Central Asia aimed at promoting dialogue among women from Kyrgyzstan, Tajikistan and Uzbekistan and another six-month project in Uganda on "*Enhancing Women's Participation in Peace Processes in Yumbe District*" which intends to empower local women from the most affected communities and increase their ability to participate in conflict resolution efforts within their context.

During the 2023 Shaping Feminist Foreign Policy conference hosted by the Dutch MFA, GPPAC and ICAN co-organized an event entitled '*No Feminist Policy without Feminist Funding*', with interventions from local peacebuilders, the Dutch MFA, and WPHF.

- **Climate change and emerging threats:** in March 2023, as part of our partnership with UNDP, GPPAC members from Mozambique, Uganda, and Zimbabwe developed a Step-by-Step Guide for local peacebuilders around the world on how to document, assess, and address local climate-security risks at the local level. It showcases important local knowledge and local indicators that too often get dismissed as 'not scientific enough' in the global policy debates on climate, peace and security.

In addition, we have started an informal partnership with the Club de Madrid, which invited us to join its Working Group on Social Dimensions of Climate Change and participate in its 2023 Policy Dialogue on Rethinking Social Development for People and Planet, which took place in November in Brasilia, Brazil.



## Regional activities

At the regional level, GPPAC members remain in the lead in setting their priorities and designing activities to fulfill their annual plans. Some achievements include:

- The **Central Asia** network received cross-regional support from the Western Balkan network and the Peace Education Working Group. This collaboration led to adaptive programming, including new insights on trauma healing and psychosocial support for peacebuilders. Additionally, it introduced a novel educational approach to addressing climate change and conflict in Kyrgyzstan, Tajikistan, and Uzbekistan.
- Despite initial resistance, the **Latin America and Caribbean** network successfully developed an Open Source Intelligence and AI technology. This advancement enabled effective monitoring of conflicts and human rights violations affecting indigenous communities, supporting conflict prevention and peacebuilding efforts.
- Through dedicated relationship-building efforts, the GPPAC **Pacific** network played a crucial role in adopting the Blue Pacific Strategy during the 51st Pacific Islands Forum. This strategy included a peace and security pillar and the incorporation of reporting mechanisms for non-traditional actors, which were not originally part of the plan.
- The **Central and East Africa** network expanded its Peace Education initiatives through collaboration with Deakins University in Uganda. Additionally, it trained 80 young individuals in Cameroon, who are now actively involved as community peace agents in countering radicalization.

## 8. Risks and mitigation

The risk grid has been updated, taking into consideration Sida's suggestion to include elements related to core functions not being supported and risks inherent to the lack of donors' flexibility to adapt to changing environments, especially in terms of project design. The grid was shared with the ISG on 15 June 2023 for their input and comment.

## 9. Budget 2024

In December 2023, the board approved the 2024 budget. However, this only concerned the first three months due to uncertainties that some donors had regarding their contributions to GPPAC at the time.

Two donors have provided more clarity since the December 2023 board meeting. Sida agreed to an extension of the current agreement with nine more months. In June, The Dutch MFA sent us their decision regarding our application submitted in December 2023. They decided to award us a grant regarding the Contributing to Peaceful and Safe Societies 2024-2031 framework.

The board will meet in July 2024 to discuss the revised budget for 2024, including the above-mentioned secured income.

## 10. Looking forward

On 26 April 2024, GPPAC was informed that it had been selected for a grant under the "Contributing to Peaceful and Safe Societies" grant programme of the Netherlands' Ministry of Foreign Affairs (MFA). The grant covers a period of 8 years (1 June 2024-31 December 2031). In the upcoming inception period, the GS will work to fine-tune the priority activities for the remainder of 2024 in light of the new grant framework, which will necessarily inform all future planning for the next eight years, and will help to provide a basis of financial certainty for the organization. That said, as the MFA grant will not cover all operational cost of the Secretariat at 100% nor does it cover the global network of GPPAC, additional funding streams will continue to be sought.

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## **2 Financial Report**

## 2.1 Balance sheet as at December 31, 2023 (after appropriation of the result)

(all amounts in euro)

	December 31, 2023	December 31, 2022
<b>Assets</b>		
<b>Fixed assets</b>		
Tangible assets	9,692	531
Intangible assets	0	8,277
	<b>9,692</b>	<b>8,808</b>
<b>Current assets</b>		
Receivables	144,503	168,988
Cash and cash equivalents	692,299	728,380
	<b>836,802</b>	<b>897,368</b>
	<b>846,494</b>	<b>906,176</b>
<b>Liabilities</b>		
<b>Reserves</b>		
Continuity reserve	87,281	82,143
Earmarked reserve	0	0
	<b>87,281</b>	<b>82,143</b>
<b>Short-term liabilities</b>		
Accounts payable	33,843	9,410
Taxes and social security payments	27,752	20,915
Received pre-payments donors	600,288	661,044
Accruals, provisions and other liabilities	97,330	132,664
	<b>759,213</b>	<b>824,033</b>
	<b>846,494</b>	<b>906,176</b>

## 2.2 Statement of Income and Expenditure for the year 2023

(all amounts in euro)

	Realisation 2023	Realisation 2022
<b>Income</b>		
Grants from governments and others	1,557,939	1,598,286
Income other than grants	5,138	2,809
<b>Sum of income</b>	<b>1,563,077</b>	<b>1,601,095</b>
<b>Expenses</b>		
<b>Expenditure on behalf of the objective</b>		
Result area 1: Network and Learning	934,183	956,194
Result area 2: Policy change	316,402	368,112
	<b>1,250,585</b>	<b>1,324,306</b>
<b>Expenditure fundraising</b>		
Costs obtaining government grants and others	91,352	69,443
<b>Management &amp; administration</b>		
Costs management & administration	216,002	231,530
<b>Sum of expenses</b>	<b>1,557,939</b>	<b>1,625,279</b>
<b>Surplus/deficit</b>	<b>5,138</b>	<b>- 24,184</b>

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**Appropriation of result**

Continuity reserve	5,138	-5,264
Short-term reserve	0	0
Earmarked reserve	0	-18,920
	<hr/>	
	<b>5,138</b>	<b>- -24,184</b>

## 2.3 Notes to the accounts

### 2.3.1 Foundation

- The foundation was formed on September 1, 1997 and is statutorily 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 worldwide civil society-led network to build a new international consensus on peacebuilding and the prevention of violent conflict. The GPPAC program strengthens civil society networks for peace and security by linking local, national, regional, and global action levels and effective engagement with governments, the UN system, and regional organisations.

### 2.3.2 Financing of the foundation

- The foundation's income exists from grants from various donors that support the foundation's purpose. Most grants are requested on a yearly basis, and 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, and others are being discussed and negotiated.
- The foundation has been exploring opportunities for income other than grants by providing training and portal services ("online partnerships"). This resulted in revenues in 2023.
- Based on the aforementioned reasons, the principles of valuation have been based on the continuity of the foundation.

### 2.3.3 Comparison with the prior year

The principles used for valuation and determination of results have remained unchanged compared to the prior year. As of 2021, the costs have been allocated to the two objectives (result areas) of the Strategic plan 2021-2025, Network and Learning, and Policy change.

### 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 judgments and estimates that may be essential for the amounts recognized in the financial statements. If applicable, the nature of these judgments 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 related parties. Also, entities that can control the organization are considered to be related parties. 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 are disclosed if this is necessary to provide the required insight.
- Valuation of assets and liabilities and determination of the result is 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 made to the paragraph principles of valuation of assets and liabilities. GPPAC does not use derivative financial instruments.

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- Income and expenses are accounted for on an accrual basis. Profit is only included when realized on the balance sheet date. Losses originating before the end of the financial year are considered if they have become known before preparing the financial statements.
- Intangible fixed assets are stated at historical cost less amortization and, if applicable, fewer impairments in value. Depreciation is based on the estimated useful life and calculated as a fixed percentage of the 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, fewer 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 amortized cost, which equals the face value, after deducting any provisions. The fair value and amortized cost equal the face value. Any provisions for the risk of doubtful debts are deducted. These provisions are determined based on individual assessments of the receivables.
- The cash is valued at face value. If cash equivalents are not freely disposable, this has been considered 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 the association's board has set conditions 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 recognized at fair value. After initial recognition, current liabilities are recognized at the amortized cost price, the amount received, taking into account premiums or discounts, and fewer 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 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, the pension fund for employees in the government and education sectors. At year-end 2023, the pension fund has a (current) funding ratio of 110.5% (2021: 110.9%). 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 (2023: EUR 16,332) with a maximum of EUR 128,810 in 2023 (2022: EUR 114,866) and taking into account the part-time factor;
- The defined contribution payable for 2023 is 27.90 % of the pensionable basis (in 2022: 25.90 %);
- 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 of the balance sheet date. Transactions in foreign currency during the financial year are recognized in the financial statements at the exchange rates prevailing at the transaction date. The exchange differences resulting from the translation as at the balance sheet date are recorded in the profit and loss account.

## 2.4 Notes to the balance sheet as of December 31, 2023

(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 2022	21,898	1,377	23,275	41,382	64,657
Accumulated depreciation 31 December 2022	-21,367	-1,377	-22,744	-33,106	-55,850
Book value 31 December 2022	531	0	531	8,276	8,807
Investments 2023	11,051	0	11,051	0	11,051
Depreciation 2023	-1,890	0	-1,890	-8,276	-10,166
Book value 31 December 2023	9,692	0	9,692	0	9,692

Expenses for hardware, software, furniture, fixtures and fittings, and website development with a cost of more than EUR 450 are presented as investments. The yearly depreciation rate is 20 %. As of 1 January 2020, GPPAC has moved to a new office.

#### Receivables

Receivables can be divided into grant receivables and other receivables.

Grant receivables can be specified as follows:

	2023	2022
KMF Innovation grant	0	1,607
WAA Cameroon EU project	8,993	0
Other donors	5,960	0
	14,953	1,607
	=====	=====



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Other receivables can be specified as follows:

	2023	2022
Receivables project partners	117,283	156,657
Other receivables	12,267	12,333
	129,550	168,989
	=====	=====
Total receivables	144,503	170,569
	=====	=====

#### Cash and cash equivalents

Cash at banks and in hand are available on demand.

#### Equity

	2023	2022
Balance as of January 1	82,143	106,327
Result for the financial year	5,138	-24,184
	87,281	82,143
	=====	=====

The Board decided in May 2019 to establish a continuity reserve of at least EUR 75,000, with the option to allocate any additional funds to enhance the Global Secretariat's capacity, particularly in fundraising efforts. Furthermore, the board recommends acknowledging the favorable balance of income and expenses for 2023, amounting to EUR 6,869, consistent with the appropriation of results outlined in the 2023 statement of income and expenses. Consequently, this proposal has been integrated into the annual financial statements.

	2023	Changes 2023	2022
Continuity reserve	87,281	5,138	82,143
Earmarked reserve	0	0	0
Balance at December 31	87,281	5,138	82,143
	=====	=====	=====

The continuity reserve safeguards against short-term risks and ensures the organization possesses a financial cushion to fulfill its long-term obligations. The reserve has been allocated for restructuring the Global Secretariat's capacity, including fundraising.

#### Taxes and social security payments

	2023	2022
Dutch Tax Authority: Social Security premiums	10,712	12,200
Dutch Tax Authority: VAT	4,032	1,907
ABP: pension premiums	13,008	6,808
	27,752	20,915
	=====	=====

### Received pre-payments donors

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

	2023	2022
Sida	123,880	402,322
UN-Women	324,983	113,183
EU - NEA	151,425	113,721
UNDP	0	31,818
	600,288	661,044
	=====	=====

### Accrued liabilities

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

	2023	2022
Audit fee	30,855	27,500
Holiday allowance	11,883	12,634
Holiday leave days	18,737	13,037
Project invoices to be received	24,747	64,453
Various other liabilities	8,688	6,389
Downsizing costs	2,420	9,680
	97,330	133,693
	=====	=====

### Commitments and receivables not included in the balance sheet

Under a rental contract for its office in The Hague, the foundation must pay EUR 25,401 annually. This rental agreement can be extended for an additional one-year period. Additionally, contracts executed with service providers Two Kings, Account Software Groep, and BMP Partners result in a combined annual commitment of EUR 16,657, including 21% VAT.

**2.5 Notes to the statement of income and expenditure for the year 2023**  
(all amounts in euro)

	2023	2022
	_____	_____
<b>Grants from governments and others (appropriated income)*</b>		
UNDP	59,916	74,142
EU NEA	263,466	245,089
Sida 2021-2023	1,029,064	1,135,452
WAA Cameroon EU project	8,993	0
UN Women	181,324	91,324
KMF Innovation grant	0	5,985
UK DFID	0	46,294
Other donors	15,176	0
	_____	_____
*: more information in the appendix	1,557,939	1,598,286
	=====	=====
<b>Income other than grants</b>		
Online Partnerships	3,719	2,042
Other revenues	1,419	766
	_____	_____
	5,138	2,808
	=====	=====

### Expenditures on behalf of the objectives

Objectives	Total costs	Project costs	Progr. man	Operational progr. costs
Result area 1: Network and Learning	934,183	640,134	101,614	192,435
Result area 2: Policy change	316,402	226,129	11,466	78,807
Subtotals	1,250,585	866,263	113,080	271,242
Total expenditure on behalf of objectives	1,250,585			
Costs of obtaining gov grants and others	91.352			
Costs of management and administration	216,002			
Total expenses	1,557,939			

As of 2021 and in line with the Strategic Plan 2021-2025, GPPAC allocates its expenditures to the two main objectives: 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 practices 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 our regional members managed. They accounted for their expenditure with narrative, financial reports, and documents supporting the expenses.

The management costs are related to the staff at the Global Secretariat, including the office costs in The Hague. The total value amounted to EUR 691,677 (2022: EUR 763,983). The difference is partly because fewer personnel were employed in 2023. In addition, GPPAC had to deal with restructuring costs for the Global Secretariat. The management and office costs are allocated to the two result areas under Programme management and Operational program costs (like PMEL and Communications), as well as the Fundraising and Management & administration budget items. The following table is an overview of these management costs and their budgets.

	2023	2022
<b>Expenditure</b>		
Personnel costs	530,459	572,379
Office costs	161,217	191,604
Direct program costs	866,263	861,296
	1,557,939	1,625,278

Management costs/ costs Global Secretariat	Realisation 2023	Budget 2023	Realisation 2022
<b>Personnel costs</b>			
Gross salaries	315,695	410,000	408,712
Taxes and social premiums	45,887	64,000	63,279
Pension costs	45,299	73,000	72,806
<i>Subtotal Salary costs</i>	<i>406,881</i>	<i>547,000</i>	<i>544,796</i>
Commuting	4,550	4,000	5,761
Training	5,901	10,000	12,221
Other personnel costs	113,127	18,000	9,601
	<b>530,459</b>	<b>579,000</b>	<b>572,379</b>
<b>Office costs</b>			
Depreciation	10,166	9,000	10,522
Rent office	25,534	27,000	23,866
Office expenses	13,596	9,500	11,325
ICT	25,654	26,000	28,059
Accountancy & consultancy	42,482	34,000	46,224
Other office costs	43,785	33,000	71,608
	<b>161,217</b>	<b>138,500</b>	<b>191,604</b>
	<b>691,676</b>	<b>717,500</b>	<b>763,983</b>

The foundation employed an average of 6.83 fte in 2023 (2023: 8.00). The vacancy of the Executive Director position is the main reason for this decrease. ABP pension fund increased the pension premium in 2023.

In the first eight months of 2023, the GPPAC Global Secretariat operated without an Executive Director (ED). In the absence of the ED, the Board agreed to transfer the formal decision-making and signatories on matters related to HR, Finance, and the daily operations of GPPAC voluntarily to the Board Human Resources Liaison and Board Treasurer until the hiring process for a new ED resumes. Apart from reimbursement of expenses, GPPAC Board members do not receive any financial compensation for their assignments.

Because the ED position was vacant in 2023, we do not report salary data under the Dutch Standards for Remuneration Act (Wet Normering Topinkomen). All foundation employees received an income below the maximum amount of EUR 223,000 in 2023.

From January to the end of April 2022, Mrs. Carreras Lloveras was the interim director of the GPPAC Foundation. Between April and December, Mr. Alvito de Souza was the director of the GPPAC Foundation. According to the Dutch Standards for Remuneration Act (Wet Normering Topinkomen), section development cooperation, the above-mentioned management's total remuneration for 2022 remained below the maximum amount of EUR 199,000.

<b>Name of the employee</b>	<b>V. Carreras Lloveras</b>	<b>A. de Souza</b>
<b>Data 2023</b>	not applicable	not applicable
<b>Data 2022</b>		
<b>Role</b>	Executive Director	Executive Director
Start and end of job performance in 2022	01/01-30/04	01/04-31/12
Scope of employment (as a part-time factor in FTE)	0.9474	1.00
Employment?	yes	yes
<b>Remuneration</b>		
Remuneration plus taxable expense allowances	29,735	58,903
Rewards payable in due course	4,653	10,616
<i>Subtotal</i>	<i>34,388</i>	<i>69,519</i>
Remuneration cap	199,000	199,000
<b>Remuneration</b>	<b>34,388</b>	<b>69,519</b>

GPPAC Foundation,  
The Hague (Legal seat in Amsterdam)

Name Board members	Function	Period 2023	Financial compensation 2023	Period 2022	Financial compensation 2021
Frank van den Akker	Member/ Vice Chair	1/1-31/12	Not applicable	1/1-31/12	Not applicable
Herman Kreulen	Treasurer	1/1-31/12	Not applicable	1/1-31/12	Not applicable
Yoshioka Tatsuya	Chair	1/1-31/12	Not applicable	1/1-31/12	Not applicable
Charlotte Divin	Member	1/1-31/12	Not applicable	1/1-31/12	Not applicable
Nqobile Moyo	Member	1/1-31/12	Not applicable	1/1-31/12	Not applicable

*Office costs*

#### Depreciation

	2023	2022
	_____	_____
Automation	1,890	2,246
Intangible assets	8,276	8,276
	_____	_____
	10,166	10,522
	=====	=====

#### 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.



	2023	2022
	-----	-----
<b>Office expenses</b>		
Telephone	2,143	2,258
Office equipment/material	4,473	1,539
Postal charges	22	-12
Contributions	4,440	5,024
Other	2,519	2,516
	-----	-----
	13,597	11,325
	=====	=====
 <b>ICT</b>	 25,654	 28,059
	=====	=====
 <b>Accountancy and consultancy costs</b>		
Consultancy costs	4,214	5,341
Auditor costs	33,302	33,952
Project audit costs	0	0
Salary administration costs	4,966	6,931
	-----	-----
	42,482	46,224
	=====	=====

GPPAC Foundation,  
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	2023	2022
<b>Other office costs</b>		
Communication/marketing	27,598	10,438
Insurances general	12,915	21,096
Other expenses	3,272	40,074
	<hr/>	<hr/>
	43,785	71,608
	=====	=====

The Hague, 2 July 2024

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 Board of Management of GPPAC Foundation

### **A. Report on the audit of the financial statements 2023 included in the annual report**

#### **Our opinion**

We have audited the financial statements 2023 of GPPAC Foundation based in s' Gravenhage.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of GPPAC Foundation as at 31 December 2023 and of its result for 2023 in accordance with Dutch Accounting Standards 640 "Organisaties zonder winststreven".

The financial statements comprise:

1. the balance sheet as at 31 December 2023;
2. the profit and loss account for 2023; and
3. the notes comprising of 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 of Auditing. 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 GPPAC Foundation 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.

### **B. Report on the other information included in the annual report**

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

- a substantive report.

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.

Management is responsible for the preparation of the other information, including mission, vision, board report etcetera in accordance with 'RJ-Richtlijn 640 Organisaties zonder winststreven'.

### **C. Description of responsibilities regarding the financial statements**

#### **Responsibilities of management for the financial statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the 'RJ-Richtlijn 640 Organisaties zonder winststreven'. Furthermore, management is responsible for such internal control as management 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, management is responsible for assessing the foundations ability to continue as a going concern. Based on the financial reporting framework mentioned, management should prepare the financial statements using the going concern basis of accounting, unless management either intends to liquidate the foundation or to cease operations, or has no realistic alternative but to do so. Management should disclose events and circumstances that may cast significant doubt on the foundations ability to continue as a going concern in the financial statements.

As explained in the going concern section on page 48 of the financial statements, management has performed its going concern assessment for the period of 12 months from the date of preparation of the financial statements and has not identified any events or conditions that may cast significant doubt on the entity's ability to maintain its continuity (hereinafter: continuity risks). Our work to review the board's continuity assessment includes, among others:

- consider whether the board's continuity assessment contains all relevant information of which we have become aware as a result of our audit by reviewing the measures taken to ensure continuity and questioning the board on key assumptions and assumptions. The board has paid attention to, among other things;
- evaluate the projected operating results and related cash flows for the period of 12 months from the date of preparation of the financial statements, taking into account developments in the industry and our knowledge from the audit;
- inquire of the board about its knowledge of going concern risks after the period of the going concern assessment performed by the board.

#### **Our responsibilities for the audit of the financial statements**

Our objective is to plan and perform the audit engagement 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.

We have exercised professional judgement and have maintained professional scepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. 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 foundations internal control;
- evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- 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 those charged with governance 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.

Capelle aan den IJssel, 12 July 2024

Vigilate Accountants B.V.

Ruud Kuiper RA

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

## **4 Appendix**

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

## Appendix: Donor Overview 2023

Name of donor:	Sida	Funds allocated 2023:	1,029,064	Installments received 2023:	750,622
Donor reference:	13917	Totally allocated:	2,544,294	Installments received in total:	2,668,174
Contract period:	01072021-30092024	Total contract funding:	SEK 35,500,000	Installments to receive:	606,358
Status:	In progress (short term)				
Specifics:	Restrictions on flow of funds to organisations registered in non-ODA countries; 20% cut by Sida on the 2023 installments, unspent balance can be shifted to 2024, contract extended to 30 September 2024.				
Name of donor:	EU	Funds allocated 2023:	263,466	Installments received 2023:	301,170
Donor reference:	IcSP 2020/419-694	Totally allocated:	662,511	Installments received in total:	813,935
Contract period:	01022021-31012024	Total contract funding:	999,561	Installments to receive:	185,626
Status:	In progress (short term)				
Specifics:	None				
Name of donor:	The Knowledge Platform Security & Rule of Law	Funds allocated 2023:	0	Installments received 2023:	1,607
Donor reference:	CR3036_1.1	Totally allocated:	20,000	Installments received in total:	20,000
Contract period:	20052021-20022022	Total contract funding:	19,972	Installments to receive:	0
Status:	Done, pending approval by donor				
Specifics:	None				
Name of donor:	UN Women	Funds allocated 2023:	181,324	Installments received 2023:	393,124
Donor reference:	-	Totally allocated:	273,853	Installments received in total:	598,836
Contract period:	15112021-31032024	Total contract funding:	745,277	Installments to receive:	146,441
Status:	In progress (short term)				
Specifics:	Project period extended to 30 September 2024				
Name of donor:	United Nations Development Programme	Funds allocated 2023:	59,916	Installments received 2023:	28,098
Donor reference:	CPPRI Global Programme	Totally allocated:	134,058	Installments received in total:	134,058
Contract period:	01122021-31032023	Total contract funding:	USD 150,000	Installments to receive:	USD 30,000
Status:	In progress (short term)				
Specifics:	Project period extended to 31 March 2023				