

Company number: 06527022

Charity number: 1173827

International NGO Charter of Accountability Ltd

Report and financial statements

For the year ended 31 December 2017

International NGO Charter of Accountability Ltd

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International NGO Charter of Accountability Ltd

Reference and administrative information

For the year ended 31 December 2017

Company number 06527022

Charity number 1173827

Registered office and operational address Amnesty International
International Secretariat
1 Easton Street
London
WC1X 0DW

Country of registration England & Wales

Country of incorporation United Kingdom

Operational address International Civil Society Centre gGmbH
Agricolastraße 26
10555 Berlin
Germany

Trading name Accountable Now

Trustees Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

Sir Paul Brendan Gormley
Caroline Harper
Bettie van Straaten
Janet Dalziell
Elie Gasagara
Miklos Marschall (resigned on 9 June 2017)
Clare Doube (resigned on 31 December 2017)
Janet Naumi Mawiyoo
Rosa Inés Ospina
Perry Maddox

Key management Personnel Karenina Schroder Chief Executive
(resigned 15 August 2017)
Nick Roseveare Interim Chief Executive
(15 August 2017 to 15 December 2017)
Rocío Moreno Lopez Chief Executive
(appointed 29 January 2018)

International NGO Charter of Accountability Ltd

Reference and administrative information

For the year ended 31 December 2017

Bankers

GLS Bank
Christstr. 9
44789 Bochum
Germany

Solicitors

Thomas Price, Company Secretary
Legal Counsel,
Amnesty International
International Secretariat
Easton Street, London, WC1X 0DW

Auditor

Sayer Vincent LLP
Chartered Accountants and Statutory Auditor
Invicta House
108-114 Golden Lane
LONDON
EC1Y 0TL

Trustees' annual report

For the year ended 31 December 2017

The trustees present their report and the audited financial statements for the year ended 31 December 2017.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Message from the Chair of the Board

2017 has been a challenging, high tempo and successful year in a period of transition with the departure of **Karenina Schröder** as Executive Director in August, to be succeeded by **Rocío Moreno Lopez** from January 2018. **Nick Roseveare** ensured a smooth transition in the interim period. The Board and Members owe a huge debt of gratitude to Karenina for her leadership, dynamism and tenacity, which has established Accountable Now as the trusted organisation it has become.

The Global Standard for CSO Accountability was [launched](#) at the International Civil Society Week in Fiji in December 2017. Accountable Now was the first of all the Project Partners to adopt the [12 Accountability Commitments](#) of the Global Standard and has further adopted a [new reporting framework](#) to reflect those commitments. The new framework has significantly fewer questions and a focus on demonstrating effectiveness rather than strict quantitative reporting. Members will begin using it from 2018. We have been asked to host the Secretariat for a second phase of the Global Standard with our fellow Project Partners in 2018.

Accountable Now applied for and received **charitable status** and is now a charitable company. Over the past two years, Accountable Now has raised an increasing amount of income not only from membership fees, but also from external funding. Whilst fundraising for CSO accountability has always been challenging, our new status should help. There seems to be a lack of awareness among donors that CSO accountability is a crucial prerequisite to [fight for civic space](#). Accountable Now has been working on making that link more explicit.

We initiated a [pilot project](#), exploring how organisations can interact more systematically with their stakeholders to capture [data on stakeholder views/preferences](#) in a timely, comparable and actionable manner to help decision making. Six organisations took part and a data science company helped set up communication processes and technology.

To address many governments' move to curtail civic action by challenging the legitimacy of civil society organisations, negatively portraying them as disconnected special interest groups, Accountable Now will be partnering with CIVICUS for the "[Resilient Roots](#)" project funded by the Ford Foundation.

In light of the newly developed "[dynamic accountability](#)" concept of the Global Standard, Accountable Now will revise its [Strategy "Beyond 2015"](#) to raise more awareness among civil society organisations, the public and donors about our work and its importance.

I am delighted to announce that we have welcomed TECHO, SolidarityNow and ChildFund Alliance's Secretariat as Affiliate **Members** and are in active discussion with potential new members.

Rocío and I look forward to the continued active engagement of our members in 2018 as we consolidate the progress achieved this year,

Brendan Gormley
Board Chair

Objectives and activities

The Charity aims to promote the efficiency and effectiveness of charities and the effective use of charitable resources including without limitation on the part of charities working in international development, aid, relief, environmental protection, anti-corruption or any related fields by:

- ▶ The development and promotion of operating standards and methodologies for testing accountability, transparency and impact;
- ▶ Developing and publishing support resources to promote and encourage the adoption of such standards.

The Charity further aims to advance the education of the public including without limitation in subjects relating to the accountability, transparency and impact of charities, non-governmental or other organisations working in international development, aid, relief, environmental protection, anti-corruption or any related fields and to promote study and research in such subjects provided that the useful results of such study are disseminated to the public at large,

Purposes and aims

Accountable Now is a global platform that supports civil society organisations (CSOs) to be transparent, responsive to stakeholders and focused on delivering impact. Our Members are internationally operating CSOs who drive this agenda together with us.

Accountable Now was founded in 2008 under the name International NGO Charter of Accountability by 10 leading CSOs, including development, humanitarian, environmental, rights-based and advocacy organisations. As Membership and global collaboration increase, our collective voice is strengthened. Today, we have 27 Member Organisations which are active in more than 150 countries and impact stakeholders all over the world.

Our ambition

Civil society organisations (CSOs) are integral to democracy and sustainable development. But we have to walk the talk in regard to transparency, accountability and responsiveness to people and partner.

Only then, will we deliver optimal impact for people's lives and the environment.

It is Accountable Now's ambition to support CSOs in achieving better impact for people and the environment as we build:

- ▶ strong CSO accountability practices
- ▶ public trust in CSOs
- ▶ global CSO collaboration on accountability

Responding to a changing world

Climate change, resource scarcity and rapid demographic developments have led to increasing demands on CSOs to help the poor and protect the environment. At the same time increased literacy and digitisation has empowered citizens to demand a greater say in creating the change they want to see. This is a great opportunity!

However, more governments now harass CSOs and legislate to shrink their civic space.

To optimally master these opportunities and challenges, CSOs need to:

- ▶ improve their accountability practices to fully engage stakeholders in shaping the organisations' work and
- ▶ improve global CSO collaboration to preserve civic space.

In the coming years Accountable Now will support both developments in the following way:

Build Strong Accountability

It is our strategic ambition to significantly strengthen the accountability practice of CSOs and Accountable Now Members in particular. Accountability – understood as practices that ensure CSOs act transparently, effectively and in close collaboration with their key stakeholders – is the key building block for positive impact. We will build and support strong practices as we:

Make Accountability a Leadership Priority

Accountability fails to inspire and is associated with time consuming reporting. This is a fundamental misconception. At the heart of accountability is engagement with CSO supporters, beneficiaries, activists, staff, donors etc. to improve the quality and impact of its work. As such, accountability is a strategic leadership issue.

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To help underpin this approach we will:

- ▶ Provide thought leadership on the strategic dimension of accountability as a driver for better quality and impact for stakeholders.
- ▶ Encourage discussion with CSO leadership.
- ▶ Support implementation of a leadership-driven approach to accountability.

Foster Digital Stakeholder Engagement

Technological advances such as the explosion of social media and mobile devices have empowered people worldwide to create and drive the changes they want to see. This offers an unprecedented opportunity to extend our reach and impact while putting key stakeholders into the driver's or co-pilot's seat of all our activities.

To support this development we will:

- ▶ Cooperate with social movements and online campaigns organisations to identify key opportunities & challenges of digital people engagement.
- ▶ Foster organisational developments that support large-scale, timely and decisive people engagement to help create greater value for stakeholders.

Drive Continuous Improvement

Regular and independent assessments of organisations' accountability practices help drive positive performance. To support this we will:

- ▶ Continuously improve our reporting and vetting system to drive organisational CSO developments towards better accountability practices.
- ▶ Foster active exchange of expertise among Accountable Now peers.
- ▶ Enable the entire sector to access Accountable Now knowledge and experience.

Enhance Public Trust

It is Accountable Now's ambition to significantly strengthen public trust in the legitimacy and credibility of our sector beginning with our Members. CSOs having trust within greater society is pivotal to having a positive impact. To this end we will:

Communicate That We Are Accountable

- ▶ Build the Accountable Now brand as the recognised vehicle for high standards of accountability. Ensure Accountable Now activities support the above brand promise.
- ▶ Commission a study that compares accountability practices of Accountable Now Members with other CSOs' performance.
- ▶ Enhance internal Accountable Now ownership and proud communication of Accountable Now Membership to the public.
- ▶ Enlarge Accountable Now's network to strengthen our collective voice.
- ▶ Communicate the positive impact of CSO work on society and the environment.

Improve Global Collaboration

It is the Accountable Now's ambition to ensure a truly global approach and practice of CSO accountability. A shared understanding of what accountable CSO behaviour looks like and a global network of like-minded peers will help improve our impact in a globalised world. To this end we will:

Build a Global CSO Accountability Standard

- ▶ Work with numerous national CSO accountability networks from around the world to develop a collective Global Standard for CSO accountability
- ▶ Ensure the Standard reflects a truly global yet nationally-tested approach, covering all basic issues of accountability in plain language.
- ▶ Integrate the Standard into Accountable Now's commitments and reporting requirements.
- ▶ Promote the use of the Standard among local, national and international CSOs to strengthen a collective voice on globally shared CSO values.
- ▶ Align with other accountability frames to minimise multiple reporting requirements.

Strengthen Accountable Now's Global DNA

- ▶ Review all Accountable Now's activities in light of the truly global approach to accountability identified in the Global Standard project.
- ▶ Ensure global representation on the Board of Trustees and Independent Review Panel.
- ▶ Translate Accountable Now's documents and website into more languages.

The trustees review the aims, objectives and activities of the charity each year. This report looks at what the charity has achieved and the outcomes of its work in the reporting period. The trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help. The review also helps the trustees ensure the charity's aims, objectives and activities remained focused on its stated purposes.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set.

Achievements and performance

The charity's main activities and who it tries to help are described below. All its charitable activities focus on 2017 and are undertaken to further International NGO Charter of Accountability Ltd's charitable purposes for the public benefit.

The Global Standard for CSO Accountability

The [Global Standard for CSO Accountability](#) is an initiative of nine well-established civil society accountability networks from around the world. Accountable Now has been the driving force in developing this project and is one of the nine Project Partners. The overarching aim is to strengthen the effectiveness of CSOs worldwide by devising a collective Global Standard on CSO

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Accountability. The networks have, over the past two years, cooperated to learn from each other, gain a truly global view on CSO accountability, improve their codes and reduce transaction costs. The Global Standard is built from the bottom up, carving out the significant existing overlap on core parameters for CSO accountability in all participating codes. It will be used as a key reference standard for the nine networks and serve as a global point of orientation for CSO accountability globally. The Global Standard is written in a succinct language and serves as a collective base for CSOs from the North and South to engage from.

In December 2017, the Global Standard for CSO Accountability was officially launched at the International Civil Society Week in Suva, Fiji.

It is the ambition to mutually recognise the Global Standard reporting requirements between all participating networks. Their constituencies, representing nearly 1500 CSOs across the world, will be actively engaged in developing and testing the Global Standard parameters and sharing it with other CSO networks. Accountable Now Members have agreed to [adopt the Global Standard](#) as our Accountability Commitments at [our Annual General Meeting](#) in June 2017.

We will also work closely together with [CIVICUS](#) and other key stakeholders in the sector and will seek to align our work with essential accountability initiatives such as the [Istanbul Principles](#) and the [Core Humanitarian Standard](#).

The project is funded by the [Swedish International Development Agency \(Sida\)](#) and its Phase 1 officially started in spring 2015. Phase 2 of the project is expected to start in late 2018 or early 2019.

The 12 Accountability Commitments

Strong accountability principles and practices are essential for civil society organisations' legitimacy, the quality of our work and to maintain the trust we depend on.

Accountable Now's [Accountability Commitments](#), derived from the Global Standard, are at the core of what we regard as good practice in CSO accountability and form the value basis of Accountable Now. All Members have signed these 12 Accountability Commitments and seek to respect and promote them.

History

Accountable Now initially had ten commitments as a voluntary code of conduct. These were initiated in 2005 by 11 international CSOs. In 2008, Accountable Now (previously INGO Accountability Charter) was founded as an organisation to assure compliance and to further improve international civil society standards. In 2014, the Commitments were fully revised by a working group of Accountable Now Member Organisations. In June 2017, Accountable Now's Members unanimously agreed to adopt the 12 Accountability Commitments of the Global Standard for CSO Accountability to replace the Charter commitments, thus aligning with eight other CSO accountability networks around the world.

The Purpose of the 12 Accountability Commitments

The 12 Accountability Commitments outline our common commitment to transparency and accountability as being essential to good governance, whether by governments, businesses or civil society. Wherever we operate, we seek to ensure that the high standards which we demand of others are also respected in our own organisations.

The Commitments complement and supplement existing laws. They are voluntary and draw on a range of existing codes, norms, standards and guidelines. Their adoption does not prevent Members from supporting or using other tools to promote transparency and accountability.

New Reporting Framework

Accountable Now Members are required to report annually against the [12 Accountability Commitments](#). A comprehensive reporting framework allows us to assess if these promises are being delivered. An independent review mechanism ensures integrity and credibility.

Reporting and Assessment Framework

With the [Global Standard for CSO Accountability](#), we have developed globally accepted key criteria for what makes a good civil society organisation (CSO). The Global Standard's 12 Accountability Commitments have replaced our Charter of 10 Accountability Commitments, after being adopted by our [Members](#) at our 2017 annual general meeting (AGM). This naturally called for a review of the reporting guidelines and assessment criteria.

The new [Reporting and Assessment Framework](#) aims to make our reporting and assessment process global and timely in a way that delivers comparable data in plain language. This framework has been prepared in consultation with the [Independent Review Panel](#), the Accountable Now Secretariat and a review committee of five Accountable Now Members.

Under the new framework, it is suggested to have no standardised format for accountability reports. Information on how Members fulfil their accountability commitments could be delivered in any way that best serves the following three objectives:

- ▶ Allow stakeholders to hold the organisation to account.
- ▶ Trigger positive organisational developments.
- ▶ Allow the Independent Review Panel a smooth and proper assessment

Assessment criteria

When assessing accountability reports, the Independent Review Panel will use both overarching and cluster-level assessment criteria. In their assessment, the Panel will take into consideration the mission of the organisation and its operating model, including whether it works mainly via partners or delivers direct services.

The Panel will use the following set of overarching assessment criteria:

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- ▶ Convincing evidence that all key decisions taken in the organisation are based on sound knowledge of, and are responsive to, stakeholders.
- ▶ Evidence that key stakeholders are well identified, continuously included in relevant stages of work, and have shown good engagement and ownership.
- ▶ Overall evidence that the organisation has effective and responsible governance and management (i.e. is well-run).
- ▶ A sound plan for improving weak areas and clarity on objectives, resources and cross-organisational responsibilities for implementation.

The Panel will provide qualitative feedback in addition to a quantitative assessment on each of the four overarching criteria above.

Additionally, the [Reporting Questions](#) are set at cluster level: a) impact achieved, b) stakeholder involvement and c) organisational effectiveness. The Panel will provide qualitative feedback as well as traffic lights (i.e. red, amber or green) for each set of questions at cluster level.

Reporting Process

The review process itself is laid out in the [Reporting and Assessment Framework](#). New Accountable Now Members have to submit their first accountability report no later than 18 months after the end of their financial year in which they joined Accountable Now. In the following reports, members have to report annually, no later than 6 months after the end of their financial year. Members with an exceptional track record and high standard of reporting are eligible to report in full every two years.

Once Members have handed in their [Accountability Reports](#), the Secretariat pre-screens the reports before they are forwarded to the [Independent Review Panel](#) for in-depth and individual feedback. Recommended areas for progress are summarised by the Panel in an enclosed Improvement Analysis. The Panel consists of internationally-recognised experts from around the globe, with backgrounds in development, human rights, business and academia. It is an honorary appointment, which ensures the credibility and integrity of the reporting process.

All Members are invited to comment on the Panel's feedback to the report. These comments are published on Accountable Now's website along with the Accountability Report and the Panel's feedback letter. [Click here to view all Members' reports, which have been reviewed by the Panel since 2009.](#)

Members' Good Practice

When reviewing Accountable Now Members' reports, the Independent Review Panel selects answers that they feel constitute good practice and could provide valuable information for other Members and the sector.

The following are several good practice examples identified by the Panel from Members' Accountability Reports submitted in 2017:

Advocacy positions and public awareness campaigns

ActionAid's priorities in terms of policies and campaigns are based on experience, knowledge and analysis. They are developed using agreed criteria, which include quality research and analysis, accountability, awareness of mandate, authority and legitimacy and the need to meet legal requirements. In addition, ActionAid has specific guidelines for conducting policy research and publishing external material, for signing off position papers and external communications.

Coordination with other actors

Putting communities at the centre, **World Vision** collaborated with a number of child-focused ICSSOs in releasing the first phase of the [Child Friendly Feedback Mechanisms](#) study and in publishing a collective study titled [Putting Children at the Heart of the World Humanitarian Summit](#) demonstrating active collaboration and shared learning. World Vision is further scaling-up their coordination with faith leaders and their congregations via their Channels of Hope, an innovative approach that tackles sensitive gender issues from a faith perspective. Additionally they are working with partners to empower children and communities as change agents and to support national advocacy efforts, especially those that connect local and national stakeholders with regional and global movements and opportunities.

Diversity of workforce and governance bodies

World YWCA is an all-female organisation with a focus on young women and girls within a human rights framework. Their policy requires women aged 30 or below to form at least 25% of all decision making spaces, which they meet since 60% of their current World Board members are 30 or below. The YWCA Movement 4 year Report 2012 – 2015 highlights some positive findings from across the movement in this regard: (i) more than half (59%) of Member Associations have at least 25% young women aged 30 years or under participating in their governing bodies and (ii) 25% of their Governing Body members are women aged 30 or younger.

Procedure for local hiring

CIVICUS advertising considers locality of applicants, as well as difficulties in obtaining permits to work in South. Synergies with Partners and Members, as well as the use of shared work spaces have been found and are ever increasing. Presently CIVICUS enables employees not residing in any of the office locations of London, New York, Geneva or Johannesburg to share workspace with an existing member/partner, strengthening the existing relationship and becoming more accessible. Local hires and the building of a stronger presence in South America has been successful due to the possibility of sharing workspace with a member/partner organisation.

Reporting Process

In response to comments received in a survey on their Accountability Report, in 2014 **Educo** prepared an Executive Summary that highlights key advances related to transparency and accountability, with the aim of making this information more accessible to our stakeholders and facilitating its

circulation. Since then, Educo publishes an annual Executive Summary report in English, Spanish and French.

Dynamic Accountability

Accountability is not a report, but a dynamic relationship with stakeholders to improve the agency and credibility of CSOs. Digital technology helps facilitate this ongoing interaction and adaptive performance.

In the digital age, empowered citizens demand an active role in co-shaping CSOs' work. This is great news! Stakeholders become partners and the set of skills, capacity and knowledge to achieve collective impact grows. For CSOs to build on this opportunity however, we must innovate our accountability practice.

Most civil society organisations, small and large, in the South and North, spend significant time on understanding what key stakeholders need, value and offer. Often however, these efforts fail to serve their main purpose: better decisions! For this we need:

- ▶ systematic two-way dialogues captured in digital format
- ▶ actionable, in-time data from key stakeholders
- ▶ data-based decisions (not tribal tactical knowledge based decisions)

Pilot Project 2017

Our pilot project is exploring how organisations can interact more systematically to capture data on stakeholder views in a timely, comparable and actionable manner for decision making. Six organisations ([350](#), [BRAC](#), [CIVICUS](#), [Greenpeace](#), [Restless Development](#) and [TECHO](#)) took part and a data science company ([CPC Analytics](#)) helped set up communication processes and technology.

All six of the above organisations started a process to integrate feedback data into their decision making – supported by Accountable Now and CPC Analytics. In that process, they have worked their way through different tasks:

- ▶ Identify a current challenge of the organisation where data from stakeholders or from interactions with stakeholders are crucial and can lead to operational improvement.
- ▶ Assess the available knowledge about stakeholders within the organisation that could help improve decision making.
- ▶ Build on this knowledge to design and execute a data collection process that can inform decision making.
- ▶ Analyse the feedback data and bring it back to the organisation's leadership.

Those are our learnings from the experiences of our pilots:

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Knowledge ≠ data: While organisations usually know their stakeholders quite well, data on stakeholders is scarce. None of the organisations was able to identify existing stakeholder data at the beginning of the project. Mere knowledge, however, is not data. While knowledge is mostly “stored” with specific teams within the CSO, data can be easily shared and compared.

Internal buy-in and support: Wherever CSOs pooled skills from different disciplines and responsibilities, the project would progress much more quickly. Ideally, people from an operational team and from a technology team come together to start the process. Management support proved crucial from the start, too.

Incentives from donors: Dynamic accountability is linked to ensuring sustainable impact. Pressure from donor agencies proves to be an important driver for integrating extensive feedback collection mechanisms.

Known technology > experiments: Given the time pressure during the piloting phase, all of the pilot organisations relied on existing tools to collect, analyse and show data. In some cases, existing software solutions were customised in-house, but the general approach was to keep investments to a minimum or rely on existing internal tools.

Who closes the feedback loop?: It remains a challenging task to communicate the results of the analysis back into the organisation at large. While communication to the stakeholders was overall good, following up with specific actions to improve is more difficult. Data helps to improve, to be more transparent, and to communicate in a more precise way. Nevertheless, only three of the six pilots had a clear idea about which decisions would be informed by the feedback data currently collected.

The pilot projects of BRAC and Greenpeace showed how teams within organisations can successfully initiate and implement people-powered processes. However, the pilot projects revealed once again that innovation also implies exploring uncharted territory. Accepting feedback data from stakeholders as a valid input in day-to-day decision-making processes can also imply that an organisation's established ways of doing things are challenged. However, innovation through data from stakeholders does not happen overnight. Rather, constant integration of feedback data implies a continuous transformation that must be driven by management that is both tech-savvy and deeply rooted in the operations of the CSO.

You can find the project in detail on the [Accountable Now](#) website.

Workshop 2017

Additionally to our pilot project, representatives of 16 CSOs, both members and non-members of Accountable Now, joined our workshop at Greenpeace Netherlands to discuss responsiveness to feedback and how we should use stakeholder data (including feedback) to enhance decision making. These are some of the learnings:

Why stakeholder data driven decision making?

(rather than some other competing priority)

For leadership: This is the right thing to do because it will increase impact and empower communities. Responsiveness to stakeholder feedback is a good practice in the sector. And donors have started to ask CSOs to become more responsive and they believe that it will improve the sustainability and effectiveness of our programmes.

For boards: This will bring you closer to our stakeholders' view, as most of the time you are very distant. Since our organisation works for the public good, we need to build trust at a time when it is in question. This is inevitable without us demonstrating whether and how we are responsive to our stakeholders. Eventually, this will help us measure our programme effectiveness in a more timely manner, beyond just numbers. Also, It will help better manage risks and reduce fraud and corruption.

For development partners/donors: This will help funded projects and programmes achieve their impact and course-correct along the way. This is evident by the [Beneficiary Feedback Mechanisms pilots](#) funded by DFID and by the [People-Powered Decision Making pilots](#) funded by Oak Foundation and led by Accountable Now and CPC Analytics. Ultimately, this will help you demonstrate "value for money" to your tax payers.

Further practical advice

- ▶ Trust is key and will increase through responsiveness
- ▶ Build stakeholder data into your DNA
- ▶ Real-time data can be extremely useful
- ▶ Use several tools to solicit stakeholder data and feedback
- ▶ Incentivise the use of stakeholder data into decision making via clear processes and organisation-wide teams

Access full workshop outcome on the Accountable Now website.

Webinars

Webinars are a way to strengthen exchange among Accountable Now Members, share expertise and discuss critical aspects of accountability. Webinars are exclusively organised for Accountable Now Members and free of charge.

In 2017, Accountable Now conducted three webinars triggering each time lively debates with 25-40 participants in the room. Topics included:

What's 'accountability' in the eyes of youth?

Restless Development talked about their youth-led accountability approach, combining data-driven accountability with high-level advocacy, global and local campaigns, and global mobilisation moments. On the other hand, CIVICUS presented about their Youth Action Team, whose primary role is to provide strategic, informed advice on how youth participation issues can be better mainstreamed in CIVICUS' programmes, and on how CIVICUS can develop new activities to strengthen youth voice in civil society. Recording of the webinar and presentations are available [on our website](#).

How to keep up with the digital customer feedback revolution?

Oxfam presented the findings and lessons learned from a pilot project that aimed at capturing and using informal feedback by refugees in the Za'atari Camp in Jordan by recording complaints and feedback in a mobile application. Transparency International Kenya presented "Uwajibikaji Pamoja", an automated web-based Integrated Complaint Referral Mechanism in Kenya implemented in cooperation with 70 partners. Recording of the webinar and presentations are available [on our website](#).

Social Accountability: Learning from People How to Improve

CARE International UK talked about their use of the Constituency Voice model, originally developed by Keystone Accountability, to improve relationships with the least powerful stakeholders in CARE's programmes and improve programming. Action Aid presented how participatory processes have contributed to enhancing mutual accountability to communities in Nepal and Pakistan. Recording of the webinar and presentations are available [on our website](#).

Peer Advice Group

Our peer advice group on **Feedback and Complaints Handling Mechanisms** was relaunched in August 2017 with the registration of eleven new participants. The group is still ongoing and is aimed at anyone working on feedback and complaints mechanisms, both at a programmatic and an organisational level. Educo initiated the relaunch with a particular interest in discussing mechanisms that are aimed at children and young people.

Aim

The aim of the group is to create a space for sharing experience and best practice on setting up and managing feedback and complaints mechanisms. Discussions should generate ideas for making existing feedback mechanisms more effective, and deal with issues for consideration when setting up new feedback mechanisms.

Discussion topics include:

- ▶ How can we best adapt feedback mechanisms for different groups, bearing in mind issues of accessibility and inclusion?
- ▶ What role does context play (cultural differences, rural/urban, development / humanitarian, etc.) and how can we adapt mechanisms accordingly?

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- ▶ How should we effectively handle issues of confidentiality and anonymity?
- ▶ What are the issues to bear in mind in the process of handling feedback, and what are the best ways to communicate responses?
- ▶ How do we ensure that feedback tendencies are tracked over time, to identify possible recurring themes?
- ▶ How do we ensure that the feedback and complaints received are used to drive change within the organization?

Looking Ahead

Global Standard

Wrapping up Phase 1 and negotiations for Phase 2

The first phase of the Global Standard project is drawing to a close in April 2018. The Standard was officially launched at the International Civil Society Week (ICSW) in Fiji in December 2017, with many organisations expressing their interest in using the Standard.

Project partners met in Sydney to discuss the final stages of Phase 1 and to plan for Phase 2. There were detailed discussions about governance structures and distribution of funds amongst project partners as well as to external applicants wishing to implement the Global Standard in Phase 2. The next project partners' meeting will take place in Nairobi in March 2018.

Accountable Now has been asked to host the Secretariat of the Global Standard and to carry out the following activities:

- ▶ Strategic leadership on planning the governance structure and further details for Phase 2
- ▶ Leading fundraising efforts for Phase 2
- ▶ Collecting and disseminating case studies and learnings from organisations working with the Global Standard
- ▶ Maintaining communications, both internal (amongst project partners) and external (website, social media, etc.)
- ▶ Outreach to other organisations/networks to explore partnerships and collaboration
- ▶ Convening calls and meetings between project partners

In January 2018 Sida, the project funder of Phase 1, indicated that new project proposals will not be accepted until Q3-Q4 2018. This would see funds for Phase 2 delayed until early 2019, resulting in a funding gap of almost a full year. Therefore, it was suggested that the implementing partner of Phase 1, the International Civil Society Centre, should submit an application to extend funding arrangements with Sida for Phase 1 for one year.

The proposal for the extension year is yet to be discussed with the Global Standard's project partners in February 2018 and before submission to Sida.

Resilient Roots

A project to explore how constituent accountability helps organisations to counter closing civic spaces

While there is growing recognition amongst CSOs of the need to become more accountable, too often this focuses on pleasing donors rather than meaningfully engaging and responding to the people and communities these organisations are created to serve in the first place. This is even true at the local level, where working closely with the community does not necessarily translate into a consistent, people-responsive accountability.

At the same time, an increasing number of governments are seeking to curtail civic action through challenging the legitimacy of CSOs, demonising them as disconnected special interest groups.

What is more, the typical ways CSOs demonstrate their accountability – through compliance with regulatory requirements and donor reporting – are unlikely to be sufficient to convince sceptical politicians or members of the public.

In late 2017 [Accountable Now](#), [Civicus](#) and [Keystone Accountability](#) started consultations for the launch of an initiative to test whether organisations who are more accountable and responsive to their primary constituencies are more resilient against external threats.

More details about it on the Accountable Now website.

Financial review

Despite a number of unexpected costs in 2017, Accountable Now finished the year with a surplus of 22,906€.

Accountable Now's income was 6,035 € less than expected in 2017. We received less income than expected from the Digital Accountability grant due to payment of a management fee, as well as from new members' fees, and we received 4,237 € more than expected from the Global Standard.

Expenditure was 31,310 € less than planned. We incurred unplanned costs for an interim Executive Director (43,262 €) and recruitment of a permanent new Executive Director (16,882 €), and our audit was costlier than originally expected due to our new charity status. However, underspending in other budget items including staff costs (the interim Executive Director was paid as a consultant and the Programme Officer post was vacant for several months) left us with an underspend of 31,310 €.

the 22,906€ surplus, 5,722 € relates to the restricted funds for the Global Standard and Digital Accountability projects. The remaining 17,184 € will be transferred to Accountable Now's reserves, bringing our reserves to 174,814€, well above the requirements of our reserves policy.

Reserves policy and going concern

Operational reserves are held to ensure that Accountable Now operates effectively and is financially sustainable. They act as a safety margin and allow for flexibility in managing Accountable Now's

Trustees' annual report

For the year ended 31 December 2017

resources. The calculation of the required level of reserves is an integral part of the organisation's planning, budget and forecast cycle.

Risk assessment

Risks associated with income different from that originally budgeted include:

- ▶ loss of Accountable Now Members (however, operations can be adjusted in time due to the withdrawal deadline of 01 September for the coming year);
- ▶ Members not paying their Membership fees without officially leaving Accountable Now (however, it is unlikely that a substantial number of Members will collectively risk the reputation damage of non-compliance with their Membership fee obligations);
- ▶ termination of agreements by donors. Unforeseen or unusual expenditures include fees for legal advice or representation, maternity leave and sickness cover.

Statutory reserves

As a company limited under UK law and according to Accountable Now's Articles of Association (5. Liability of Members), Accountable Now is required to hold minimum statutory reserves of £1 per Member. This amount must be available immediately in any given moment. As Accountable Now currently has 27 Members, this means approximately 31 €. Each new Member will add £1 to the statutory reserves and these should be kept at the level of 50 € to allow for new Members.

Operational reserves

Accountable Now's obligations as administrator of the Membership and in accordance to the service and cooperation contracts with the International Civil Society Centre should be covered by appropriate reserves. Generally, the operational reserves should cover three months of operating costs. **Accordingly, the most appropriate level of reserves should be adapted annually to be kept at the level of 25% of the budgeted expenditure costs.**

Investment of reserves

Accountable Now's overall motive for making investments is financial returns on its savings and reserves. Sustainability of possible investments and the adherence to ethical benchmarks need to be secured and maintained through agreed and sector standard disqualification criteria.

Monitoring

Accountable Now's level of reserves is monitored by Accountable Now's Secretariat and the Treasurer on a quarterly basis, reported to the Board on a yearly basis, and presented within the audited annual financial statements of the organisation. Should projections indicate that the reserves might fall below 25% of the annual expenditures, Accountable Now's Secretariat will notify the Board of Trustees for consultation.

Structure, governance and management

Trustees' powers and responsibilities – general (7.1 Articles of Association)

The Trustees are responsible for the management of the Charity's business, for which purpose they may exercise all the powers of the Charity. In particular, the Trustees shall have the power, without limitation, to:

- ▶ appoint (and remove) any person to act as secretary to the Charity in accordance with the Companies Acts (the "**Secretary**");
- ▶ appoint a Chair, Treasurer and other honorary officers from among their number;
- ▶ establish and manage a Secretariat to provide administrative support to the Charity; and
- ▶ establish the systems and procedures described in Article 7.1(b) for the handling of complaints.

The Trustees shall establish, and may amend from time to time, a procedure for the handling of complaints by any party against any Member(s) or the Charity regarding compliance with the Accountability Commitments (the "**Complaints-Handling Procedure**").

The Trustees may delegate any of the powers which are conferred on them under the Articles:

- ▶ to such person or committee;
- ▶ by such means (including by power of attorney);
- ▶ to such an extent;
- ▶ in relation to such matters or territories; and
- ▶ on such terms and conditions;

as they think fit.

If the Trustees so specify, any such delegation may authorise further delegation of the Trustees' powers by any person to whom they are delegated.

The Trustees may revoke any delegation in whole or part, or alter its terms and conditions.

Appointment of Trustees

(9.1 Articles of Association)

Unless otherwise determined by the Trustees, the Board shall be made up of up of a minimum of five Trustees, to include:

- ▶ at least 60% of the Trustees who are Authorised Representatives of Members;
- ▶ up to two Trustees who are Authorised Representatives of any organisations formally associated to the Accountability Commitments or, as applicable, any other class of member which is established by the Trustees; and
- ▶ up to two independent Trustees.

Trustees who are Authorised Representatives of Members or organisations formally associated to the Accountability Commitments must be appointed as Trustees by ordinary resolution of the Charity. Independent Trustees may be appointed by the other Trustees. No Member or organisation formally associated to the Accountability Commitments may have more than one Authorised Representative appointed as a Trustee.

Trustees' annual report

For the year ended 31 December 2017

Each Trustee shall be appointed to serve for a term of three years commencing at the AGM at which s/he is appointed. Any Trustee may be re-appointed once at the end of his/her three-year term, but may not serve more than two terms consecutively. The Trustees may unanimously resolve that, due to exceptional circumstances, a Trustee should continue to hold office for a maximum additional period of one year.

Thereafter, a Trustee may not serve for a period of one full term, at the end of which they may be re-nominated as a Trustee. While there is no limit as to the overall number of terms a Trustee may serve, no Trustee may serve more than two terms consecutively.

The Trustees may appoint a person who is willing to act to be a Trustee, and would not be disqualified from acting under the provisions of Article 10(a), either to fill a vacancy or as an additional Trustee and in either case whether or not for a fixed term. Irrespective of the terms of his appointment, a Trustee so appointed shall hold office only until the first AGM after his appointment and shall not be taken into account in determining the Trustees who are to retire by rotation at the meeting. If not re-appointed at such AGM, he shall vacate office at its conclusion

No person may be appointed as a Trustee unless he or she has reached the age of 16 years.

The organisation is a charitable company limited by guarantee, incorporated on 07 March 2008 and registered as a charity on 14 July 2017.

The company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association.

All trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 5 to the accounts.

Related parties and relationships with other organisations

Accountable Now's Secretariat is hosted by the [International Civil Society Centre](#) in Berlin, Germany. The Centre is a global action platform for ICSSOs focused on leadership support, identifying future trends in civil society and facilitating cooperation. While the International Civil Society Centre and Accountable Now share a lot of Members and have successfully joined forces on many projects, they remain two separate legal organisations. More detailed information can be found in the Service and Cooperation Contracts between the Centre and Accountable Now in note 7 to the accounts.

For information on other organisations who are related parties, please visit our [Members'](#), our [Global Standard Project Partners'](#) and other [Project Partners'](#) pages on our website.

Statement of responsibilities of the trustees

The trustees (who are also directors of International NGO Charter of Accountability Ltd for the purposes of company law) are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- ▶ Select suitable accounting policies and then apply them consistently
- ▶ Observe the methods and principles in the Charities SORP
- ▶ Make judgements and estimates that are reasonable and prudent
- ▶ State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- ▶ Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- ▶ There is no relevant audit information of which the charitable company's auditor is unaware
- ▶ The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 December 2017 was 27 (2016: 25). The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

Trustees' annual report

For the year ended 31 December 2017

Auditor

Sayer Vincent LLP was re-appointed as the charitable company's auditor during the year and has expressed its willingness to continue in that capacity.

The trustees' annual report which includes the strategic report has been approved by the trustees on 3 May 2018 and signed on their behalf by

Sir Paul Brendan Gormley
Board Chair

Independent auditor's report

To the members of

International NGO Charter of Accountability Ltd

Independent auditor's report to the members of International NGO Charter of Accountability Limited

Opinion

We have audited the financial statements of International NGO Charter of Accountability Limited (the 'charitable company') for the year ended 31 December 2017 which comprise the statement of financial activities, balance sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the charitable company's affairs as at 31 December 2017 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- The trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- The trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Independent auditor's report

To the members of

International NGO Charter of Accountability Ltd

Other information

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- The information given in the trustees' annual report, for the financial year for which the financial statements are prepared is consistent with the financial statements
- The trustees' annual report, has been prepared in accordance with applicable legal requirements

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- The financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit; or
- The trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

Independent auditor's report

To the members of

International NGO Charter of Accountability Ltd

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

This report is made solely to the charitable company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain 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.
- Obtain 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 entity's internal control.

Independent auditor's report

To the members of

International NGO Charter of Accountability Ltd

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' 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 entity'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 the entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and 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 deficiencies in internal control that we identify during our audit.

Jonathan Orchard (Senior statutory auditor)

Date

for and on behalf of Sayer Vincent LLP, Statutory Auditor
Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

International NGO Charter of Accountability Ltd

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 December 2017

	Note	Unrestricted €	Restricted €	2017 Total €	Restated Unrestricted €	Restated Restricted €	Restated 2016 Total €
Income from:							
Charitable activities							
Membership		269,875	-	269,875	267,000	-	267,000
Global Standards		-	47,503	47,503	-	31,905	31,905
Digital Accountability		-	45,002	45,002	-	20,109	20,109
Other trading activities	2	4,050	-	4,050	5,800	-	5,800
Other		-	-	-	759	-	759
Total income		273,925	92,505	366,430	273,559	52,014	325,573
Expenditure on:							
Raising funds		20,958	-	20,958	21,087	-	21,087
Charitable activities							
Membership		140,980	-	140,980	139,451	-	139,451
Global Standards		51,245	42,865	94,109	50,654	38,875	89,529
Digital Accountability		43,558	43,919	87,477	43,056	38,007	81,063
Total expenditure	3	256,741	86,783	343,524	254,248	76,882	331,130
Net income / (expenditure) for the year	4	17,184	5,722	22,906	19,311	(24,868)	(5,557)
Transfers between funds		-	-	-	(2,543)	2,543	-
Net income / (expenditure) before other recognised gains and losses		17,184	5,722	22,906	16,768	(22,325)	(5,557)
Net movement in funds		17,184	5,722	22,906	16,768	(22,325)	(5,557)
Reconciliation of funds:							
Total funds brought forward		132,182	19,726	151,908	115,414	42,051	157,465
Total funds carried forward		149,366	25,448	174,814	132,182	19,726	151,908

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 11a to the financial statements.

Balance sheet

Company no. 06527022

As at 31 December 2017

	Note	€	2017 €	€	Restated 2016 €
Current assets:					
Debtors	9	-		679	
Cash at bank and in hand		226,155		239,104	
			<u>226,155</u>	<u>239,783</u>	
Liabilities:					
Creditors: amounts falling due within one year	10	(51,341)		(87,875)	
Net current assets			<u>174,814</u>		151,908
Total net assets			<u><u>174,814</u></u>		<u><u>151,908</u></u>
The funds of the charity:					
Restricted income funds	11a		25,448		19,726
Unrestricted income funds:					
General funds		149,366		132,182	
			<u>149,366</u>	<u>132,182</u>	
Total unrestricted funds			<u>149,366</u>		132,182
Total charity funds			<u><u>174,814</u></u>		<u><u>151,908</u></u>

Approved by the trustees on 3 May 2018 and signed on their behalf by

Brendan Gormley
Chair

1 Accounting policies

a) Statutory information

International NGO Charter of Accountability Ltd is a charitable company limited by guarantee and is incorporated in England and Wales. The registered office address is Amnesty International, 1 Easton Street, London, WC1X 0DW.

b) Basis of preparation

The financial statements are prepared in Euros. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (September 2015) and the Companies Act 2006. The organisation became a charity in 2017 and this is the first set of accounts which have adopted the Charities SORP (FRS 102), with the comparatives for 2016 being restated.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

As a smaller charity, in accordance with SORP Update Bulletin 1, a Statement of Cash Flows is not required.

c) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

d) Going concern

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

f) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

1 Accounting policies (continued)

g) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

h) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

i) Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the cost of any activities with a fundraising purpose
- Expenditure on charitable activities includes the costs of delivering services and activities undertaken to further the purposes of the charity and their associated support costs
- Other expenditure represents those items not falling into any other heading

j) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Support and governance costs are re-allocated to each of the activities on the following basis which is an estimate, based on staff time, of the amount attributable to each activity

● Raising funds	8%
● Membership	55%
● Global Standards	20%
● Digital Accountability	17%

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

1 Accounting policies (continued)

k) Debtors

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

l) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

m) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

n) Financial instruments

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

2 Income from other trading activities

	Unrestricted €	Restricted €	2017 Total €	2016 Total €
Workshop fees	4,050	-	4,050	5,800
	<u>4,050</u>	<u>-</u>	<u>4,050</u>	<u>5,800</u>

3 Analysis of expenditure

	Charitable activities						2017 Total €	2016 Total €
	Raising funds €	Membership €	Global Standards €	Digital Accountability €	Governance costs €	Support costs €		
Interim Executive Director costs (Note 6)	-	-	-	-	-	43,262	43,262	-
Fundraising	460	-	-	-	-	-	460	825
Direct project costs	-	-	42,865	43,919	-	-	86,784	75,030
Workshop costs	-	-	-	-	-	1,694	1,694	2,708
Branding and Communication	-	58	-	-	-	5,762	5,820	26,941
Administration/Secretariat	-	-	-	-	-	180,195	180,195	189,375
Professional fees	-	-	-	-	13,354	2,513	15,867	29,047
Trustee, AGM and meeting costs	-	-	-	-	-	8,924	8,924	5,512
Other	-	-	-	-	-	518	518	1,692
	460	58	42,865	43,919	13,354	242,868	343,524	331,130
Support costs	19,429	133,577	48,574	41,288	-	(242,868)	-	-
Governance costs	1,068	7,345	2,671	2,270	(13,354)	-	-	-
Total expenditure 2017	20,958	140,980	94,109	87,477	-	-	343,524	
Total expenditure 2016	21,087	139,451	89,529	81,063	-	-		331,130

Of the total expenditure, €256,740 was unrestricted (2016: €254,248) and €86,783 was restricted (2016: €76,882).

Notes to the financial statements

For the year ended 31 December 2017

4 Net income / (expenditure) for the year

This is stated after charging / (crediting):

	2017 €	2016 €
Auditor's remuneration (excluding VAT):		
Audit	6,000	7,100
Other services	2,000	900
	<u>8,000</u>	<u>8,000</u>

5 Analysis of trustee remuneration and expenses, and the cost of key management personnel

The total fees of the key management personnel were €43,262 (2016: nil).

The charity trustees were neither paid nor received any other benefits from employment with the charity in the year (2016: €nil). No charity trustee received payment for professional or other services supplied to the charity (2016: €nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling €2,563 (2016: €3,649) incurred by 5 (2016: 5) members relating to attendance at meetings of the trustees.

6 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was 0 (2016: 0). The interim Executive Director, included in Note 5 key management personnel, was employed on a contract basis and did not meet the definition of an employee.

7 Related party transactions

During the year, the charitable company paid the International Civil Society Centre (formerly the Berlin Civil Society Center) €215,108 (2016: €235,975) for management and administrative services.

The International Civil Society Centre took over the secretariat in July 2010. The Centre is co-owned by several organisations, including the following members of the Charter: Amnesty International, CBM, Islamic Relief Worldwide, Oxfam International, Plan International, Sightsavers, SOS Children's Villages International, Transparency International and World Vision International. There were no amounts outstanding at 31 December 2017 (2016: nil).

During the year the charitable company received €47,503 (2016: €43,042) from International Civil Society Centre on behalf of SIDA for the Global Standards project.

The charitable company received €45,002 (2016: €13,456) for the Digital Accountability project from Global Giving. This was comprised of €45,002 from Oak Foundation through CIVICUS (2016: €8,868 from Rockefeller and €313 from FeedbackLabs). CIVICUS is a member of the charitable company and took part in the pilot project for Digital Accountability in 2017.

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

Notes to the financial statements

For the year ended 31 December 2017

8 Taxation

The company became a UK registered charity in July 2017. The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

In 2016, there was no taxation liability as the directors considered that the entity was a mutual association and a tax liability would only arise in the event of trading activities being undertaken.

The service and cooperation contracts with the International Civil Society Centre include 19% and 7% VAT in line with German tax regulations.

9 Debtors

	2017 €	2016 €
Prepayments	-	679
	<u>-</u>	<u>679</u>
	<u>-</u>	<u>679</u>

All of the charity's financial instruments, both assets and liabilities, are measured at amortised cost. The carrying values of these are shown above and also in note 10 below.

10 Creditors: amounts falling due within one year

	2017 €	2016 €
Trade creditors	14,619	-
Accruals	36,722	87,875
	<u>51,341</u>	<u>87,875</u>
	<u>51,341</u>	<u>87,875</u>

Notes to the financial statements

For the year ended 31 December 2017

11a Movements in funds (current year)

	At 1 January 2017 €	Income & gains €	Expenditure & losses €	Transfers €	At 31 December 2017 €
Restricted funds:					
Global Standards Fund	19,726	47,503	(42,865)	-	24,364
Digital Accountability Fund	-	45,002	(43,919)	-	1,084
Total restricted funds	19,726	92,505	(86,783)	-	25,448
General funds	132,182	273,925	(256,740)	-	149,366
Total unrestricted funds	132,182	273,925	(256,740)	-	149,366
Total funds	151,908	366,430	(343,524)	-	174,814

11b Movements in funds (prior year)

	At 1 January 2016 €	Income & gains €	Expenditure & losses €	Transfers €	At 31 December 2016 €
Restricted funds:					
Global Standard fund	26,696	31,905	(38,875)	-	19,726
Digital Accountability fund	15,355	20,109	(38,007)	2,543	-
Total restricted funds	42,051	52,014	(76,882)	2,543	19,726
Unrestricted funds:					
General funds	115,414	273,559	(254,248)	(2,543)	132,182
Total unrestricted funds	115,414	273,559	(254,248)	(2,543)	132,182
Total funds	157,465	325,573	(331,130)	-	151,908

Notes to the financial statements

For the year ended 31 December 2017

11 Movements in funds (continued)

Purposes of restricted fundsGlobal Standards Fund

Strengthening civil society's organisations' effectiveness by developing globally aligned, strong accountability practice.

Accountable Now is one of nine organisations cooperating over the course of three years to exchange expertise, identify the overlaps of accountability codes, and agree on shared core areas for CSO accountability. The results will be captured in a commonly accepted *Global Standards for CSO Accountability*, providing the core principles of accountability for civil society worldwide.

Digital Accountability Fund

Prototyping collaborative work for greater impact.

Accountable Now will further develop an emerging practice of accountability that is focused on future-orientated co-creation *with* stakeholders rather than history-orientated reporting *for* stakeholders. To support the emergence of this people-powered accountability approach, Accountable Now will, together with its partners, identify civil society organisations across the world who move in this direction, build an active community of practice, and elicit key learnings to share with a broader community.

12 Prior period adjustment

Details of adjustment

Reversal of deferred grant income Accountable Now became a UK charity on 14 July 2017 and now has to recognise income in accordance with charity accounting regulations. Grant income previously deferred has had to be reversed and accounted for in the year it was originally received. Members' funds have been restated as a prior period adjustment.

Impact on reserves

	31 December 2016			31 December 2015		
	Unrestricted €	Restricted €	Total €	Unrestricted €	Restricted €	Total €
Members' funds previously reported	135,547	-	135,547	134,133	-	134,133
Adjustments on restatement						
Reversal of deferred grant income	(3,365)	19,726	16,361	(18,719)	42,051	23,332
Funds restated	132,182	19,726	151,908	115,414	42,051	157,465

13 Legal status of the charity

The company became a UK registered charity on 14 July 2017. The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to €1.