

Company no. 06527022

**International NGO Charter of  
Accountability Limited**

**Report and Financial Statements**

**31 December 2011**

**sayer vincent**

consultants and auditors

## **International NGO Charter of Accountability Limited**

### **Reference and administrative details**

**For the year ended 31 December 2011**

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<b>Status</b>	The organisation is a company limited by guarantee, incorporated on 7 March 2008
<b>Company number</b>	06527022
<b>Registered office</b>	Suite 20 266 Banbury Road Oxford Oxfordshire OX2 7DL
<b>Directors</b>	J Hobbs (on behalf of Oxfam International) G Macfarlane (on behalf of Amnesty International) I Srinath (on behalf of Civicus World Alliance for Citizen Participation) J Teulings (on behalf of Greenpeace International) (resigned April 2011) J Dalziell (on behalf of Greenpeace International) (elected April 2011) B Gwynne (on behalf of World Vision) M Hesse (on behalf of CBM) (elected April 2011). C Harper (on behalf of Sightsavers International) (co-opted June 2011)
<b>Bankers</b>	Commerzbank Friedrichstr. 62 10117 Berlin Germany
<b>Auditors</b>	Sayer Vincent Chartered accountants and registered auditors 8 Angel Gate City Road London EC1V 2SJ

## **International NGO Charter of Accountability Limited**

### **Report of the directors**

#### **For the year ended 31 December 2011**

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The directors present their report and the audited financial statements for the year ended 31 December 2011.

The company is limited by guarantee and does not have share capital. The company was incorporated on 7 March 2008.

#### **The directors and their interests**

The directors who served during the year, were as follows:

Jeremy Hobbs (on behalf of Oxfam International)  
George Macfarlane (on behalf of Amnesty International)  
Ingrid Srinath (on behalf of Civicus World Alliance for Citizen Participation)  
Jasper Teulings (on behalf of Greenpeace International) (to April 2011)  
Janet Dalziell (on behalf of Greenpeace International) (from April 2011)  
Beris Gwynne (on behalf of World Vision International)  
Markus Hesse (on behalf of CBM) (from April 2011)  
Caroline Harper (on behalf of Sightsavers International) (co-opted June 2011)

#### **Activities in the year**

2011 was a year in which the INGO Accountability Charter went through several important developments. It was the first year in which the Members reported against the Charter using the GRI reporting framework and the current reporting process was set up through the establishment of the Independent Review Panel. In April the Members adopted a Five Years Strategy which points out the direction for the coming years. Moreover, the Charter Company organised a successful workshop for its Members on NGOs' Environmental Performance and attended the 4th High Level Forum on Aid Effectiveness in South Korea.

With the fulfilment of this year the Charter has taken further important steps to establishing itself as the accountability framework of choice for International NGOs. In the coming year, focus will be on encouraging more organisations to join the group of NGOs committed to improved transparency and accountability, and on securing funding for the Charter to ensure its continued development.

#### Reporting process - Independent Review Panel

2011 was the first year in which the Global Reporting Initiative's (GRI) NGO Sector Supplement was used as reporting frame for Charter Members. The Charter thus applies the world's largest sustainability reporting framework, also widely used by the business sector. Over the year, 28 accountability reports were submitted from Members. All reports were reviewed by the Independent Review Panel which met twice during the year.

The Panel consists of four high calibre individuals: Richard Manning former Chair of the OECD's Development Assistance Committee (DAC); Wambui Kimathi, former Commissioner at the Kenya National Commission on Human Rights (KNCHR); Dr. Janet Hunt who specializes in NGOs in the Asia-Pacific region; and Gavin Neath, Senior Vice President Sustainability at Unilever. The Panel ensures the credibility and integrity of the Charter and will in the future also be responsible for handling complaints made against the Charter.



## International NGO Charter of Accountability Limited

### Report of the directors

#### For the year ended 31 December 2011

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##### The Five Year Strategy

At the Annual General Meeting in April, the Charter Members unanimously approved a Five Year Strategy for the Charter. The aim to establish the Charter as the accountability framework of choice and standard code of practice for all International NGOs is clearly formulated in five strategic objectives:

1. All leading international NGOs sign the Charter.
2. Donors and other key stakeholders of strategic importance recognise the Charter as the premier quality assurance mechanism for INGOs.
3. Smaller international and larger national organisations use the Charter as a basis for their accountability.
4. The Charter positions itself as the authoritative voice on NGO accountability.
5. The Charter has sufficient funding available to attain the above priorities.

Over the next years the Charter Company will work hard to achieve these ambitious goals and the support of all Member Organisations and other supporters will be necessary.

##### Members' Workshop

As part of its service to Members, the Charter organised a workshop focusing on NGOs' Environmental Performance in October 2011. The workshop offered the opportunity to exchange ideas and experiences on best practice of environmental management in NGOs. They also discussed the current GRI reporting requirements on environmental issues. 17 participants attended the workshop and the evaluation showed that 100% of the participants found the overall workshop *very useful* (17%) or *extremely useful* (83%). As a consequence of the workshop, participants have established a network amongst themselves to carry on exchanging and learning from each other on how to consistently improve their environmental performance.

##### The 4th High Level Forum on Aid Effectiveness (HLF4), Busan, South Korea

In the end of 2011, the Charter attended the High Level Forum on Aid Effectiveness. The conference offered a good opportunity to reach out to potential members, donors and other stakeholders, as well as to position the Charter in the debate on NGO accountability. During the conference the Charter co-organised a Side Event on NGO accountability, showing concrete examples of how international NGOs strive to improve and implement accountability in their work and how collaboration can support greater accountability. During the Civil Society Forum taking place prior to the conference, the Charter co-organised a workshop that presented the Charter as a mechanism for NGOs to improve their accountability.

##### Cooperation with Freshfields law firm

Throughout the year, the Charter worked with the law firm Freshfields to amend the constitutional documents, establish the terms of reference of the Independent Review Panel and draft a complains handling mechanism. These documents are to be presented to the Members at the Annual General Meeting in March 2012.

## **International NGO Charter of Accountability Limited**

### **Report of the directors**

#### **For the year ended 31 December 2011**

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##### Charter Members

During 2011 Article 19, *CARE International Secretariat*, *Caritas Internationalis*, *Intervida* and *The Forest Trust* joined the Charter as new Members. We welcome these new Members to the growing group of NGOs – now adding up to 26 Charter Members - that state their commitment to transparency and accountability through Charter membership and collectively work on continuous improvement.

The current members of the Charter are:

- ActionAid International
- Amnesty International
- Article 19
- CARE International Secretariat
- Caritas Internationalis
- CBM
- CEE Bankwatch Network
- CIVICUS
- Consumers International
- CORDAID International
- Earthrights
- European Environmental Bureau
- Greenpeace International
- Instituto del Tercer Mundo (Secretariat of Social Watch)
- International Council for Adult Education
- Intervida
- IRC
- Malaria Consortium
- Oxfam International
- Panos Network
- Plan International
- Sightsavers
- The Forest Trust
- Transparency International
- World Vision International
- World YWCA

Every member of the company undertakes to contribute such amount as may be required (not exceeding £1) to the assets of the company if it should be wound up whilst he/she is a member, and the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributors among themselves.

The company is a not for profit organisation. In the event of dissolution of the company, its remaining assets shall be disposed of by the directors in ways that further the aims of the company.

##### Outlook 2012

The priority in 2012 will be to promote interoperability with other accountability initiatives with the aim of building a coherent accountability architecture for the civil society sector. Another objective for the Charter will be to reach out to potential Member Organisations and encourage them to join the group of organisations working to improve transparency and accountability of our sector. In 2012 the Charter Company will also work on further developing the reporting process.



## International NGO Charter of Accountability Limited

### Report of the directors

**For the year ended 31 December 2011**

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#### Responsibilities of the directors

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in operation.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

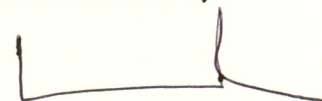
Each of the directors confirms that to the best of his/her knowledge there is no information relevant to the audit of which the auditors are unaware. Each of the directors also confirms that he/she has taken all necessary steps to ensure that he/she is aware of all relevant audit information and that this information has been communicated to the auditors.

#### Auditors

Sayer Vincent were appointed as the company's auditors during the year and have expressed their willingness to continue in that capacity.

The directors' report has been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

Approved by the directors on 7/3/12 and signed on their behalf by



Jeremy Hobbs

## Independent auditors' report

To the members of

### International NGO Charter of Accountability Limited

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We have audited the financial statements of International NGO Charter of Accountability Limited for the year ended 31 December 2011 which comprise the income and expenditure account, the balance sheet and related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the 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 company's members those matters we are required to state to them in an auditors' 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

#### Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out in the report of the directors, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

#### Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements.

#### Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the company's state of affairs as at 31 December 2011 and of its results for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

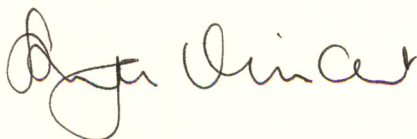
#### Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

#### Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Catherine L Sayer Senior Statutory Auditor  
for and on behalf of Sayer Vincent, Statutory Auditors

**SAYER VINCENT**

8 Angel Gate  
City Road  
LONDON  
EC1V 2SJ

14 March 2012



**International NGO Charter of Accountability Limited**

**Income and expenditure account**

**For the year ended 31 December 2011**

	Note	<b>2011 Total €</b>	<b>2010 Total €</b>
<b>Income</b>			
Members' contributions		<b>59,100</b>	48,486
Donations		<u><b>593</b></u>	<u>-</u>
		<b>59,693</b>	48,486
<b>Expenditure</b>			
Administrative expenses		<u><b>73,219</b></u>	<u>30,972</u>
<b>(Deficit)/Surplus for the year</b>	2	<b>(13,526)</b>	17,514
<b>Taxation</b>	4	<u>-</u>	<u>-</u>
<b>Net movements in funds for the year</b>		<b>(13,526)</b>	17,514
<b>Members' funds at the start of the year</b>		<u><b>32,079</b></u>	<u>14,565</u>
<b>Members' funds at the end of the year</b>		<u><b>18,553</b></u>	<u>32,079</u>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than the net movement in funds for the year.



# International NGO Charter of Accountability Limited

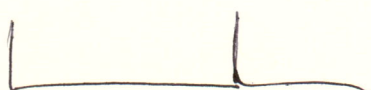
## Balance sheet

31 December 2011

	Note	€	2011 €	2010 €
<b>Current assets</b>				
Debtors	5	3,512		24,431
Cash at bank and in hand		<u>20,053</u>		<u>16,953</u>
		23,565		41,384
<b>Creditors: amounts due within one year</b>	6	<u>5,012</u>		<u>9,305</u>
<b>Net current assets</b>			<u>18,553</u>	<u>32,079</u>
<b>Net assets</b>			<u>18,553</u>	<u>32,079</u>
<b>Reserves</b>				
Member's funds			<u>18,553</u>	<u>32,079</u>
<b>Total funds</b>			<u>18,553</u>	<u>32,079</u>

These accounts have been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

Approved by the directors on 7/3/12 and signed on their behalf by



Jeremy Hobbs

## International NGO Charter of Accountability Limited

### Notes to the financial statements

#### For the year ended 31 December 2011

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##### 1. Accounting policies

- a) The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards and the Companies Act 2006.
- b) Income consists of members' contributions which relate to the year, and donations from other bodies. Income received in advance is deferred where it relates to services provided in a future accounting period.
- c) Administrative expenses are recognised in the period in which they are incurred.
- e) Monetary assets and liabilities in foreign currencies are translated into Euros for 2010 and 2011 figures at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into Euros at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the profit or loss for the period.
- d) Liabilities are recognised as soon as there is a legal or constructive obligation committing the company to pay out resource.

##### 2. (Deficit)/Surplus for the year

This is stated after charging / crediting:

	2011 €	2010 €
Directors' remuneration	-	-
Directors' reimbursed expenses	-	-
Auditors' remuneration:		
▪ Audit	2,500	1,805
▪ Other services	2,512	3,011
▪ Over accrual in previous period	(1,040)	-

##### 3. Directors' emoluments

No emoluments are paid to any director.

##### 4. Taxation

The directors consider that the entity is a mutual association and a tax liability will only arise in the event of trading activities being undertaken.



## International NGO Charter of Accountability Limited

### Notes to the financial statements

For the year ended 31 December 2011

#### 5. Debtors

	2011 €	2010 €
Members' contributions receivable	<u>3,512</u>	<u>24,431</u>
	<u><u>3,512</u></u>	<u><u>24,431</u></u>

#### 6. Creditors: amounts due within one year

	2011 €	2010 €
Other creditors	-	4,489
Accruals	<u>5,012</u>	<u>4,816</u>
	<u><u>5,012</u></u>	<u><u>9,305</u></u>

#### 7. Related Party transactions

During the year, the company paid Berlin Civil Society Center €55,882 (2010: €14,432) for management and administrative services. The Berlin Civil Society Center took over the secretariat in July 2010. The Center is co-owned by several organisations, including the following members of the Charter: Amnesty International, CBM, Oxfam International, Plan International, Transparency International and World Vision International. There were no amounts outstanding at 31 December 2011.

During the year, the Charter paid Oxfam International €3,473 to reimburse payments for professional services made on the Charter's behalf.

Jeremy Hobbs is the Chairperson of the Board of Directors for the Charter and a Director of Oxfam International, however all transactions were made at arms length.