

Independent Auditors' Report

To the members of Nonviolent Peaceforce (NP)

Report on the Audit of the Aggregated Non-Statutory Financial Statements

Opinion

We have audited the Aggregated Non-Statutory Financial Statements of Nonviolent Peaceforce (NP) set out on pages 5 to 23, which comprise the aggregate statement of financial position as at 31 December 2022, and the aggregate statement of profit or loss and other comprehensive income, the aggregate statement of changes in equity and the aggregate statement of cash flows for the year then ended, and notes to the aggregated financial statements including a summary of significant accounting policies.

In our opinion, the Aggregated Non-Statutory Financial Statements present fairly, in all material respects, the financial position of Nonviolent Peaceforce as at 31 December 2022, and its financial performance and cash flows for the year then ended in accordance with the basis of preparation described in note 3 to aggregated financial statements.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the aggregated non-statutory financial statements section of our report. We are independent of the organization in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (Parts 1 and 3) (IESBA Code) and other independence requirements applicable to performing audits of financial statements in Belgium. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code and in accordance with other ethical requirements applicable to performing audits in Belgium. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter – Basis of Preparation

We draw attention to Note 3 to the aggregated non-statutory financial statements, which describe the basis of aggregation and preparation. The aggregated non-statutory financial statements are prepared in accordance with NP's specific accounting framework. NP's accounting policies are stated in the aggregated non-statutory financial statements and are aligned with most of the recognition and measurement requirements of IFRS as adopted by the European Union. However, it should be noted that these aggregated financial statements do not constitute a complete set of financial statements in accordance with IFRS.



Other information

Members of the Board and the Executive Director are responsible for the other information. The other information comprises the information included in the document titled " Introduction and joint note from the Treasurer and the Executive Director" (pages 2 to 4), which includes the Report from the Treasurer and the Executive Director. The other information does not include the aggregated non-statutory financial statements and our auditor's report thereon.

Our opinion on the aggregated non-statutory financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the aggregated non-statutory financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the aggregated non-statutory financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

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.

Responsibilities of the Members of the Board and the Executive Director for the Aggregated Non-Statutory Financial Statements

The Members of the Board and the Executive Director are responsible for the preparation and fair presentation of the aggregated non-statutory financial statements in accordance with the basis of preparation described in Note 3 to the aggregated non-statutory financial statements, for determining that the basis of preparation is acceptable in the circumstances and for such internal control as the Members of the Board and the Executive Director determine is necessary to enable the preparation of aggregated non-statutory financial statements that are free from material misstatement, whether due to fraud or error.

The Members of the Board and the Executive Director are responsible for overseeing the association's financial reporting process.

In preparing the aggregated non-statutory financial statements, the Members of the Board and the Executive Director are responsible for assessing the associations' 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 directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Aggregated Non-Statutory Financial Statements

Our objectives are to obtain reasonable assurance about whether the aggregated non-statutory 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 International Standards on Auditing 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 aggregated non-statutory financial statements.



As part of an audit in accordance with International Standards on Auditing, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the aggregated non-statutory 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 company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Members of the Board and the Executive Director.
- Conclude on the appropriateness of the Members of the Board's and the Executive Director's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the association'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 aggregated non-statutory 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 company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the aggregated non-statutory financial statements, including the disclosures, and whether the aggregated non-statutory financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Members of the Board and the Executive Director 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.

Battice, June 22, 2023

BDO Réviseurs d'Entreprises SRL
Represented by Christian SCHMETZ

Nonviolent **Peaceforce**

Aggregated non-statutory

Financial Statements

for the year ended

31 December 2022



20 YEARS

in US dollars

LOW

Aggregated Financial Statements for the year ended 31 December 2022

Introduction and joint note from the Treasurer and the Executive Director

Introduction to Nonviolent Peaceforce:

Nonviolent Peaceforce (NP) is a global organisation that works in conflict-affected areas to promote peace and protect civilians. The organisation believes in nonviolence as a means to bring about social and political change.

Our mission is to protect civilians in violent conflicts through unarmed civilian protection, conflict transformation, building peace side by side with local communities, and the promotion of human rights to safeguard human lives and dignity. The objective of NP is to prevent violence, protect civilians and support peacebuilding efforts. NP envisions a worldwide culture of peace in which conflicts are managed through nonviolent means, guided by principles of nonviolence, non-partisanship, primacy of local actors, and civilian-to-civilian action. Nonviolent Peaceforce has helped to reduce violence and protect civilians in conflict zones and has helped to build relationships between different groups and promote local peacebuilding efforts. The organisation has advocated for policies that support nonviolent conflict resolution and protection of civilians.

Nonviolent Peaceforce was founded in 2002 by a group of peace activists who believed that unarmed civilian protection could be a powerful tool for peacebuilding. The organisation has since worked in numerous conflict-affected areas around the world including the current ongoing programmes in South Sudan, Philippines, Iraq, Myanmar, Sudan, Ukraine and the United States. Preparations for a programme in Indonesia started in late 2022 and work got underway in earnest in 2023. Nonviolent Peaceforce Headquarters are located in Geneva, Switzerland.

Internal Control and Management Oversight

Programme and Financial operations of all NP entities, Country Programmes and Offices are overseen by the Finance and Audit Committee (FAC) of the Board (of Directors) in conjunction with the Executive Director and the Global Director-Finance and Operations. The FAC has oversight over internal control systems and financial management. The Committee has the responsibility for establishing appropriate financial management and reporting policies and executing internal controls through the monitoring of the control environment and the strengthening of policies and procedures. Members of the Board oversee a comprehensive accountability system which includes five-year strategic plans, annual budgets and programme operations plans approved annually and revised semi-annually.

The Executive Director (ED) through delegated authority to Heads of Missions and Heads of Offices has the primary responsibility for oversight and monitoring of performance at local levels and regularly reviews internal controls across NP. Other controls include staff capacity building, segregation of duties, planning and control visits to programmes and general performance management.

Changes to the internal control environment in 2022

The Board has the responsibility for the preparation of aggregated financial statements which are intended to give a true and fair view of the financial activities and financial position of NP as at the reporting date. Effective from the 2022 Financial Statements and the 2023 annual budget and the related management accounts, NP will use the US dollar as the aggregation and reporting currency. With the bulk of the NP grants, expenditure and income being dominated in USD, producing the accounts and management reports in this currency will reduce variability of conversion differences at the reporting level. Local financial statements of the Belgium entity and the Swiss entities will continue to be prepared in EUR and CHF respectively in accordance with the local reporting regulations.

The principal tool used by NP for Financial Accounting has over the years mainly been QuickBooks Desktop (QBD). Starting in the latter part of 2022, NP begun migrating the accounts to QuickBooks Online which affords a better control environment than QBD. At the time of concluding these financial statements, several offices had already achieved the migration and the remaining ones are foreseen to be completed before the end of the third quarter of 2023.

During the year, NP implemented Salesforce, a cloud-based customer relationship management (CRM) platform which is being used for grants management, project planning, management of fundraising donor database, and eventually, various management reporting analytics. Salesforce in particular is being used as an NP cloud platform allowing NP staff to create online communities to corroborate and share information including grant inception meetings and the management of internal projects.

In 2022, NP continued its partnership with the Cyber Peace Institute (CPI), a non-profit organisation that works towards creating a safe and secure online environment for non-for-profits. Working with the CPI, NP aims to foster a culture of responsible behaviour and ethical use of technology while also advocating for policies that promote digital peace and security. NP aims to contribute to and promote cybersecurity education and awareness and develop best practices for online safety in order to protect ourselves and our communities from cyber threats and secure information management.

NP remains so a member of the CHS Alliance, a global alliance of organisations committed to improving the effectiveness and impact of humanitarian and development assistance. CHS stands for the Core Humanitarian Standard, which is a set of principles and guidelines for ensuring quality and accountability in humanitarian and development work. The CHS Alliance was formed in 2015 through the merger of three existing organisations: the Humanitarian Accountability Partnership (HAP), People in Aid, and the Sphere Project. The Alliance's work includes promoting the use of the Core Humanitarian Standard, providing training and support to organisations to improve their practice, and advocating for greater accountability and quality in the humanitarian and development sector. As part of its commitment to quality and accountability to affected communities with whom we work, NP will complete the CHS self-assessment during 2023, with an aim for external certification in the future.

Basis of aggregation of the financial statements

In preparing the aggregated financial statements, the Executive Director and members of the Board have:

- Made judgements and estimates that are reasonable and prudent.
- Stated whether appropriate accounting standards have been followed subject to any material departures being disclosed and explained in the financial statements.
- Prepared the financial statements on the basis that NP is a going concern.

The aggregated financial statements have been prepared based on the underlying audited accounts of each entity and converted to USD for the entities whose books of accounts are maintained in other currencies, as indicated in the notes to the accounts.

The Members of the Board and the Executive Director are responsible for ensuring that adequate accounting records are kept and are also responsible for monitoring the standard of record keeping of Country Programmes and NP Offices, so that they can disclose, with reasonable accuracy, the financial position of NP to ensure that the aggregated financial statements comply with NP's specific accounting framework as aligned with the International Financial Reporting Standards (IFRS).

In addition, the Members of the Board and the Executive Director have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of NP and those entrusted to NP by donors, and to prevent and detect fraud and other irregularities. They are responsible maintaining the integrity of the financial and other information included on NP's website.

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Review of the year 2022

In 2022, NP opened three new country programmes, Ukraine, Sudan and Indonesia. Following the outbreak of the war in Ukraine, NP undertook an assessment mission during Q2, 2022, and the country programme was established in Q3 with the support of various donors including the Swiss Development Cooperation (SDC), the Norwegian Refugee Council (NRC) and the Ukraine Humanitarian Fund of the United Nations (UHF). As of Q2, 2023 NP was in negotiation with additional donors for grants up to a value of EUR 5-7m in support of the Ukraine programme.

Following the void left by the withdrawal of the United Nations Peace Keeping Operations in Darfur, Sudan, the European Union provided funding for a 18 months programme that started in April 2022. This had been preceded by a pilot project funded by UNDP during the second half of 2021. This agreement runs out in August 2023. As with the other country programmes the Executive Director is working closely with Members of the Board and senior management to engage with potential donors to continue with the programme after the end of the current EU funding.

The overall turnover exceeded the previous year by USD 6.48m not only due to the new programmes in Sudan and Ukraine but also due to the expanding country programmes in the United States. Owing in particular to the new programmes and the resulting increased overheads from the expanded programme as well as target fundraising in the United States, unrestricted income exceeded the previous year level by USD 1.51m which included other income of USD 0.74m. This resulted in a total net surplus of USD 1.28m of which USD 144k was restricted by donors as to purpose.

Future outlook

Challenges facing Nonviolent Peaceforce in its work include lack of adequate funding to engage with communities facing conflicts around the world. NP aims to focus on consolidating operations in the three new country programmes and possibly launch a pilot programme assessment in the Central Sahel region. NP plans to undertake the development of an external training programme for a broader reach as well as generation of a surplus to further support the work as part of risk management and mitigation.

In the medium term, NP hopes to undertake an assessment to determine programmable areas relating to climate change threats to civilian safety and how these can be addressed in cooperation with other entities. NP Country Programmes in coordination with Headquarters are continuing in earnest to develop proposals and assess funding opportunities with existing and new donors to continue with existing programmes or target new areas. A number of funding agreements came to an end in 2022 and others are scheduled to end in 2023 in several country programmes which exposes NP to a contraction in activities in those countries; this underlines the importance of accelerated search for new funding opportunities and partnerships.

As in the previous years, the Board and the Executive Director foresee a continuous strengthening of NP programme operations and the management and support infrastructure with special focus on addressing the funding risks and the resulting exposure to communities facing conflict around the world and NP's ability to deliver services to these and other stakeholders.

Brian McLeod (Chair)

Brian McLeod

Treasurer and Member of the Board

Tiffany J. Easthom

Executive Director

Date: 22 June 2023

Date: 22 June 2023

Aggregated Financial Statements for the year ended 31 December 2022

Group information

Headquarters

Nonviolent Peaceforce
Rue de Lausanne 82, 5th floor
1202 Geneva
Switzerland

Board Members

Ms Lucia Mary C. Coutts Nuseibeh, Chair of the Board
Mr. Brian McLeod, Member of the Board and Treasurer

Director

Ms Tiffany J. Easthom, Executive Director

Independent Auditor

BDO Réviseurs d'entreprises SRL (BDO Belgium)

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Aggregated Financial Statements for the year ended 31 December 2022

Statement of Aggregated Financial Activities and Comprehensive Income

	Notes	2022	2022	Total	2021	2021	Total
		Restricted	Unrestricted	2022	Restricted	Unrestricted	2021
		USD	USD	USD	USD	USD	USD
INCOME							
Government and Institutional Grants & Contracts	5	22,977,925	30,433	23,008,358	18,402,303	104,203	18,506,506
Corporations and Foundation Grants		1,137,500	211,077	1,348,577	599,500	284,354	883,854
Donations Directed by Individuals	7	106,577	2,103,446	2,210,023	22,647	1,125,237	1,147,884
Other income		339,670	739,231	1,078,900	233,157	31,147	264,304
Investments revaluation gains & (losses)		0	(228,272)	(228,272)	0	85,649	85,649
Present value discount		0	(29,100)	(29,100)	0	17,851	17,851
Internal income transfers from restricted		(1,626,740)	1,626,740	0	(1,287,265)	1,287,265	0
Total Income		22,934,932	4,453,554	27,388,486	17,970,342	2,935,706	20,906,048
EXPENDITURE							
Staff costs		10,774,163	2,079,519	12,853,682	7,470,773	1,910,394	9,381,167
Programme costs		5,821,158	7,461	5,828,619	5,441,696	8,073	5,449,769
Travel & transport		2,228,238	114,429	2,342,668	1,660,513	94,567	1,755,080
Professional services		766,370	512,052	1,278,422	540,007	425,063	965,070
Occupancy and other administrative costs		2,309,157	408,868	2,718,025	1,783,612	332,107	2,115,719
Finance & other operating costs/(gains)		1,036,198	49,015	1,085,213	1,187,395	118,979	1,306,374
Restricted expenditure not covered by grants		(144,471)	144,471	0	(113,655)	113,655	0
Total expenditure		22,790,815	3,315,814	26,106,629	17,970,342	3,002,838	20,973,180
Net Surplus/(deficit) for the year		144,117	1,137,741	1,281,858	0	(67,132)	(67,132)
Other Comprehensive income/(expense)							
Unrealised exchange gains/(losses)		(707,609)	76,404	(631,205)	(212,724)	290,226	77,501
Reserves revaluation movements		10,352	(30,884)	(20,532)	(29,970)	(31,786)	(61,756)
Total other comprehensive income/(expense)		(697,257)	45,519	(651,738)	(242,694)	258,440	15,746
Total Comprehensive income/(expense)		(553,140)	1,183,260	630,120	(242,694)	191,308	(51,387)

Aggregated Financial Statements for the year ended 31 December 2022

Statement of Aggregated Financial Position

	Notes	2022 USD	2021 USD
<u>Non-Current Assets</u>			
Plant, Property and Equipment	6	87,284	18,264
Total non-current assets		87,284	18,264
<u>Current Assets</u>			
Cash and cash equivalents		4,156,288	3,949,923
Grants and donations receivable	7	28,094,359	21,682,426
Other amounts receivable		49,282	32,704
Deposits and Prepayments		245,502	154,886
Investments		1,010,400	1,338,711
Deferred charges and accrued income		65,002	47,805
Total Current assets		33,620,832	27,206,456
<u>Current Liabilities</u>			
Accounts payable		1,146,821	1,219,682
Deferred income	7	29,312,797	23,128,427
Payroll liabilities	10	786,129	1,082,957
Accrued charges		126,202	173,364
Loans and Lease Agreements		75,885	0
Provisions and other payables		30,159	20,287
Total Current Liabilities		31,477,994	25,624,717
Net Current Assets		2,142,839	1,581,739
Deferred income more than 12 months	6		
Total Net Assets		2,230,123	1,600,003
<u>REPRESENTED BY</u>			
Equity Capital		55,174	57,664
Cumulative Unrestricted Reserves		1,584,580	1,096,087
Cumulative Restricted Reserves	12	590,369	446,252
Total capital and Reserves		2,230,123	1,600,003

Aggregated Financial Statements for the year ended 31 December 2022

Statement of changes in equity and reserves for the year

	Notes	EQUITY & RESERVES	CURRENCY TRANSLATION RESERVE	TOTAL	EQUITY	CURRENCY TRANSLATION RESERVE	TOTAL
		2022	2022	2022	2021	2021	2021
		USD	USD	USD	USD	USD	USD
Funds as at 1 January		1,965,770	(365,767)	1,600,003	2,032,902	(381,513)	1,651,390
Net surplus or (deficit) for the year		1,281,858		1,281,858	(67,132)		(67,132)
New equity capital				0	0		0
Funds from regular operations as at 31 December		3,247,628	(365,767)	2,881,861	1,965,770	(381,513)	1,584,258
Other comprehensive income/(expenses)							
Foreign currency translation (expense)/gain			(631,205)	(631,205)		77,501	77,501
Reserves revaluation movements year on year			(20,532)	(20,532)		(61,756)	(61,756)
Provisions & Liabilities Written back		0		0			0
Total funds as at 31 December		3,247,628	(1,017,505)	2,230,123	1,965,770	(365,767)	1,600,003
Unrestricted funds		1,617,764	(1,017,505)	600,260	1,519,518	(365,767)	1,153,751
Designated reserves	11	1,039,494	0	1,039,494			0
Total unrestricted funds		2,657,259	(1,017,505)	1,639,754	1,519,518	(365,767)	1,153,751
Funds restricted to purpose by donors	12	590,369	0	590,369	446,252	0	446,252
Total funds as at 31 December		3,247,628	(1,017,505)	2,230,123	1,965,770	(365,767)	1,600,003

Aggregated Financial Statements for the year ended 31 December 2022

Statement of Aggregated Cashflows

	2022	2021
	USD	USD
Cash flow from operating activities		
Comprehensive income for the period	630,120	(51,387)
Add back adjustments for:		
Depreciation and currency conversion movements on Fixed Assets	34,615	3,167
Net unrealised gains on investments		
Net realised gains on investments	228,311	(117,871)
Net finance expense/(income)	651,738	(15,746)
Operating profit before working capital changes	1,544,784	(181,837)
Decrease/(Increase) in Grants Receivable	(6,411,933)	(125,279)
Increase/(Decrease) in Deferred Income	6,184,370	(3,519,617)
Decrease/(Increase) in other receivables	(16,578)	(21,441)
Decrease/(Increase) in deposits and prepayments	(90,615)	(54,296)
Decrease/(Increase) in deferred charges and accrued income	(17,197)	2,075
Increase/(Decrease) in Accounts Payable	(72,861)	2,935
Increase/(Decrease) in Payroll Liabilities	(296,828)	569,959
Increase/(Decrease) in Accrued Liabilities	(47,162)	95,468
Increase/(Decrease) in Accrued Liabilities	75,885	(98,700)
Increase/(Decrease) in Provisions & Other payables & other	9,872	(20,554)
Net cash generated from/(used in) operating activities before tax	861,737	(3,351,285)
Cashflow used in investing activities		
Furniture & Fittings conversion movements on net book value	407	(15,763)
Sale/(Purchase) of investments	100,000	(550,000)
Purchase of leasehold rights to use assets	(107,391)	0
Vehicles conversion movements on net book value	3,349	2,638
Net cash used in investing activities	(3,635)	(563,125)
Cash flow from financing activity		
Realised and unrealised forex losses net of gains	(651,738)	15,746
Net cashflow from financing activities	(651,738)	15,746
Net (decrease)/increase in cash and cash equivalents	206,364	(3,898,664)
Cash and Cash Equivalents at the beginning of the period	3,949,923	7,848,588
Cash and Cash Equivalents at the end of the year	4,156,288	3,949,924

Aggregated Financial Statements for the year ended 31 December 2022

Notes to the Aggregated Financial Statements

1. NP Group information and activity

Nonviolent Peaceforce (hereafter referred to as “NP”) has been in operation since 2002. The mission of NP is to protect civilians in violent conflicts through unarmed strategies, build peace side by side with local communities, and advocate for the wider adoption of these approaches to safeguard human lives and dignity. NP envisions a worldwide culture of peace in which conflicts within and between communities and countries are managed through nonviolent means. NP is guided by principles of nonviolence, non-partisanship, primacy of local actors, and civilian-to-civilian action.

In partnership with local groups, NP applies proven non-violent strategies to protect human rights, deter violence, and help create space for local peacemakers to carry out their work. NP achieves this through the following anchors:

- a. Interrupting cycles of violence in order to save lives, reduce harm and protect human dignity.
- b. Contributing to fostering sustainable peace through dialogue and inclusive peace processes
- c. Developing and promoting the theory and practice of unarmed civilian protection so that it may be adopted as a policy and funding option by decision makers and public institutions.
- d. Build the field of practice of Unarmed Civilian Protection (UCP).
- e. Undertaking other types of activities aimed at promoting the themes of conflict prevention and peace building.

2. Composition of the Nonviolent Peaceforce Group

The aggregated financial statements for the year ended 31 December 2021 bring together the activities and financial positions of Nonviolent Peaceforce entities, comprised of the following:

- **Nonviolent Peaceforce Inc.** (NPUS) a United States corporation registered on 25 February 2002 under the Minnesota Non-profit Corporation Act, Minnesota Statutes Chapter 317A for the promotion of any or all of the educational or charitable purposes contemplated by Section 501(c)(3) of the Internal Revenue Code 1986. Hereinafter referred to as “NPUS”.
- **Nonviolent Peaceforce AISBL** (NP-AISBL) registered as an Association Internationale Sans But Lucratif (AISBL) in Belgium on 02 September 2003, enterprise number 0480.008.359 and identification number 6313/2003.
- **Nonviolent Peaceforce France** (NPFR) registered as an Association in France on 10 November 2016, association number W013.001.1326 and identification SIREN/SIRET 824 015 432 00019.
- **Nonviolent Peaceforce International**, (NPI) registered as a Foundation in the Canton of Geneva, Switzerland and governed in accordance with Articles 80 et seq. of the Swiss Civil Code.

Nonviolent Peaceforce is managed under a group structure governed by one Board of Directors and one Executive Director.

3. Significant accounting policies

The following accounting policies are applied in aggregating and producing the 2022 Aggregated Financial Statements. The policies are applied by the individual offices to prepare the Financial Statements in their respective countries unless local regulations require otherwise.

a. Basis of presentation

The Aggregated Financial Statements are presented in United States Dollars (USD) rounded to the nearest unit (Cent). They are prepared in accordance with NP's specific accounting framework. NP's accounting policies are stated below and are aligned with most of the recognition and measurement requirements of the IFRS as adopted by the European Union. However, it should be noted that these aggregated financial statements do not constitute a complete set of financial statements in accordance with IFRS. The Aggregated Financial Statements have been prepared and presented according to the principles of fair presentation, accruals, matching, going concern, consistency and prudence.

b. Revenue recognition - Restricted and unrestricted income

NP's income is comprised of two main parts:

- Restricted income. This is mainly from institutional donors, corporations and foundations in the form of grants for specific projects, upon which, on the signing of grant agreements it is booked in the accounts as a receivable and as deferred income, and
- Unrestricted income mainly from individuals.

Unrestricted income is recognised and recorded in the accounts when it is pledged, or when received if there is no time lag between pledge and receipt.

i. Type of restrictions

Income is considered as restricted when it is subject to a donor-imposed restriction. A donor-imposed restriction is a stipulation and limitation on the use of grant or donation, usually limited to purpose (country, project, specific activities, etc.), or specific donor wishes. Unspent restricted grants are carried forward as deferred income from one period to the next or the excess of income over expenditure in a financial period is carried forward as a restricted reserve restricted as to purpose.

ii. Grants

Grants are recognised as income based on the expenditure incurred in accordance with the grant agreement terms and conditions during the reporting period. At year end, the difference between the total agreed grant (grant budget) and the cumulative expenditure is shown as deferred income and carried forward to subsequent periods.

iii. Unrestricted gifts

Gifts are recognised as income upon the receipt of cash, or the written undertaking to donate.

iv. In-kind donations and services.

In addition to cash or cash equivalent contributions, NP receives in-kind donations of goods and services. Only in-kind donations of goods/services that will/are sold are accounted for in the Statement of Activities for their net realizable value.

c. Use of Estimates

Preparation of aggregated financial statements in conformity with the accounting principles and financial reporting standards requires management to make estimates and assumptions that affect the amounts reported in the aggregated financial statements. These estimates are based on management's best knowledge of current events and actions NP entities may undertake in the future. Estimates are used in accounting for, among other items, accruals, useful lives for depreciation and amortization of long-lived assets when applicable. Actual results may ultimately differ from estimates, although management does not generally believe such differences would materially affect the aggregated financial statements in any individual period.

d. Foreign currency translation

The audited statements of financial position of individual entities are translated into Euro at the year-end rates where the ledger currency is different. The audited statements of financial activities and statements of functional expenses are converted at the average rate for the year where the ledger currency is different.

Exchange rates applied to these aggregated financial statements are:

	<u>EUR/USD</u>	<u>USD/CHF</u>	<u>PHP/USD</u>	<u>MMK/USD</u>
Closing rate 2022	1.06749	0.92354	55.7605	2,077.96
Average rate 2022	1.05866	0.94925	54.2028	1,897.95
Closing rate 2021	1.13240	0.91521	51.1931	1,756.68
Average rate 2021	1.18403	0.91204	41.3192	1,570.88

e. Fixed assets

Generally, acquisitions of assets in excess of USD 1,000 or the equivalent in other currencies using unrestricted funds are capitalized except for personal computers (PCs) and notebook computers that are recognised as expense upon purchase owing to the accelerated rate of obsolescence.

Fixed assets are depreciated using the straight-line method as follows:

- Vehicles: 3 or 4 years depending on conditions of use
- Fixtures and fittings: 4 years or the length of the premises lease if shorter
- Furniture and office equipment: 5 years
- Computers and IT equipment (other than personal computers (PCs and Notebooks)): 3 years

The acquisition cost of fixed assets financed by donors within the framework of a grant, used in the field for programme purposes, such as vehicles and computer equipment, is expended upon shipment to the field; or upon purchase, if purchased locally unless otherwise required by the donor. This equipment is not depreciated given the accelerated useful life and given that it is not removed from the programme country nor used for any other purpose. When the project or programme is closed, the remaining fixed assets are transferred or otherwise disposed of in accordance with donor terms and conditions.

Leased assets acquired under long-term finance leases are capitalised and recorded in the Statement of Financial Position as tangible fixed assets. They are depreciated over the shorter of their estimated useful life and the lease term and the associated obligations are included in financial debts. Operating leases are accounted for under the statement of financial activities.

f. Financial assets

Financial assets, such as rental deposits are recorded at their nominal value.

g. Inventories

Given their small value, inventories, held at the head office or in the field, are recognized as expenditure when purchased.

h. Receivables and other assets

Receivables and other assets are stated at their nominal value. Allowances are booked to cover any risk of non-recovery. NP distinguishes the following categories of cash contributions:

- Grants are written agreements to contribute cash, normally for specific purposes from institutional donors, private organisations (such as companies, foundations, other not-for-profit organizations, etc.) and public institutional bodies (such as governments or various agencies). Grants are contributions whose use is limited by donor-imposed restriction ("restricted funds").

Grants receivable result from the total grant amount pledged by institutional donors and the instalments received for each of the agreements.

- Gifts are cash contributions and pledges from individuals. The use of gifts is normally not limited by donor restrictions ("unrestricted funds"). For NP Inc (United States), pledges expected to be received more than one year from the date of the statement of financial position are discounted to the present value. As of 31 December 2022 the long-term pledges are discounted at an average annual interest rate of 4.6987% (0.85% as of 31 December 2021).

Gifts are recognised as income upon the receipt of cash, or the written undertaking to donate. Any pledges of gifts not yet received are shown as part of receivables net of the discount amounts.

i. Cash and equivalents

NP considers short-term bank deposits, cash and bank at Head Office and Field Offices as cash equivalents. Cash and cash equivalents are stated at nominal value.

j. Provisions

At the date of the Statement of Financial Position, the Board of Directors, acting with prudence, sincerity and good faith, examines the provisions to be built up in order to cover all possible risks or losses that might have occurred during the financial year or previous financial years. This is examined at least at the end of every year. Provisions relating to previous financial years are regularly reviewed and increased or reversed if they no longer serve a purpose.

k. Financial debts and accounts payable (trade, tax, social and other payroll related payables)

Debts are recorded at nominal value. Trade accounts payable to suppliers are recorded on an invoice basis when the invoices are received by year-end or valued at best estimate if no invoice is received by year-end. Accruals for paid vacation are recorded at year-end if related legal obligations exist or if provided for in employment contracts.

l. Deferred income and accrued charges

Deferred income on grants is recognised on the basis of the difference between the total donor funding per the grant agreement and the cumulative expenses to date incurred in accordance with the donor terms and conditions for each of the formal grant agreements. Accrued charges are booked for expenses for the current accounting period such as pro rata of rent or goods and services delivered but are either not invoiced or which have not been paid at year-end.

m. Allocation of operational and administrative expenses

Expenses are allocated among the programmes and the underlying grants, fundraising and management and general categories based on management's best estimate of actual costs expended or time spent on the specific categories. Allocations to grants are done in accordance with the respective donor terms and conditions.

n. Specific methods used for aggregated accounts

Aggregation of Financial Statements combines several separate entities that are without investment or legal ownership relationships, into a single group, whereas a consolidation collates different affiliates of a single parent entity in its Financial Statements. The four NP entities (NP Inc, NP-AISBL, NP International and NP France) are, for purposes of legal ownership and holdings, independent entities. They all fall under the control of a common Board of Directors and a common Executive Director. The aggregated financial statements combine the accounts of the individual entities to have a single version of the accounts for the Board.

o. Measurement of the aggregated entities' assets and liabilities

Assets and liabilities of each aggregated entity are measured at net book value, adjusted according to the group accounting practices, by distinguishing gross value, depreciation and impairment. The variance due to harmonisation of the group accounting principles is added or deducted from the aggregated equity.

4. Comprehensive income and expenditure by category and business segment

	2022 Programmes - Restricted	2022 Global Fundraising - Unrestricted	2022 Global Management & Support - Unrestricted	TOTAL 2022	2021 Programmes - Restricted	2021 Global Fundraising - Unrestricted	2021 Global Management & Support - Unrestricted	TOTAL 2021
	USD	USD	USD	USD	USD	USD	USD	USD
<u>INCOME</u>								
Government and Institutional Grants & Contracts	22,977,925	54	30,379	23,008,358	18,402,303	26	104,177	18,506,506
Corporations and Foundation Grants	1,137,500	211,077	0	1,348,577	599,500	281,986	2,368	883,854
Donations Directed by Individuals	106,577	2,063,023	40,423	2,210,023	22,647	1,119,623	5,614	1,147,884
Other income	339,670	500	738,731	1,078,900	233,157	800	30,347	264,304
Investments revaluation gains & (losses)	0	0	(228,272)	(228,272)	0	0	85,649	85,649
Present value discount	0	(29,100)	0	(29,100)	0	17,851	0	17,851
Internal income transfers from restricted	(1,626,740)	34,482	1,592,258	0	(1,287,265)	0	1,287,265	0
Total Income	22,934,932	2,280,036	2,173,519	27,388,486	17,970,342	1,420,286	1,515,419	20,906,048
<u>EXPENDITURE</u>								
Staff costs	10,774,163	364,002	1,715,517	12,853,682	7,470,773	216,491	1,693,904	9,381,167
Programme costs	5,821,158	0	7,461	5,828,619	5,441,696	1,708	6,364	5,449,769
Travel & transport	2,228,238	6,016	108,413	2,342,668	1,660,513	2,345	92,222	1,755,080
Professional services	766,370	38,960	473,091	1,278,422	540,007	9,872	415,190	965,070
Occupancy and other administrative costs	2,309,157	163,040	245,828	2,718,025	1,783,612	119,311	212,796	2,115,719
Finance & other operating costs/(gains)	1,036,198	12,864	36,150	1,085,213	1,187,395	7,796	111,183	1,306,374
Restricted expenditure not covered by grants	(144,471)	0	144,471	0	(113,655)	0	113,655	0
Total expenditure	22,790,815	584,882	2,730,932	26,106,629	17,970,342	357,524	2,645,314	20,973,180
Net Surplus/(deficit) for the year	144,117	1,695,154	(557,413)	1,281,858	0	1,062,762	(1,129,895)	(67,132)
<u>Other Comprehensive income/(expense)</u>								
Unrealised exchange gains/(losses)	(707,609)	0	76,404	(631,205)	(212,724)	0	290,226	77,501
Reserves revaluation movements	10,352	0	(30,884)	(20,532)	(29,970)	0	(31,786)	(61,756)
Total other comprehensive income/(expense)	(720,384)	0	68,646	(651,738)	(242,694)	0	258,440	15,746
Total Comprehensive income/(expense)	(576,267)	1,695,154	(488,767)	630,120	(242,694)	1,062,762	(871,455)	(51,387)

5. Restricted income and expenditure by donor

Institutional or Other Donor	Income 2022	Staff costs	Program costs	Travel & transport	Professional services	Occupancy & other admin costs	Finance & other operating costs/(gains)	Total expenditure 2022	Net Under/(Over) Spend 2022	Income 2021	Total expenditure 2021	Net Under/(Over) Spend 2021
	USD '000s	USD '000s	USD '000s	USD '000s	USD '000s	USD '000s	USD '000s	USD '000s	USD '000s	USD '000s	USD '000s	USD '000s
Dutch Ministry of Foreign Affairs	6,866.2	3,059.1	1,585.7	573.7	109.8	614.6	312.8	6,255.5	610.7	3,942.8	3,667.6	275.2
Dutch Embassy & European Instrument for Democracy & Human Rights	524.2	81.0	312.6	48.4	24.1	40.9	21.0	527.9	(3.7)	1,141.0	1,059.2	81.7
The European Union	2,982.2	1,377.5	808.1	220.8	67.0	218.0	139.7	2,831.2	151.1	3,496.1	3,146.4	349.7
European Civil Protection & Humanitarian Aid Operations (ECHO)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	148.8	168.6	(19.8)
Office of United States Foreign Disaster Assistance	5,857.2	2,097.2	1,684.9	642.5	84.6	725.4	281.7	5,516.2	341.0	4,003.1	3,653.7	349.4
Reconciliation, Stabilization and Resilience Trust Fund (South Sudan)	1,074.8	298.5	347.9	105.4	16.3	232.7	38.8	1,039.7	35.2	722.6	674.6	48.0
Swiss Agency for Development & Cooperation	2,052.5	755.9	451.0	240.5	115.5	238.9	132.8	1,934.6	117.9	998.9	961.7	37.2
UN Office for the Coordination of Humanitarian Affairs (OCHA)	256.6	55.6	94.9	54.5	3.7	26.0	6.1	240.9	15.7	388.2	362.7	25.5
US Bureau of Democracy, Human Rights, and Labor (DRL)	798.3	605.5	4.0	51.1	15.1	46.1	10.8	732.6	65.6	864.8	801.1	63.7
Plan International (Norwegian Govt)	132.7	43.5	79.2	4.4	1.8	0.6	3.1	132.7	(0.0)	137.7	137.7	0.0
Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ)	480.9	350.1	6.7	41.0	9.6	18.3	12.2	437.7	43.2	1,015.2	929.2	85.9
US Agency for International Development / Devt Alternatives Inc. (USAID/DAI)	283.1	84.8	91.8	12.2	2.0	12.6	(40.6)	162.8	120.3	238.2	235.4	2.8
United Nations Population Fund (UNFPA)	293.7	70.5	207.4	2.1	1.0	0.7	0.2	282.0	11.8	277.7	264.0	13.7
Government of Canada (Global Affairs Canada)	138.3	100.8	0.4	11.2	2.4	9.2	1.9	125.9	12.4			
The Canada Fund for Local Initiatives (CFI) & ASEAN	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	19.9	18.7	1.2
Norwegian Refugee Council/US Bureau of Population, Refugee & Migration	974.5	603.6	7.7	107.4	33.1	60.7	59.5	871.9	102.6	717.3	655.1	62.3
Australian Department of Foreign Affairs and Trade	53.3	9.5	38.6	0.0	0.2	0.2	1.6	50.1	3.2	35.3	33.0	2.3
Humanity United	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	56.4	52.8	3.6
French Ministry for Foreign Affairs	12.9	0.4	5.5	3.6	0.4	2.1	0.1	12.1	0.8	39.5	40.3	(0.8)
Fondation Smartpeace, Switzerland	46.0	12.2	12.7	11.1	1.6	0.4	7.8	45.7	0.3		0.0	0.0
United Nations Women	73.7	13.9	49.2	1.7	0.1	0.1	3.8	68.7	5.0		0.0	0.0
United Nations Development Programme (UNDP)	(0.0)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	(0.0)	102.7	96.8	5.8
Aberyswyth University United Kingdom	12.5	0.0	12.5	0.0	0.0	0.0	0.0	12.5	0.0			
Leeds university United Kingdom	0.0	0.0	0.0	0.0	0.0	0.0	(4.0)	(4.0)	4.0	23.2	22.9	0.2
UN OCHA Center for Social Integrity, Myanmar	28.9	0.6	23.1	4.1	0.0	0.0	(0.9)	26.8	2.1	8.3	1.6	6.6
Other donors	1.3	1.7	0.0	0.0	0.0	0.0	0.0	1.7	(0.4)	7.3	9.2	(1.9)
Total Country Programme	22,943.8	9,621.7	5,823.8	2,135.6	488.2	2,247.6	988.2	21,305.1	1,638.7	18,384.7	16,992.3	1,392.4

6. Institutional donors grants - expenditure details

Department or Agency and Project Description		Grant duration	Country	Total grant incl. overheads	2022 Net Expenditure	2021 Net Expenditure	2020 Net Expenditure
				(Currency as shown)	USD	USD	USD
United States Federal Government Funding							
OFDA/BHA	Office of U.S. Foreign Disaster Assistance/Bureau for Humanitarian Assistance						
'Reducing Violence and Increasing the Safety and Security of Civilians and Returnees in Greater Upper Nile, Western Bahr el Ghazal, and Central Equatoria, South Sudan'		1 Aug 2020 to 31 Jul 2021	South Sudan	USD 9,528,485	3,936,573	3,653,694	1,113,296
Mitigating violence, increasing the safety and security of civilians and strengthening the resilience of populations affected by conflict and environmental shocks		1 August 2022 to 31 Jul 2024	South Sudan	USD 7,500,000	1,579,634	-	-
					5,516,208	3,653,694	3,752,905
DRL	US Bureau of Democracy, Human Rights, and Labor						
Monitoring the implementation of the Declaration of Principles to Support the Rule of Law		17 Jul 2020 to 31 Jan 2022	Iraq	USD 1,816,560	732,642	801,117	121,761
					732,642	801,117	121,761
DAI	US Agency for International Development / Devt Alternatives Inc.						
Strengthening Civilian Protection Capacities		1 Jan 2022 to 30 Apr 2023	Myanmar	USD 257,917	123,308		
Supporting Emerging Women Leaders		1 Aug 2020 to 30 Jun 2022	Myanmar	USD 539,683	39,457	235,393	33,323
					162,764	235,393	219,290
NRC/BPRM	Norwegian Refugee Council/US Bureau of Population, Refugee & Migration						
Education Consortium of Iraq, Eqtyaz Program		15 Sep 2020 to 13 Sep 2023	Iraq	USD 700,000	211,200		
				USD 700,000	475,595	169,216	
				USD 560,000		485,863	31,743
Civilian Protection and Capacity Strengthening in Southern Ukraine		1 Nov 2022 to 30 Apr 2023	Ukraine	EUR 500,000	185,146		
					871,941	655,079	31,743

Department or Agency and Project Description		Grant duration	Country	Total grant incl. overheads	2022 Net Expenditure	2021 Net Expenditure	2020 Net Expenditure
				(Currency as shown)	USD	USD	USD
The European Union and EU/European Countries							
EU	The European Union						
	Supporting community resilience and non-violent conflict management in Upper Nile and Jonglei States, South Sudan ensuring communities have effective locally owned mechanisms for violent prevention.	15 Aug 2022 to 14 Aug 2024	South Sudan	EUR 1,300,000	263,092		
	Inclusive Ceasefire and Transitional Security Monitoring Mechanisms	1 Jun 2020 to 30 Nov 2021	South Sudan	EUR 2,000,000	25,010	1,471,818	705,215
	Protecting civilians in Darfur and Sudan	1 Mar 2022 to 30 Sep 2023	Sudan	EUR 2,499,941	1,205,447		
	Sustaining and Promoting Community Resilience and Social Cohesion in Mindanao	1 Jul 2018 to 30 Oct 2020	Philippines	EUR 3,500,000	-	-26,746	1,393,778
	Accompanying the Transition, Transformation of Conflict and Advocacy in Bangsamoro (ATTAIN)	1 Nov 2020 to 1 Nov 2022	Philippines	EUR 4,076,905	1,337,627	1,701,310	205,541
					2,831,176	3,146,383	2,304,534
Dutch EIDHR	Dutch Embassy & European Instrument for Democracy & Human Rights						
	Increasing the Safety, Security and Operational Space of Human Rights Defenders	1 Jan 2020 to 30 Apr 2022	South Sudan	EUR 1,174,994	527,897	1,059,231	592,641
					527,897	1,059,231	592,641
Dutch Embassy	Dutch Ministry of Foreign Affairs						
	Increasing the safety, security and operational space of human rights defenders in South Sudan	01 May 2022 to 30 Apr 2025	South Sudan	EUR 3,345,440	620,296		
	Fostering a safe and enabling environment for inclusive and sustainable peacebuilding (co-funded with SDC)	01 Nov 2022 to 31 Oct 2024	South Sudan	USD 3,000,000 of USD 5,900,000	459,904		
	Strengthening Women's Leadership in Violence Prevention, Conflict Management and Peacebuilding	1 Oct 2010 to 30 Sep 2022	South Sudan	USD 6,000,000	2,973,172	2,438,502	172,386
	Strengthening Local Stakeholders' Capacity in Transforming Violent extremism	1 Aug 2019 to 31 Jan 2021	Philippines	EUR 150,000		110,660	45,090
	Mitigating Local Conflict and Supporting Community Protection Systems in Sinjar and Ba'aj	1 Apr 2021 to 29 Feb 2024	Iraq	EUR 7,402,148	2,162,191	1,118,473	
	Preventing Violence & Building Safer Communities in Emergency locations in Kharkiv Oblast	15 Dec 2022 to 15 May 2023	Ukraine	EUR 95,000	35,934		
	Sustaining the Gains of Peace, Equal Rights for Women and Attaining Reconciliation in Aceh (SPEAR)	1 Nov 2022 to 31 Oct 2024	Indonesia	IDR 10,465 million	4,022		
					6,255,519	3,667,636	770,211

Department or Agency and Project Description		Grant duration	Country	Total grant incl. overheads	2022 Net Expenditure	2021 Net Expenditure	2020 Net Expenditure
				(Currency as shown)	USD	USD	USD
The European Union and EU/European Countries (Cont..d)							
ECHO	European Civil Protection & Humanitarian Aid Operations						
Integrated Multi-Sectoral Intervention for the Most Vulnerable Population of Raja Country		1 May 2020 to 31 Mar 2021	South Sudan	EUR 1,250,000	0	168,535	307,652
					0	168,535	307,652
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit						
Strengthening Youth Engagement and Action Towards Peace in Mindanao (STREAM)		15 Nov 2020 to 14 Nov 2021	Philippines	EUR 200,000		157,403	4,460
Supporting Participation of the Affected Population in the Al-Alyadiyah and Zummar Agreements		1 Aug 2020 to 31 Jan 2022	Iraq	EUR 1,502,226	437,730	771,834	324,780
Monitoring and Supporting the implementation of the Peaceful Coexistence Pact of Honour		15 Dec 2018 to 31 Jul 2020	Iraq	EUR 1,743,412		-	719,393
					437,730	929,236	1,048,632
SDC	Swiss agency for Development & Cooperation						
Reducing the Prevalance and impact of Violence in Western Equatorial		1 Nov 2018 to 28 Feb 2021	South Sudan	USD 1,300,000		133,742	551,284
Protecting Communities in the Sobat Corridor, Upper Nile State		1 Mar 2019 to 31 May 2021	South Sudan	USD 1,713,000		416,877	694,050
Creating Civilian Space for Community Reconciliation and Strengthening Capacities in Protection		1 Jun 2021 to 1 Sep 2022	South Sudan	CHF 1,900,000	1,587,285	323,509	34,232
Supporting the Displaced Population of Tel Afar towards Voluntary, Safe and Dignified return		15 Nov 2019 to 28 Feb 2021	Iraq	USD 657,895		87,544	503,347
Nonviolent peaceforce Integrated Mobile Protection Response in Hard to Reach Areas		1 Apr 2022 to 21 Dec 2022	Ukraine	CHF 390,048	347,309		
					1,934,594	961,671	1,800,135
French Embassy	French Ministry for Foreign Affairs						
Women-led dialogue and reconciliation between communities in Mvolo and Yirol.		1 Nov 2022 to 30 Apr 2023	South Sudan	USD 19,417.48	1,064		
La mise en oeuvre d'un programme de prevention des violences intercommunautaires dans les comtes de Mvolo (Etat de l'Equatorial Occidental) at Yirol (Etas des Lacs)		15 Nov 2021 to 15 May 2022	South Sudan	USD 11,806	11,034		
Enhancing the Safety and Security of Human Rights Defenderrs and peace Workers in the aftermath of Myanmar's Military Coup		1 Jul 2021 to 31 Dec 2021	Myanmar	EUR 55,000		40,266	-
					12,097	40,266	0

7. Donations by individuals

Contributions and gifts are recognized as revenue when pledged or as they are received. Within the United States, amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as net assets with donor restrictions. When a restriction expires or the underlying obligation to the donor is met, net assets with donor restrictions are reclassified to net assets without donor restrictions. For purposes of the aggregated Financial Statements, contributions designated for future periods (time restricted) without other restrictions and without being restricted as to purpose are classified as unrestricted net assets. The reclassification between the US and aggregated financial statements are as follows:

	2022 Restricted	2022 Unrestricted	20201 Restricted	2021 Unrestricted
<u>Donations by Individuals</u>	USD	USD	USD	USD
NP United States				
Donations by Individuals **	516,376	1,653,223	88,647	1,053,623
Present value discount	(29,691)	591	17,851	
	486,685	1,653,814	106,499	1,053,623
Sub-totals		2,140,499		1,160,121
Aggregated Financial Statements				
Donations by Individuals	106,576	2,063,023	22,647	1,119,623
Present value discount		(29,100)		17,851
	106,576	2,033,923	22,647	1,137,474
Sub-totals		2,140,499		1,160,121

8. Fixed Assets

The following categories of depreciable fixed assets were held by the NP group:

	Right to Use Leases	Vehicles	Office Furniture and equipment	Total
	USD	USD	USD	USD
COST				
Opening balance as at 1 January 2022	0	49,388	90,460	139,848
Fixed assets currency movement on cost during the year	107,391	(3,349)	(407)	103,635
Disposals during the year				0
Closing balance as at 31 December 2022	107,391	46,039	90,053	243,483
ACCUMULATED DEPRECIATION				
Opening balance as at 1 January 2022		(49,388)	(72,196)	(121,584)
Depreciation charge and currency conversion movements during the year	(33,198)	3,349	(4,766)	(34,615)
Written off during the year				0
Closing balance as at 31 December 2022	(33,198)	(46,039)	(76,962)	(156,199)
NET BOOK VALUE				
Opening balance as at 1 January 2022	0	0	18,264	18,264
Closing balance as at 31 December 2022	74,193	0	13,091	87,284

9. Grants receivable and Grants deferred income

Grants receivable represents total contracted amounts per grant agreements less cash instalments and transfers made to NP by the respective donors. Deferred income represents the total contracted amounts that are attributable to future periods after 31 December 2022. Where the deferred income is higher in absolute terms than the grants receivable, the difference broadly indicates that donors have advanced cash to NP, thus the difference is a net liability. Where the grant receivable is higher than the deferred income in absolute terms, it implies broadly that NP has pre-financed the grant and is therefore owed funds by the donor for activities that have already been undertaken. The above amounts are net for all the grants at each individual country programme.

	GRANTS RECEIVABLE 2022	DEFERRED INCOME 2022	NET 2022	GRANTS RECEIVABLE 2021	DEFERRED INCOME 2021	NET 2021
	USD	USD	USD	USD	USD	USD
NP South Sudan	15,854,588	(15,365,234)	489,354	8,991,699	(9,808,194)	(816,495)
NP Philippines	830,726	(1,467,253)	(636,526)	2,675,049	(3,059,397)	(384,348)
NP Iraq	7,233,219	(7,224,706)	8,513	7,968,340	(8,425,060)	(456,720)
NP Myanmar	266,503	(98,730)	167,773	370,905	(231,262)	139,643
NP Sudan	769,698	(1,255,799)	(486,100)	0	0	0
NP Ukraine	1,404,736	(1,370,134)	34,601	0	0	0
NP Indonesia	418,978	(628,316)	(209,338)	0	0	0
NP AISBL	28,986	(1,738,556)	(1,709,570)	785,763	(1,596,263)	(810,500)
NP International	435	(164,070)	(163,634)	11,038	(8,252)	2,786
NP United States	1,286,489	0	1,286,489	879,632	0	879,632
Total	28,094,359	(29,312,797)	(1,218,438)	21,682,426	(23,128,427)	(1,446,001)

10. Payroll liabilities

Payroll liabilities represent liabilities in respect of staff remuneration outstanding as at 31 December. Employee benefits and social security liabilities relate to payroll taxes and social security deducted from salaries or accrued as employer contributions. Note that a reclassification error of USD 1,885 in 2021 has been corrected on the comparatives.

	2022 USD	2021 USD
Employee benefits and social security	628,497	1,034,654
Pension and retirement benefits	2,730	300
Accrued staff leave and vacation	72,970	43,127
Salaries, medical costs and other payroll liabilities	95,147	4,876
Total payroll liabilities	799,344	1,082,957

11. Designated Reserves

Designated reserves represent funds marked as designated by Management and notified to the Board providing authority to the Executive Director to request approval from the Board to apply when required over and above the approved 2023 budget. The total reserves of USD 1,039,494 as at 31 December 2022 include a donation from Ms. Kim Lund of USD 300,000 just before the end of 2022 and payroll liabilities in South Sudan and the Philippines written back of USD 435,752 and USD 303,742 respectively.

12. Reserves restricted as to purpose

Reserves restricted by donors as to purpose relate to donations provided to Nonviolent Peaceforce by multiple donors in the United States with conditions restricted as to purpose. The table below provides a breakdown of the amounts and the restrictions imposed. The total has been classified as part of the reserves restricted as to purpose as opposed to deferred income with other restricted donations outside of the United States.

Donor and Type of Restriction Imposed	Balance as at 31 Dec 2022 USD	Balance as at 31 Dec 2021 USD
Bush Foundation for Rural Minnesota	230,389	-
Emerging Crisis Funds	40,495	40,495
Nigeria	-	30,020
South Sudan	274	1,000
Ukraine	600	-
Total Location Specific	874	31,020
Entertainment Industry Foundation US Programs - KYR Safety Gear	-	19,231
Holthues Trust (Financial Year 2022)	-	110,000
Holthues Trust (Financial Year 2023)	90,737	
Jubitz Family Foundation Portland Assessment	0	25,000
McKnight Foundation		
US ASSESSMENT & PROGRAMS	13,415	97,599
Twin Cities (Minneapolis & St. Paul) Programs	50,000	-
POOLED PROGRAM FUNDS		
Nonviolence Chicago	1,945	1,239
Twin Cities (Minneapolis & St. Paul) Programs	160,000	-
US ASSESSMENT & PROGRAMS	(0)	116,426
SUSTAINABILITY FUND - gains	2,515	5,242
Total McKnight Foundation	227,875	220,507
Total funds restricted as to purpose	590,369	446,252

13. Lease commitments

NP has operating lease commitments on rental of offices and other premises. Within Country Programmes, the leases are of short durations and may be terminated by the giving of either 30 days or 60 days’ notice at any time. There are no long-term lease agreements in country programmes as they have generally been negotiated in line with the relatively short durations of most grants. Long term significant lease agreements are with NP United States (NPUS) and NP Headquarters (NPHQ). Lease commitments for the following three years and subsequently are as follows:

				NPUS	NPHQ
			Total USD	2022 USD	2022 CHF
During the year ended 31 December:					
	2023		190,302	68,358	112,620
	2024		139,464	35,245	96,250
	2025		41,832	35,985	5,400
	Thereafter		9,470	6,059	3,150
Total minimum lease payments			381,067	145,647	217,420

NP group had no Finance Leases during the reporting period.

14. Going concern

These accounts have been prepared on a going concern basis.

15. Contingent Liabilities

The Board and the management are not aware of any significant events that should be reported as contingent liabilities.

16. Significant events after the balance sheet date and Going Concern assumption

The Board and the management are not aware of any significant events after the balance sheet date that might have any significant impact on the going concern assumption or have any significant impact on the validity and readability of these financial statements.