

Company number: 4271537
Charity number: 1144010

Rift Valley Research Limited

Report and financial statements
For the year ended 31 December 2017

Rift Valley Research Limited

Contents

For the year ended 31 December 2017

Reference and administrative information	1
Trustees' annual report	2
Independent auditor's report	28
Statement of financial activities (incorporating an income and expenditure account)	32
Balance sheet	33
Statement of cash flows	34
Notes to the financial statements	35

Rift Valley Research Limited

Reference and administrative information

For the year ended 31 December 2017

Company number 4271537

Charity number 1144010

Operating as Rift Valley Institute

Registered office and operational address Unit 107, Belgravia Workshops
159/163 Marlborough Road
LONDON, N19 4NF

Trustees Trustees (who are also directors of Rift Valley Research Limited for the purposes of company law) who served during the year and up to the date of this report were as follows:

Andrew Carl	(appointed 8 January 2018)
Comfort Ero	(Chair from 7 March 2018)
Ann Grant	
Ali Hersi	(appointed 8 January 2018)
Lindsey Hilsum	(retired 21 November 2017)
Christopher Maynard	(appointed 14 February 2017)
Leben Moro	(appointed 8 January 2018)
Mohamed Osman	(retired 6 March 2018)

Principal staff Mark Bradbury Executive Director (from 1 January 2017)

Bankers HSBC (UK)
I&M Bank (Kenya)

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

Summary

The Rift Valley Institute (RVI) is an independent, non-profit organisation working in eastern and central Africa. The aims of the Institute are to advance understanding of the region and its diverse communities, to connect local knowledge to social and political action, to defend freedom of information and to promote social justice. RVI pursues these aims through action-oriented research, field-based training, public events, institution building, digital archives, distance learning and open-access publishing. In 2017, RVI's programmes covered Somalia, Somaliland, South Sudan, Kenya, Tanzania, Uganda, Ethiopia and the Democratic Republic of the Congo. In 2017, a turnover of staff meant that the Institute had thirteen staff by the end of the year, two fewer than 2016, and with some part-time positions. The Institute maintained offices in Kenya (Nairobi), South Sudan (Juba), Somaliland (Hargeysa) and the UK (London).

The year 2017 was a period of transition for the Institute. John Ryle, the Institute's founder and long-term Executive Director, stepped down in December 2016. He was succeeded by Mark Bradbury, based in Nairobi, Kenya. The appointment of the new Executive Director based in eastern Africa provides the opportunity to develop the Institute's presence in eastern and central Africa and to advance its aims. In 2017, RVI appointed a finance director from Kenya, the board of trustees was diversified to include two new trustees from Kenya and South Sudan, and a Chair (Comfort Ero) who spends half of her year in East Africa. These organizational changes support the Institute's aims to undertake research that responds to locally defined needs and interests, educational work that will focus increasingly on training and skills transfer to researchers and institutions in Africa, expanding physical and digital platforms for the exchange of knowledge, and supporting more South-South collaborations and partnerships.

Advancing this strategy in 2017 required the Institute to address a decline in income in 2016, and to rebuild the organization's reserves. In 2016, the overall income of the Institute declined by 21 per cent compared to the previous financial year, to US\$2,081,171, and unrestricted reserves fell by 48 per cent. In 2017, overall income rose by 24.5 per cent to US\$2,592,912, and the Institute ended the year with unrestricted reserves of US\$464,724, an increase of 41 per cent on 2016. This was achieved through a reduction in the cost-base of the Institute, more focussed fundraising, the introduction of improved financial management practices, and more participatory management and planning practices. RVI was financed in 2017 by a combination of donor funding, fees earned from courses, and payments for consultancies and project management.

The Institute continued to develop and diversify its work across eastern and central Africa in research, education and training, and public information. Notable research undertaken during 2017 included: the on-going documentation and understanding of the role of South Sudanese customary authorities in local governance, justice and conflict mediation, funded by the Swiss government; the dynamic relationship between the South Sudanese diaspora and the situation in South Sudan, funded by the Australian Embassy in Addis Ababa; research on the political economy of taxation in Ethiopia, funded by DFID; a study of financial remittances and vulnerability in Somalia, funded by the World Bank; research on gender and conflict in Somalia, funded by the Life and Peace Institute; a study on the obstacles to women's participation in politics in Kenya and on

the political dynamics of elections and electoral management, both supported by the UK East Africa Research Fund (EARF); and research on rural to urban migration in Kenya, Uganda and Ethiopia, funded by the European Union (EU) Research and Evidence Facility (REF).

In 2017, RVI's flagship annual training courses on the Horn of Africa, Sudan and South Sudan, and the Great Lakes, took place for a second year in Entebbe, Uganda. In addition, seven country courses were organized for UNICEF, including several in central and southern Africa, and two thematic courses. The Institute also ran more training courses for researchers from the region, including courses on oral history for South Sudanese in collaboration with the Catholic University in Juba, and on social science research methodologies with research centres at the University of Hargeysa in Somaliland and Puntland State University in Puntland.

In support of the right to information, the Institute continued to organize lectures, panel discussions and public meetings through the Rift Valley Forum, organizing more than 30 meetings that together attracted over 1,200 participants. Forums included a series on the drought in Somalia, on political dynamics in South Sudan, on the localization of aid in Somalia, and a monthly roundtable for researchers studying violent extremism. As well as in Nairobi, forums were held in Hargeysa (Somaliland), Garowe (Puntland), and Juba (South Sudan), including the annual Juba Lectures. We also scaled up our work to conserve and digitize the national archives of South Sudan, promoting them through public exhibitions, talks and radio shows in Juba and elsewhere in South Sudan, funded by UNESCO and the Swiss Embassy in Juba. We continued to produce a range of topical publications and increased the Institute's social media presence to disseminate our work.

We continued to support the Hargeysa Cultural Center in Somaliland, and in partnership with the Red Sea Online Cultural Foundation, submitted a successful application for a second phase of support, to start in 2018.

Progress on the strategic planning process was limited as the financial performance of the Institute and the need to deliver the 2017 budget took priority. Nevertheless, two organization-wide meetings were held in Nairobi during the year to enhance collaborative planning, management and team building. The work on delivering the organizational strategy will continue in 2018.

The operational context in the regions where the Institute works was no less challenging in 2017 than in previous years. Physical security, and a curtailment of freedom of information and public space in most countries where we work, continues to pose challenges. Despite these and other constraints, RVI's work in the linked fields of research, learning and information grew, and we developed new partnerships and diversified the Institute's footprint in the region.

Objectives and activities

Background

The Rift Valley Institute was founded in 2001 as a non-profit organization operating in eastern and central Africa. These are countries and regions undergoing rapid economic and social change, which for decades have been prone to protracted conflict, state collapse and humanitarian crises, and subject to multiple forms of foreign political and economic interventions, including peacekeeping, aid and humanitarian operations, and, more recently, policies to counter terrorism and manage migration. The Institute works with communities, institutions and individuals to bring local knowledge to bear on political, economic and social development in the countries in the region. Currently these include Sudan, South Sudan, the Somali regions (including Somaliland and Puntland), Ethiopia, Eritrea, Djibouti, Kenya, Uganda, Tanzania, the Democratic Republic of the Congo, Rwanda and Burundi.

The Institute develops and implements programmes that combine action-oriented research with education and public information. The first RVI project was a field investigation of war-related abduction and enslavement in the north-south borderlands during the 1983-2005 civil war in Sudan. In subsequent years, the RVI, working in collaboration with international and local partner organisations, has pursued research into peace processes, judicial systems, electoral processes, armed groups, contested borders, land governance, migration, gender, economic development and local governance. RVI programmes are designed for long-term impact and aim to shape aid interventions, expand space for public participation in policy formulation, support local research capacity, preserve communal histories and promote social justice. Through field-based research, education and training activities, the conservation of historic archives, and platforms like the Rift Valley Forum, the Institute facilitates dialogue between policy-makers, researchers, activists and community leaders in the wider region, bringing local knowledge to bear on political and social action.

The principles that guide the Institute's work, as articulated in RVI's *Development Strategy 2016-2020*, are:

- Accurate information, like clean water, is an indisputable public good.
- Respect for local knowledge informs equitable development.
- Public research and education encourage the free exchange of knowledge.
- Improved public information and open debate generate positive social change.
- Long-term local partnerships are the basis for successful projects.
- Accountability and transparency are key to effective collaboration.
- Integrating research with training and dissemination adds social value.

Charitable objectives

The Charity was established, in the words of the Articles of Association, in order, among other things, to 'advance the education of the general public, particularly but not exclusively in Eastern and Central Africa'; to 'promote research into Eastern and Central Africa and related subjects'; and to 'disseminate the useful results of such research throughout the world'. These objectives are for

the public benefit, as set out in the Charities Act of 2006. In furtherance of these objectives, the Charity undertakes four core activities: research and publication; education and training; forums for public discussion; and conservation and digitization of archives. These areas are the most effective means available currently to implement the Institute's broad aim of bringing local realities to bear on social, economic and political development in eastern and central Africa.

The RVI is a signatory of the Budapest Open Access Initiative of 2002 and seeks to promote free public access to useful knowledge. RVI books, reports, maps, newsletters and the contents of its websites are published and disseminated, wherever possible, under a Creative Commons open-access license. Digital versions of RVI publications are available for download free of charge from the Institute's website. Digital archives created and run by the RVI use UNESCO-endorsed open-source software.

Objectives and Activities in 2017

In August 2016, the trustees endorsed a four-year Development Strategy 2016–2020, which identified several development aims for the Institute. In 2017, progress was made on several of these.

Aim 1. Research: to expand high quality research and publications

Progress: In 2017, the Institute continued with long-term research programmes, in particular the South Sudan Customary Authorities (SSCA) project. New research projects included studies on the themes of economic livelihoods (remittances and vulnerability in Somalia); political economy analysis (taxation in Ethiopia and in Somalia); participatory governance (women in politics in Kenya and the Kenyan elections); social change (rural to urban migration in Kenya, Ethiopia and Uganda); and gender and violence (in Kismayo). These projects diversified the Institute's thematic and geographical knowledge-base and expanded our engagement in Kenya, Ethiopia and Uganda. The research findings were disseminated through a range of publications, Forum meetings and podcasts.

Aim 2: Education and Training: to expand customized courses and locations where they are offered

Progress: Education and training courses fulfil a core aim of the Institute to advance understanding of the region and its diverse communities, by bringing researchers and activists together with professionals working in the region in a constructive learning environment, and by supporting the generation of local knowledge. Since 2014, RVI has successfully expanded its training courses beyond the three widely respected field-based training courses about Sudan and South Sudan, the Horn of Africa and the Great Lakes, to customized courses for institutional clients. In 2017, the latter included seven customized courses for UNICEF, mostly in southern Africa, two thematic courses on migration for UNICEF, and a public course on the Kenyan elections. In South Sudan we trained fifty South Sudanese researchers in oral history methodologies and in Somaliland and Puntland, we trained forty university teachers in research methodologies.

Aim 3: Communication: to improve communication about the communities where we work and RVI's programmes

Progress: The Institute works in regions that have been not only deeply affected, but also marginalized, by the global economy, and which have suffered from violent political disorder and humanitarian emergencies. Through our work we aim to bring about positive change by advancing understanding of the people and communities of this region, and making local knowledge work. To do this we must communicate better the ideas that drive the Institute and the programmes we develop. We are pursuing this aim through a more dedicated focus on communications, expanded use of social media to disseminate our research, and outreach through projects and existing programmes like the Rift Valley Forum.

In late 2016, RVI appointed a Director of Research and Communications and a Programme Officer for Communications. An external communications review of the Forum was also undertaken, which produced useful recommendations on improving our communications. In 2017, the Institute increased its social media coverage, particularly on Twitter, but also Facebook, and the Institute's project work was better covered on our website. In South Sudan, through public exhibitions and radio programmes funded by UNESCO, and facilitated donor visits, we have increased awareness of the national archives and RVI's support to it. Funding from the Open Society Foundation (OSF) was allocated to improve the RVI website. We have continued to publish high-quality research-based publications, as well as shorter policy-orientated briefing papers and Forum meeting reports. Collaborations with like-minded organizations in the region, such as the Life and Peace Institute, have also increased the Institute's profile.

Aim 4: Event management: to expand RVI's corporate services for event management

Progress: In pursuit of our aim to advance understanding of the communities and countries of eastern and central Africa, RVI creates opportunities for the face-to-face exchange of knowledge through courses, lectures, workshops and conferences. The Rift Valley Forum has been an important vehicle for this since it was established in 2012. In 2017, the absence of a single project grant meant that the Forum generated income through a mixture of small and medium size grants, exceeding the target budget for the year. This included, for the first time, a funded series of forums on different themes, including a monthly roundtable meeting for researchers investigating violent extremism, a series on internal displacement in the region, and workshops on the localization of aid. Forums were organized in collaboration with several universities, including in 2017, the universities of Sussex, SOAS, and Durham, and Somali universities in Hargeysa and Garowe. This has helped to deepen our partnerships with these institutes and to position the RVI at the interface between policy, practice and academia.

Aim 5: Partners: to deepen ties with local partner organizations with a view to strengthening local research capacity and developing RVI's work in countries where it does not yet maintain offices

Progress: In fulfilment of its aims of supporting and disseminating research, and bringing local knowledge to bear on development in eastern and central Africa, the RVI undertakes its activities in partnership with national and regional organizations. Collaboration takes the form of mutual assistance, the exchange of skills and knowledge, joint projects, technical training, material support, shared resources, research assistance, sub-contracts, and co-hosting of events.

In 2017, RVI continued to develop relationships with local institutions in Kenya, Somaliland and South Sudan. New partnerships were formed in Uganda and Ethiopia, and with multiple organizations in Nairobi through the Rift Valley Forum. RVI's local partners in eastern and central Africa in 2017 included: in South Sudan, the Institute of Applied Research and Community Outreach at the Catholic University of South Sudan, the National Archives and the Likikiri Collective; in Uganda, Makerere University; in Tanzania, REPOA; in Kenya, Nairobi University; in Somalia, the Heritage Institute for Policy Studies and Puntland State University; and in Somaliland, Redsea Online Cultural Foundation, the University of Hargeysa, and the Academy for Peace and Development.

RVI continued to work on collaborative research projects, including with the universities in Somaliland and Puntland, the University of Juba, SOAS in London, and the University of Edinburgh. Many of the meetings of the Rift Valley Forum also involve collaboration with regionally-based organizations, such as the British Institute in Eastern Africa.

Aim 6: Fundraising: to expand and diversity funding

Progress: RVI is funded from three principal sources: core grants from private philanthropic organizations; project funding from donor governments and multilateral institutions; and fee-based income from training courses. In recent years the Institute has developed partnerships with academic institutions as part of donor-funded international research consortia.

Fundraising was a key priority for the Institute in 2017 to deliver the budget and rebuild the Institute's reserves. Core funding for the Rift Valley Forum ended in December 2016 and for the Hargeysa Cultural Centre in January 2017. Considerable staff time across the Institute was invested in fundraising and an improved system of tender alerts was established. An unrestricted grant from the Open Society Foundation (OSF), the New Executive Fund (NEF), was used to engage a professional fundraiser in the US to explore opportunities for foundation funding. Altogether the Institute submitted twenty-nine separate funding proposals in 2017, with a value of US\$9.2 million. Of this, contracts for US\$1.9 million were secured in 2017, with another US\$3 million awaiting confirmation for 2018. As a result, we achieved our target income for 2017.

Aim 7: Human Resources: to retain and advance staff development

Progress: The strength of any organization lies in those who work for it. Retaining staff with useful skill sets and giving them opportunities to advance their competence is an institutional priority. For a relatively small organization, the Institute has experienced considerable turnover of staff since 2016, with several senior staff, including the Executive Director, leaving. In part this was due to the Institute's uncertain funding position in 2016. In 2017, new management practices were introduced that gave staff more decision-making responsibilities, and two organizational meetings were held in Nairobi, in addition to participatory planning and budgeting processes being instituted. The institutional presence in eastern Africa was strengthened with the appointment of trustees from the region, a finance director from Kenya and a full-time programme manager in Juba. Additional funds for staff training have been allocated from the OSF grant received in 2017. These funds will also be used in 2018 to support staff development and a salary review.

Aim 8: Organizational Development: to improve organizational management practices

Progress: In response to the financial challenges experienced in 2016, the Board endorsed a plan to improve financial and project management practices. In 2017, many of these were put in place, including regular and standardized programmatic reporting; monthly management accounts; an improved fundraising pipeline; regular team meetings, including, for the first time, bi-annual organizational meetings; new internal communication tools; and an increase in board meetings to four per year. This has strengthened the Institute's collective management capacities and financial practices. In addition, overheads were reduced by moving into cheaper offices in London, Juba and Hargeysa.

Aim 9. Strategy Development: development of a long-term strategy for the development of the Institute

Progress: An extensive strategic planning process was undertaken during 2016 involving staff, Fellows, associates and collaborating institutions in the region, culminating in a draft strategic plan endorsed by the Trustees in August 2016. Progress on producing a development plan was limited in 2017, with fundraising and programme development taking a priority. Nevertheless, progress was made in governance of the Institute by diversifying membership of the board of trustees and improving some management and practices, improving internal and external communications, greater cross-fertilization and synergies between country offices and workstreams, widening our network of collaborators and partners, developing our competence in research, expanding our education and training programme, and expanding the Institute's footprint and projects in Kenya, South Sudan, Ethiopia and southern Somalia. Funds received from the OSF in 2017 will be utilized to advance the strategic planning process in 2018.

Overview of achievements and performance in 2017

In 2017, the Institute's core activities continued to be: research; education and training; and public information.

Research

The Institute was founded to undertake research, to advance understanding of the regions where it works, and to connect local knowledge to social and political action. Action-oriented and field-based social research, undertaken in collaboration with African researchers and research partners, continues to be core to our work. The research is designed to involve local researchers for the duration of the project and to generate publications of lasting value. In 2017, the Institute conducted research in eastern and central Africa on themes of politics and governance, economic livelihoods, political economy, migration, gender and the social impact of war, and resource-based conflict.

Governance: Under the theme of governance, the Institute undertook a third phase of research on the role of customary authorities in South Sudan. This study has been, like the Usalama project, a model of the kind of long-term, in-depth, field-based research that RVI does well, and has also proven very timely in the context of national dialogue processes. The project combines research

and the facilitation of structured conversations between chiefs from a select number of locations on their role in South Sudan and their potential contribution to the building of peace. In 2017, eight case studies were undertaken in different communities in South Sudan by a team of international experts and South Sudanese researchers who were trained by RVI as part of the project. The research reports will be published and disseminated in 2018.

We concluded our first major research project in Kenya examining the barriers and enablers to women in politics. This study was of high quality and appreciated by DFID Kenya who commissioned the work. We also managed an action-oriented monitoring and early warning research project on the 2017 elections. The project involved high level briefings to the British High Commission in Kenya, who commented that it was 'a model of policy-orientated research'.

In the DRC, RVI continued to be an active partner in the consortium implementing the DFID-funded *Political Settlements Research Programme (PSRP)*, led by the University of Edinburgh. This concluded in 2017 with a workshop in Nairobi of researchers from the DRC and the UK.

Economic livelihoods: We conducted research on the relationship between remittances and vulnerability in Somalia. The research, commissioned by the World Bank, is a contribution to a larger study to design a safety-net programme in Somalia. Our research on remittances and vulnerability expanded the Institute's research to southern Somalia.

Political economy: We undertook political economy research in Ethiopia and Somalia, which has helped to widen our knowledge base and expand our network of regional researchers.

Resource-based conflict: RVI concluded its research on land governance for the government of Somaliland, by supporting the drafting of a land policy, which was presented at a land conference in Hargeysa in March 2017.

Migration: In 2017, we undertook research on rural to urban migration in Kenya, Uganda and Ethiopia for the EU-funded Research and Evidence Facility. The study, undertaken by teams of regional and international researchers, extends our research on migration in the region. It also enabled us to undertake research across three countries for the first time, which has been a long-term ambition of the Institute.

Gender and the social impact of war: We continued to develop the Institute's particular interest on gender and conflict with research on women and violent extremism in southern Somalia, funded by UNDP and undertaken in collaboration with the Life and Peace Institute. We also contributed a paper on youth, masculinities and conflict to the United Nations Portfolio of Expert Briefing Papers on Peace and Reconciliation in Somalia.

Education and Training

RVI's education and training courses are designed to bring local knowledge to bear on development interventions, and deepening understanding of the historical dynamics of the regions

on the part of professionals and organizations involved in diplomacy, aid and development. The first Sudan Course took place in 2004 and in 2017 was in its fourteenth year, the Horn of Africa course in its tenth year and the Great Lakes course in its eighth year. More than one thousand people have graduated from these courses. Participants in the courses are eligible for three transferable postgraduate credits in the US tertiary educational system.

RVI Field Courses: In 2017, all three annual field courses were held for a second year running in Entebbe, Uganda, in June and July. Taught by teams of leading regional and international specialists, the courses provide the basis for an understanding of current political and developmental challenges in the three sub-regions. Participants attended from NGOs, donor organizations, regional bodies, embassies, media organizations, civil society organizations, universities and the private sector. The RVI scholarship programme—the Shading Tree Fund—funded by donors and through book sales, supported six young researchers and civil society activists from the region to attend the courses.

Customized courses: 2017 saw a continuing demand for short, customized courses. We ran seven induction courses for UNICEF representatives and a thematic course on migration for UNICEF managers. We also ran a commercial course on the Kenya elections, which attracted forty participants.

Research training: Training of local researchers has always been integral to RVI research projects, intended to help develop research expertise in the region. The Institute's first project, a field investigation of war-related abduction and enslavement during the 1983–2005 north-south civil war in Sudan, was undertaken while the war was at its height, with forty-five locally-recruited Sudanese researchers, trained and supervised in the field by two of the RVI's founders. The Institute is increasingly delivering dedicated training courses for researchers from the region, often in collaboration with universities. In 2017, as part of our continuing support to the University of Hargeysa's Institute for Peace and Conflict Studies (IPCS) and Puntland State University's Centre for Postgraduate Studies, Research and Capacity Development (CPSRCD), forty teachers were trained in social science research methods. The aim of this project has been to support the delivery of high-quality research in the Somali regions by Somalis that will generate useful knowledge of the Somali regions and its communities and that will inform Somali and international development policy. In South Sudan, fifty South Sudanese researchers were trained in oral history research techniques in collaboration with the Catholic University in Juba.

Gender research training: In 2017, we also supported gender research training with Somali partners of the Life and Peace Institute to undertake research on women and violent extremism in Somalia.

Public Information

RVI aims to connect local knowledge to social and political action, and defend the freedom of information. It pursues this aim by organizing public meetings and conferences through the Rift

Valley Forum, the annual Juba Lectures, through its preservation of archives, its support for the Hargeysa Cultural Centre, and through open access publishing.

Forum: In 2017, RVI's leading public platform for research dissemination, knowledge exchange and dialogue, the Rift Valley Forum, continued to organize public lectures, panel discussions and book launches throughout the year. In 2017, over thirty forums were organized, several in Hargeysa (Somaliland), Garowe (Puntland), Juba (South Sudan) and London. Longer term collaborations were established to organize a series of forums on different themes. In October, the Forum was fully engaged in supporting Somali Heritage Week in Nairobi through the Aw Jama Cultural Centre, with multiple funding sources.

Juba Lectures: In 2017, RVI organized the sixth Juba Lectures in collaboration with the Catholic University of South Sudan, on the theme of Cultures of Dialogue: Local and National Experiences in South Sudan.

Archives: RVI has pioneered the field-based conservation and digitization of archive material, and the creation of open-access digital archives. For several years we have been conserving and digitizing the endangered National Archives of South Sudan, in collaboration with the government and the Catholic University of South Sudan. This project has involved the specialist training of archive staff and students in digitization. In 2017, after a fallow period of funding, we were able to resume our support with grants from UNESCO. In addition to further digitization and conservation of documents, we organized a technical needs assessment of the archives infrastructure and systems, and invested in publication and dissemination of the archives through public exhibitions, radio and other media. We also linked the archives to our work on customary authorities, which helped to generate further funding for the archives from the Swiss government. In addition to the National Archives, RVI continued to develop the Sudan Open Archive, an online resource that has brought historic grey literature, academic research and other material into the digital domain.

Publications: In 2017, we continued to publish high quality research reports and briefing papers, although fewer than in 2016. This was due to the cycle of research and production of reports. Publications in 2017 included:

Research Reports

- Now We Are Zero: South Sudanese chiefs and elders discuss their roles in peace and conflict by Multiple Authors
- Land Matters in Mogadishu: Settlement, ownership and displacement in a contested city by Multiple Authors

Briefing papers

- The role of election observers in Somaliland by Ayan Yusuf
- Improving aid delivery through aid localisation in Somalia by Amina Abdulkadir
- The Peace Process in Burundi by Amina Abdulkadir and Elizabeth Mahiri
- Somalia: A state of male power, insecurity and inequality: Findings from the inception study on the impact of war on Somali men by Judith Gardner and Judy El-Bushra
- Drought in the Horn of Africa Roundtable by Amina Abdulkadir

Trustees' annual report

For the year ended 31 December 2017

- Forging Jubaland: Community perspectives on federalism, governance and reconciliation by Louise Khabure
- Violent Extremism in Kenya: Risk and resilience by Shilpa Guha
- Cultural Identity: Kenya and the coast by Hannah Waddilove
- Coal: Development, energy and employment by Hannah Waddilove
- Big Barrier: Youth and unemployment at the coast by Hannah Waddilove

In addition, a number of podcasts of Forum meetings were published on the RVI website.

The Institute now has over one hundred publications in circulation. All publications remain available for download from the RVI website at no cost or can be purchased from Amazon. RVI dedicates all income generated from the sale of publications to the RVI Shading Tree Scholarship Fund.

Determining the impact of publications is difficult and only limited information can be gleaned from numbers of sales and downloads. Much also depends on how publications are disseminated. That said, it is clear that RVI's Usalama publications on the DRC remain popular, as does the Sudan Handbook. Our first publication in Somali and English of a young migrant's story—We Kissed the Ground—has also proven popular. In addition to online dissemination, it has been disseminated through a series of public talks and an audiobook version in Somali has also been produced. Anecdotal evidence suggests that the book has made some young Somalis reconsider the option of migrating to Europe.

Website and social media: In 2017, the Institute invested OSF funds in redeveloping the RVI website. The work will be completed in 2018. RVI's presence on social media has been growing, with Twitter regularly used in Forum events. In 2017, Twitter was used to publicize our work on the national archives in South Sudan. Since 2016, we have been gaining, on average, 25 new followers a month on Facebook and 102 new followers per month on Twitter.

Regional and Country Activities

Since it was founded in 2001, the Institute has developed a reputation for its area and country expertise. The Institute is active in several countries in eastern and central Africa, and in 2017 both diversified and expanded its footprint in the region through research and courses.

Great Lakes region

During 2017, RVI continued to be a partner in the DFID-funded Political Settlements Research Programme (PSRP). But with most activities completed in 2016, the focus was primarily on completing remaining publications. A workshop was held in Nairobi in December 2017 with Congolese researchers and project staff to reflect on the research process and lessons learned, together with a participant from the University of Edinburgh. A Forum event was also held with researchers. With funding from the Clingendael Institute, RVI collaborated on a workshop organized by Michel Thill on police reform in the DRC.

Horn of Africa region

RVI has been working in Somalia and Somaliland since 2010, and opened an office in Hargeysa in 2015 to support a growing number of projects. In 2017, several of the projects in Somaliland came to an end, and work in south-central Somalia expanded.

The role of culture in reconstruction and development processes has been gaining recognition among development actors. Since 2014, RVI has been working in partnership with the Redsea Cultural Foundation (RCF) to support the revival of culture in Somaliland by establishing the Hargeysa Cultural Centre, supported by a three-year grant from the EU. In early 2017, the EU grant ended and an external evaluation and audit of the project was undertaken. The grant ended at a difficult time for our partner. The anticipated call for proposals from the EU for a follow-up grant was delayed by nine months and RCF was required to seek new premises for the Centre. Despite this, RCF managed to obtain a bridging grant from the EU, acquire land and build a new and bigger Centre. It also organized the tenth annual Hargeysa International Book Fair in July 2017, at which RVI supported some panel discussions. A joint RVI-RCF proposal was successful in receiving a second grant from the EU, which will start in 2018.

Land and its governance in the Somali regions has long been identified as a structural driver of conflict and a crucial component of peace-building. Since 2014, RVI has sought to bring the issue of land into mainstream discussion among Somalis and international organizations. In 2014, the Institute undertook research on land conflicts and their management in Mogadishu. This involved the publication in 2015 of a background paper by Lee Cassanelli—Hosts and Guests: A historical interpretation of land conflicts in southern and central Somalia—and in 2017, a groundbreaking research report on Mogadishu—Land Matters in Mogadishu: Settlement, ownership and displacement in a contested city. This was based on primary research by RVI in Mogadishu in partnership with the Heritage Institute for Policy Studies (HIPS). In 2015, RVI also embarked on a major land study in Somaliland, followed by the provision of technical support to the government to draft a land policy. The draft land policy was presented at a conference in Hargeysa in March 2017. The consolidated research report of the study remains to be finalized. In December, RVI embarked on a shorter study in Kismayo, funded by the SSF, to advise the Jubbaland State of Somalia in the formation of a land commission, drawing on regional knowledge and expertise. The bulk of the field study will be undertaken in early 2018.

Supporting the development of research skills and capacities among researchers in the countries where RVI works has always been an important aim of the Institute. In 2015, RVI was able to approach this in a more structured way through a two-year project partnership with the University of Hargeysa's Institute for Peace and Conflict Studies (IPCS) and Puntland State University's Centre for Postgraduate Studies, Research and Capacity Development (CPSRCD). The project has supported the institutional development of two research centres and the training of teachers in social science research methods, with the aim of supporting the production of high quality research by Somalis. In 2016, forty teachers were trained to teach undergraduate and postgraduate students in research methodologies. A further two trainings were held in 2017, and RVI supported a number of forums for the dissemination of RVI and university generated studies.

The grant period for the project was shortened by the donor to December 2017, although a no-cost extension was agreed to complete activities and evaluate the project. The evaluation identified several lessons, but was generally positive in its conclusions. Both universities also concluded that the project had contributed positively to their development, as the following quotes attest to:

This project was one of the most important projects that this university has had since it was founded in 1998. All these three partners have fully participated in the design and the implementation. There were mutual discussions; there was transparency in the allocation of resources and in the solving of problems. If I put it in a Nutshell, I can say that this project has been the springboard in establishing a research culture within the university. (Sied Muhumud Jibril Vice President for Academic and Research, University of Hargeisa)

The project was very relevant; it addressed the needs of the university. For the university to produce knowledge, its lecturers have to be well educated. This project has been a foundation. The lecturers who participated in the training have been motivated to conduct their own research. Between them they have produced over 10 individual research papers which have been published. This is the outcome of the project. (Deputy Vice-Chancellor of PSU)

The Institute implemented several other projects in Somalia in 2017, which extended our work to south-central Somalia. These included research in all regions of Somalia on the relationship between economic remittances from the Somali diaspora and vulnerability. Commissioned by the World Bank, the study was intended to contribute to the design of a social safety-net programme in Somalia. RVI contributed to a political economy analysis in southern Somalia in collaboration with the Norwegian University of Agder to inform the Norwegian government aid and development policy. RVI was involved in several gender focused studies, including a gender evaluation of the Joint Programme for Local Governance in Somalia; gender research training with the Life and Peace Institute; a UNDP-funded case study on women and violent extremism in Kismayo in Somalia and Wajir in Kenya; and a briefing paper on youth, masculinities and conflict for the United Nations Portfolio of Expert Briefing Papers on Peace and Reconciliation in Somalia. This latter paper was identified by the Norwegian donor of this initiative as one of the 'most important contributions' to the portfolio. Through the Rift Valley Forum, RVI also continued to engage in Somalia and Somaliland, hosting several meetings and workshops in 2017 on the protracted drought and international responses to it, on the localization of aid, internal displacement, and the 2017 Somaliland elections.

Elsewhere in the Horn of Africa, in 2017, RVI continued to develop Ethiopia-related work, engaging in a series of trainings and research with DFID in Ethiopia, and expanding our network of Ethiopian researchers. As several embassies in Ethiopia also cover South Sudan, this has allowed us to source new support for our work in that country.

South Sudan

Despite the continuing political, security and humanitarian crisis in South Sudan, 2017 saw the Institute's most active year in the country in several years. This was supported by a grant from the Swiss government for the third phase of the South Sudan Customary Authorities (SSCA) project, renewed funding through UNESCO for our work to safeguard and preserve the National Archives of South Sudan, funding from the Australian Embassy in Addis Ababa for the Juba Lectures and a pilot study on the dynamic relationship between the South Sudanese diaspora and the situation in South Sudan. This was ably managed by our new Programme Manager in Juba, appointed in January 2017.

Phase III of the SSCA project began in January 2017. The project combines research and the facilitation of structured conversations between chiefs and other members of society on their role in South Sudan and their potential contribution to the building of peace. The project aims to encourage the recognition that customary authorities with a legitimate claim to represent their constituent communities should be both considered as a component of civil society and included in a national debate about their governance role.

Building on earlier phases, SSCA III focused on researching detailed case studies of customary authorities in different locations, training students in oral history research, and facilitating dialogue among chiefs, youth and other members of society. Eight case studies were undertaken, as listed below. Six blogs were posted on the RVI website, with the research papers to be published in 2018. Some fifty students from South Sudan were trained in oral history research methodologies.

SSCA III Research

Researchers	Research topic	Outputs
John Ryle Machot Amuom Abraham Mou Magok	Peace Is the Name of Our Cattle Camp: Managing intercommunal conflict in Greater Yirol	Translated and transcribed oral history interviews. Blog post. Report.
Nicki Kindersley Joseph Diing Majok Paulino Dhieu Tem	War, famine, and chiefship in Northern Bahr el Ghazal	Translated and transcribed oral history interviews. Blog post. Briefing. Report.
Naomi Pendle Jedeit Jal Riek	The Divinity of MAANI and the Proliferation of Prophets Amongst the Western Nuer, South Sudan	Translated and transcribed oral history interviews. Blog post. Report.
Naomi Pendle Chirriilo Madut Anei	The Market of Mayen Rual and the Chiefdom of Chief Morris Ngor (western Dinka, South Sudan)	Translated and transcribed oral history interviews. Blog post. Report.

Diana Da Costa Kaka Ngantho Joel Bolloch	Changing power among Murle chiefs: negotiating political, military and spiritual authority	Translated and transcribed oral history interviews. Blog post. Report.
Bruno Braak John Justin Kenyi	Customary authority in displacement: the consequences of conflict and displacement for the standing of customary authorities among refugees from Western Equatoria State (WES); South Sudan in Uganda.	Translated and transcribed oral history interviews. Blog post. Report.
Elizabeth Hodgkin Ohide Johnson	Chiefs, Church, Women and Warriors: searching for peace and reconciliation in Equatoria	Translated and transcribed oral history interviews. Blog post. Report.
Yosa Wawa Alex Obaya	Usurping Kakwa Land and the Role of their Chiefs: the Case of South Sudan	Blog posts.

The SSCA project will be evaluated in 2018 but feedback from participants in the training and from chiefs interviewed attest to the value of the project:

'I don't meet with chiefs from my community here in Juba. I consider chiefs big guys and we don't sit with them. But this was a good chance to see chiefs are not like that and we can talk openly...' (Nhial John, student, Juba University)

'... I felt privileged to be one of participants in research stage and also in chiefs' meeting in Juba. This was my first time to sit next to my colleagues from Equatoria region to share knowledge on cultures, history, governance and set of challenges that come with. I was overwhelmed to learn that they also face the same challenges like us. If the project [SSCA] aims at letting our voices heard- then I should encourage you to bring more people like me together all over South Sudan. It is like we live in different and isolated worlds. We work under one government but we don't know existence and challenges of others. If RVI keeps bringing us together, we will put our voices together and this itself is a success ... Our common experience and knowledge could make a pool of vast knowledge. We feel the need for our voices in nation-building but I don't see it coming. I was happy to hear that in our Juba meetings.' (Paramount Chief Andrew Madut Buoi, Yirol)

The Institute also continued its pioneering initiative with the National Archives of South Sudan to safeguard and organize South Sudan's historical records, which span nearly one hundred years. The aim of the project is to safeguard, preserve, organize and make accessible the archive, which is a national resource for the understanding of the history and identity of the country and its people. Over 96,500 individual pages have been catalogued and digitally preserved since the

project started. From its inception, it has been a collaborative project with staff seconded from the Ministry of Culture, Youth and Sports. Another component is our partnership with the Catholic University of South Sudan, with whom RVI has developed a work placement scheme for the training of student volunteers in archiving. Recognizing the importance of transferring the skills and know-how to those who will be responsible for the archives in the long-term, RVI developed and delivered a digitization training course.

In 2017, funding from UNESCO was 'unlocked' and a number of activities were undertaken. RVI maintained regular presence at the archives site in Muniki to provide on-going capacity building for the staff and the management. Archivist Peter Mazikana, from the International Council of Archives, undertook an assessment of the archives and provided training to archive staff. A joint security assessment was conducted to improve compound security, for staff, equipment and the history collections. RVI moved some of the digitization equipment to the National Archives site to continue the scanning work and to continue staff capacity-building. Digital archivist James Lowry, of the International Council of Archives, undertook an assessment and provided training in the digitization. RVI supported three archives staff to attend the Eastern and Southern Africa Regional Branch of the International Council on Archives in Lilongwe, Malawi, and three others took part in an exchange visit to the Kenya National Archives in Nairobi. RVI also organized a programme of presentations and discussions with RVI national and international researchers using the South Sudan National Archives in Juba (including SSCA researchers), facilitated visits by donors to the archives, and provided on-going support for the sorting of loose papers. The assessment reports by the independent archivists commended RVI's work on the project to date.

An additional grant was also secured from UNESCO to provide the National Archives with technical support to continue safeguarding the archival collection and to implement outreach and awareness activities together with the Ministry of Culture, Youth and Sports, and UNESCO. An important part of this activity involved organizing several public exhibitions of archive materials, including at the National Legislative Assembly and Konyo Konyo, which attracted over 600 people, an outreach event at Juba Day Secondary School, and five radio shows on Eye Radio. A brochure for the archives was produced as well as a short film of outreach activities. Comments from people attending these outreach events attest to the public interest in the archives:

'Let us go through this archives and see how South Sudanese were united before... so we can go back to our peaceful coexistence'

'This is the first time I am knowing about our archives here in South Sudan. Before I only knew these things were in Kenya and in other places. I am happy to know they are here. They can help us build our country.'

'People are people because of the archives.'

'All languages are represented here [in the exhibition] - this can only make one feel joyful.'

'There's no nation that can stay without archives. Both events good and bad need to be recorded for the country's sake.'

In late 2017, additional funding was secured from the Swiss Government to restart the digitization work and continue day-to-day support to the National Archives in 2018.

The sixth Rift Valley Institute Juba Lecture Series was held in November 2017 at the Catholic University of South Sudan. The annual lectures, now organized in collaboration with the Institute for Justice and Peace Studies (IJPS) at the Catholic University in Juba, are designed to promote open and informed discussion of current issues in South Sudan. In light of the need for a peaceful solution to the ongoing crisis in South Sudan, and the discussions around a meaningful process for the National Dialogue, the theme of the 2017 lecture series was Cultures of Dialogue. Funded by the Australian Embassy in Addis Ababa, the lectures covered South Sudanese socio-cultural dialogue mechanisms, church and civil society-led community dialogue, and national-level dialogue processes. More than one hundred people attended the lectures on each of the three days. A report of the lectures will be published in 2018.

The relationship between the South Sudanese diaspora and the ongoing crisis in South Sudan is poorly understood and under-researched. In 2017, RVI received funding from the Australian Embassy in Ethiopia to undertake a pilot study on the subject. This study focused on Australian-South Sudanese diaspora networks and the mechanisms through which they have influence in South Sudan's current civil war. This pilot research involved collaboration between researchers at Juba University and Monash University in Australia. It was designed to develop an understanding of the impacts of Australia-based diaspora engagement within South Sudan, and to provide the community in Australia with the opportunity to reflect on the impacts of their engagement. The study, which has elicited interest from various quarters, including the World Bank, IOM, the UK government and South Sudanese in Ethiopia, was published in March 2018 and disseminated in Juba and Addis Ababa.

East Africa region

In 2017, RVI continued to expand its activities in East Africa through new courses and research projects. As part of an ongoing set of courses for UNICEF ESARO, RVI organized one on migration in Nairobi for senior managers. RVI also organized a course on the Kenya elections in early 2017, which attracted over forty fee-paying participants.

In 2017, RVI concluded its study on 'Strengthening the Leadership and Influence of Women in Politics in Kenya'. The project, funded by the EARF, involved a team of seven researchers, the majority of whom are Kenyan graduate students who conducted interviews and focus groups with women and men elected and appointed to public office. The study also sampled women across Kenya's 47 county governments and at the national level. The study, which was well received by the donor, was launched at the British High Commission in March 2018.

In 2017, RVI also received a grant from the EARF to undertake early warning research on the 2017 Kenyan elections. With a team of international and Kenyan researchers, the study assessed at various points in the process, potential political, economic, religious and social flashpoints as well as the competency and capacity of the Independent Elections and Boundaries Commission. Regular briefings and advice were provided to the British High Commission in Nairobi that was monitoring the elections. The project was extended to cover the re-run of the election in November. Feedback from the British High Commission and DFID was very positive, who described it as a model policy research project.

International migration has for a long time been undertaken by people in many of the communities where RVI works. As the wave of migration to Europe has increased, migration has become a significant policy focus for international donors in the region. In 2017, RVI undertook studies of rural to urban migration in Uganda, Kenya and Ethiopia, for the EU-funded Research and Evidence Facility.

Rift Valley Forum for Research, Policy and Local Knowledge

The Rift Valley Forum for Research, Policy and Local Knowledge was established in 2012 as a neutral space for the critical exploration of political, economic and social issues in eastern and central Africa. In 2017, RVI continued with an active programme of seminars, panel discussions, book launches and workshops on a range of vital issues. Over thirty meetings were organized with over 1,200 people attending during the year. These included a series of meetings on the protracted drought in Somalia and what lessons could be learned from the 2011 famine, which contributed to galvanizing an early international response to the drought that helped avert another famine. Several meetings were also organized on the conflict and peace process in South Sudan. The Forum shifted emphasis from single meetings to series of thematic meetings. These included monthly roundtable meetings for researchers on violent extremism in Kenya and the region at large, learning workshops on displacement, workshops on the localization of aid, and support for the 2017 Somali Heritage Week in Nairobi. Outside Nairobi, forums were held in Hargeysa (Somaliland), Garowe (Puntland) and Mogadishu. The significant number of participants that continue to attend the events attest to the value of the Forum.

Future plans

After a challenging year in 2016, significant progress was made in 2017 in stabilizing RVI's finances. The Institute ended 2017 on a stronger financial footing than it had started and was able to put in place a robust budget and range of projects for 2018. This new year commenced with the positive news of new project grants in 2018, and in particular a large multi-year grant from the UK government for a regional, cross-border research programme. RVI will, nevertheless, continue to diversify and seek a range of funding sources from established and new donors, private and public, as well as developing our education and training work to make a contribution to our running costs. We aim to build on our successes in 2017 in winning research-based contracts. With this and better management practices in place, the Institute can confidently, if

gradually, address the gap in staffing, address some of the stalled organizational developments, and revisit the Institute's planned development and strategic direction.

Social Research, Education and Public Information

Over the past decade the Rift Valley Institute has established a reputation for field-based research, training and public information programmes. The Institute has also led the way in local dissemination and discussion of its research, in returning knowledge to the host communities that provided it. These programmes have frequently been conducted in difficult circumstances in conflict-affected areas in South Sudan, Somalia and the eastern DRC. The security situation in many parts of eastern and central Africa continues to be volatile. The conflict in South Sudan continues unabated with little indication that the situation will improve in the near-term, while the DRC experiences the highest level of internally displaced persons ever recorded, and insecurity in many parts of the Somali region limits the scope for engagement. RVI has demonstrated over many years its ability to navigate these environments, and the need for policy informed by local knowledge, and the space for public discussion and freedom of information are more necessary than ever. RVI will therefore continue to develop further its workstreams of research, education and public information, increasing synergies between existing projects across the regions where we work. Through a review of its strategic plan in the second half of 2018, we aim to bring more focus to our research, increase our educational work with institutions in the region, and develop further our work in public information and communications. We will also strengthen further our institutional presence in the region.

Publications

The report of the study on strengthening women's participation in politics in Kenya has been published, and articles based on research from this study and the study on the Kenya elections will be published in the *Journal of East African Studies* in 2018. The reports of the rural to urban migration research have been published on the RVI website. An audio version of the book—*We kissed the ground*—was released by the Hargeysa Cultural Centre in February, and will be serialized on Somali radio. The main publication series planned for 2018 are the studies of the South Sudan Customary Authorities project, the first of which was published in May. In 2018, we also aim to produce a public annual report, which can be used for fundraising purposes.

Cross-border conflict research programme

This multi-year project commenced in April, and will run for four years. 2018 will be an inception year, with the partners in the programme developing a framework, and testing methodologies through case studies and a series of workshops.

Research Capacity Building Project

The two-year project on research capacity-building with the University of Hargeysa and Puntland State University ended in April 2018, and was subjected to an external evaluation. RVI will seek

Rift Valley Research Limited

Trustees' annual report

For the year ended 31 December 2017

opportunities to build on the work started with the universities, drawing lessons from the evaluation.

Political Settlements Research Programme

RVI completed most of its obligations as a consortium member in 2016 and 2017.

Rift Valley Forum for Research, Policy and Local Knowledge

The Forum will continue to cover issues and events in eastern Africa, the Great Lakes and the Sudans. Events will be held in Nairobi and other locations in the region and will include a mixture of one-off events and thematic series. Investments will be made in circulating the discussions organized at the Forum to wider audiences, making more use of social media.

Hargeysa Cultural Center

The Redsea Cultural Foundation and RVI successfully applied for a second two-year grant from the EU in 2017. Implementation of the new phase of the project will start in March 2018.

Juba Lecture Series

RVI intends to hold the seventh annual Juba Lecture Series in South Sudan in 2018, conditions and funding permitting, and to partner again with the Catholic University of South Sudan.

South Sudan Customary Authorities Project

Phase IV of this project began in January 2018 and will run for twelve months. In this phase RVI will publish and disseminate the research undertaken in the previous phase, and discuss findings with communities where research was undertaken. RVI will provide further training in oral history research methods. The project will also be evaluated before the end of 2018, to determine the future direction of the study.

National Archives of South Sudan

The Institute enjoys an uninterrupted working relationship with the Ministry of Culture, Youth and Sports of the Government of South Sudan in support of the National Archives. RVI will continue to seek sources to fund the conservation and digitization of the archives.

Education and Training

The Institute will run the three established annual field courses on Sudan and South Sudan, the Horn of Africa, and the Great Lakes in May and June 2018. Other customized courses are planned in 2018 on South Sudan, Madagascar, South Africa and the AU. Part of our development strategy is to build on the strengths of our educational and training work and to potentially take it in some new directions. We will therefore undertake a review of RVI's educational programme in 2018.

Development Plan

In 2018, the strategic plan endorsed by the Board in 2016 will be reviewed with the intention of producing a development plan that will set the direction of the Institute. This will include a review of existing programmes, the organizational structure, staffing needs and funding targets. The intention is to start a strategic planning process in the second half of 2018 so we can begin 2019 with a plan in place.

General

The trustees of Rift Valley Research Limited, operating as the Rift Valley Institute (RVI), who are also directors of the company for the purpose of company law, present their statutory report and audited accounts for the year ended 31 December 2017. The financial statements comply with current statutory requirements, with the Articles of Association and with the 'Statement of Recommended Practice – Accounting and Reporting by Charities' in the Statement of Recommended Practice (SORP) of 2005.

Governance

Rift Valley Research Limited (hereafter 'the Rift Valley Institute', 'the RVI' or 'the Charity') is a company limited by guarantee and not having a share capital. The company was incorporated on 16 August 2001 (company number 4271537) and registered as a charity (charity number 1144010) on 27 September 2011.

The objects, powers and governance structure of the charitable company are set out in its Articles of Association (last updated 30 August 2011). The RVI is governed by a Board of Trustees which meets four times annually. The trustees delegate the day-to-day operation of the Charity and management of its staff to the Executive Director who seeks guidance from trustees when important strategic, financial or governance issues arise.

The recruitment, appointment and induction of new trustees

Trustees are appointed in accordance with the Articles of Association. The trustees are subject to retirement by rotation and may be re-appointed if re-elected. The Board of Trustees has the power to appoint new trustees by ordinary resolution. Trustees are generally drawn from the body of Fellows of the Institute, which is composed of regional specialists and others. (Fellows of the Institute are elected by existing Fellows.) The appointment of trustees is by recommendation from Fellows and the wider community of those sharing the goals of the Institute. Trustees are recruited with the aim of providing the diversity and skills needed to ensure the good governance of the Charity. These skills may include strategic planning, fundraising, financial management, administration, law, media management, and specialist knowledge of eastern and central Africa. The trustees are not remunerated for their work as trustees.

The procedure for inducting and training a new trustee entails a visit to the RVI Kenya or UK office in order to familiarize the new trustee with the Charity—with its aims, standard procedures and

policies—and a meeting between the new trustee and management staff of the Institute. On appointment, trustees receive the Articles of Association and minutes, documents and board books from previous trustee meetings, with copies of the Charity's most recent publications and written policies relevant to the governance and risk management of RVI.

Offices and related parties

The Charity has four offices: its headquarters in Nairobi, Kenya; an office in London, in the United Kingdom; an office in Juba, South Sudan; and an office in Hargeysa, Somaliland. The Charity is registered as a company in Kenya and as an NGO in South Sudan and Somaliland.

RVI has a sister organisation, Rift Valley Institute Inc., in the United States, created to raise and distribute funds and to provide support and coordination to the UK entity, Rift Valley Research Limited. Rift Valley Institute Inc. was incorporated under Section 402 of the Not-for-Profit Corporation Law in New York State on 30 August 2006 and is registered as a charity with the Charities Bureau, New York State. It has three Board Members: John Ryle, Kenneth Anderson and Kwame Anthony Appiah. The Board Members are not remunerated for their work for Rift Valley Institute Inc. John Ryle was also a trustee of the Rift Valley Institute (i.e. the UK entity) until 31 December 2016.

Risk management

The Board of Trustees has given consideration to the major risks to which the Charity is exposed. These include operational, financial, and legal risks, risks in matters of governance and risks resulting from external factors. The Charity faces special risks associated with conflict, insecurity, and failures of governance in a number of the countries where it operates. In 2017, the risk register was reviewed at board meetings and with Africa-based staff. RVI continuously reviews procedures and protocols for managing staff security. A managerial staff member in Nairobi has special responsibility for managing security.

The Board is satisfied that systems or procedures have been established to manage the risks we currently face, including key risks in the following areas:

1 Failure to deliver the 2018 budget

Failure to maintain economies and an overspend on the cost base will jeopardize the financial health of the Institute. Similarly, a failure to meet income projections for 2018 will jeopardize the financial health of the Institute. To respond to this risk, the cost base and income projections have been set and agreed following a rigorous budgeting process in November 2017. Improved management capacities instituted in 2017 will ensure financial control of the cost base. Stricter project management practices, holding directors and managers to account for delivering on time and on budget, will improve income and cost recovery. Maintaining a focus on fundraising will increase the likelihood of achieving income projections in the year ahead. The situation is closely monitored by trustees.

2 Cost recovery projections not achieved

Not achieving the cost recovery projects would see a decline in organizational reserves with consequential impact on financial health of the Institute. To manage this risk, guidelines on budgeting and overhead recovery are regularly reviewed and overhead recovery rates specified in contracts with donors. Systems of tracking and oversight of project delivery by project Directors, Managers and financial team are also in place.

3 Introduction of restrictions on NGOs operating in the countries of the region

The introduction of prohibitive administrative and financial burdens on NGOs (e.g. work permits in Kenya, NGO Act in South Sudan) could have significant operational and financial implications (e.g. payments of taxes, costs of lawyers, restrictions on programme work). To manage this risk, RVI ensures full compliance with Government regulations ahead of time; constant monitoring of political situation, and continuous communications with other organizations working in the countries of the region. More specifically, RVI is continually gathering information from other organizations in Kenya on bureaucratic restrictions and solutions for securing working permits in Kenya, and closely monitoring the enforcement of the NGO Act in South Sudan. Finally, RVI will aim to further the localization of staff, avoiding the need for work permits.

4 International Financial Compliance

RVI as a registered Charity in the United Kingdom, is bound by UK laws related to its activities and transactions. These laws include, but are not limited to, the UK Bribery Act 2010 and sanctions laws ('Compliance Laws'). Non-compliance with Compliance Laws can result in significant administrative, civil and criminal penalties for the Institute, including monetary fines and imprisonment, loss of donors and reputational risks. RVI is committed to conducting its activities consistently with Compliance Laws, and that the affairs of the Institute should be conducted in an honest and ethical manner. In several of the countries where RVI works individuals, organizations and companies may be subject to international financial sanction regimes. RVI has updated its anti-bribery policy to include measures to ensure that financial transactions are compliant with UK and international and national laws.

5 Safeguarding

RVI has an established equality and diversity policy. The Institute does not discriminate on grounds of gender, marital status, race, ethnic origin or identity, skin colour, nationality, national origin, disability, sexuality, religion or age. This policy is being updated to ensure that employees of the Institute, Interns and volunteers and individuals the Institute works with, are protected from any form of discrimination or abuse, including physical, emotional or sexual harm, in the course of RVI's work.

Remuneration

The salaries of Rift Valley Institute staff are periodically benchmarked against those of comparable organisations, including other charities, through commercially available Birches surveys. RVI sets salaries equivalent to the median for such organisations where this is feasible, and aims to develop consistent practices for staff in all locations while adhering to local legislation.

The Institute has an annual salary increase policy of local country Consumer Price Index plus 1%. This is detailed in the RVI Staff Handbook. Increases are implemented on 1 January of each year, subject to the approval of the budget by the Board. Salary increases did not occur at the end of 2017 due to financial considerations. RVI will institute a salary review in 2018 and a review of the existing salary structure.

Public benefit

The trustees are satisfied that they have complied with the Charity Commission's guidance on public benefit. The description of the Charity's objectives and activities below demonstrates the public benefit arising from the work of the Charity.

Financial review

General

At US\$2,592,913, the Charity's total income in 2017 was nearly 24.5 per cent higher than its total income in 2016 of US\$2,081,170. Net income from fees charged on the three RVI annual field courses was higher than the previous year and additional income was generated by a number of bespoke training courses. The total unrestricted income for the charity was US\$861,674, with Education and training contributing US\$783,317 (annual field courses \$408,941 and other courses \$374,376), an increase of 17 per cent compared to US\$671,620 in 2016. In 2018, it is anticipated that Charity's total income will increase further.

In 2017, the Institute's overall expenditure reduced by 9 per cent, from US\$2,546,006 in 2016 to US\$2,314,186 mainly due to a reduction in staffing costs. The staff costs in 2017 were US\$538,907 compared to \$801,921 in 2016.

At the end of 2017 the Charity's overall reserves on hand were 78 per cent higher, at \$684,122 compared with \$384,915 in 2016. Unrestricted reserves increased by 41 per cent from US\$329,874 in 2016 to US\$464,723 in 2017.

Reserves Policy

Rift Valley Research Limited's main source of income is project funding. This is supplemented by fees charged for RVI Field Courses and other training courses and by donor funding for institutional development. The project funding is for both short and long-term projects, with the latter requiring significant on-going financial commitment and investment. The Trustees reviewed the reserves policy and determined that the Institute will hold unrestricted reserves (that is funds not invested in tangible fixed assets, or designated for specific purposes, or otherwise committed) comprising Fixed Reserves and Development Reserves. The Fixed should be equivalent to five months operating costs, covering staff salaries, office leases and redundancy payments to cover closure costs. Keeping five months of estimated staff and support costs in reserves protects the Charity against temporary shortfalls. Development reserves are managed prudently and can be used to cushion the Institute from delays in income and to support the start-up of projects. The target for unrestricted reserves for the end of the financial year in December 2017 was

US\$426,266. Actual unrestricted reserves by 31 December 2017 were US\$464,723, some US\$38,457 above the target. The Board of Trustees reviews the reserves policy annually.

Statement of responsibilities of the trustees

The trustees (who are also directors of Rift Valley Research Limited for the purposes of company law) are responsible for preparing the report of the trustees 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 net income or 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 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 charity will continue in operation.

The trustees are responsible for keeping proper 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 auditors are unaware; and 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 auditors are aware of that information.
- The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website. Legislation in the UK 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 £10 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 December 2014 was 5 (2013 – 5). The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

Auditor

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

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

Approved by the trustees on 15 June 2018 and signed on their behalf by



Comfort Ero
Chair of the Board of Trustees

Independent auditor's report

To the members of

Rift Valley Research Limited

Opinion

We have audited the financial statements of Rift Valley Research Limited (the 'charitable company') for the year ended 31 December 2017 which comprise the statement of financial activities, balance sheet, statement of cash flows 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

Rift Valley Research Limited

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, including the strategic 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.

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

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.
- 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

Independent auditor's report

To the members of

Rift Valley Research Limited

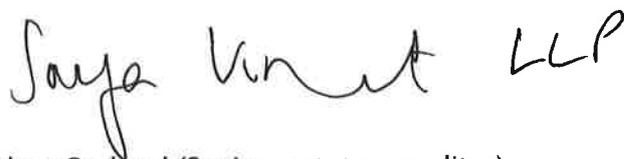
are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.

- 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.

Use of our report

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.



Jonathan Orchard (Senior statutory auditor)

19 July 2018

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

Rift Valley Research Limited

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

For the year ended 31 December 2017

	Note	Unrestricted US\$	Restricted US\$	2017 Total US\$	2016 Total US\$
Income from:					
Donations and legacies		70,311	–	70,311	165,650
Charitable activities					
Education and training	3	783,317	–	783,317	671,620
Research, programmes and publications	3	–	1,730,677	1,730,677	1,198,117
Scholarship fund	3	7,052	562	7,614	35,576
Investments		994	–	994	10,207
Total income		861,674	1,731,239	2,592,913	2,081,170
Expenditure on:					
Raising funds	4	253,944	–	253,944	288,968
Charitable activities					
Education and training	4	447,866	–	447,866	480,389
Research, programmes and publications	4	45,495	1,566,881	1,612,376	1,761,649
Scholarship fund	4	–	–	–	15,000
Total expenditure		747,305	1,566,881	2,314,186	2,546,006
Net income / (expenditure) before other recognised gains and losses		114,369	164,358	278,727	(464,836)
Foreign exchange gain / (losses)		20,480	–	20,480	(88,302)
Net movement in funds		134,849	164,358	299,207	(553,138)
Reconciliation of funds:					
Total funds brought forward		329,874	55,041	384,915	938,053
Total funds carried forward		464,723	219,399	684,122	384,915

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 17 to the financial statements.

Rift Valley Research Limited

Balance sheet

Company no. 04271537

As at 31 December 2017

	Note	US\$	2017 US\$	US\$	2016 US\$
Fixed assets:					
Tangible assets	11		<u>780</u>		<u>8,759</u>
			780		8,759
Current assets:					
Debtors	12	470,066		174,493	
Cash at bank and in hand		<u>1,070,795</u>		<u>506,170</u>	
		1,540,861		680,663	
Creditors: amounts falling due within one year	13	857,519		<u>304,507</u>	
Net current assets			<u>683,342</u>		<u>376,156</u>
Total assets less current liabilities			<u>684,122</u>		<u>384,915</u>
Total net assets			<u><u>684,122</u></u>		<u><u>384,915</u></u>
The funds of the charity:	17				
Restricted income funds			219,399		55,041
Unrestricted income funds:					
General funds		<u>464,723</u>		<u>329,874</u>	
Total unrestricted funds			<u>464,723</u>		<u>329,874</u>
Total charity funds			<u><u>684,122</u></u>		<u><u>384,915</u></u>

Approved by the trustees on 15 June 2018 and signed on their behalf by



Comfort Ero
Trustee

Rift Valley Research Limited

Statement of cash flows

For the year ended 31 December 2017

	Note	2017		2016	
		US\$	US\$	US\$	US\$
Cash flows from operating activities	18				
Net cash provided by / (used in) operating activities			563,393		(90,298)
Cash flows from investing activities:					
Disposal/(Purchase) of fixed assets		1,232		(7,447)	
Net cash provided by / (used in) investing activities			1,232		(7,447)
Change in cash and cash equivalents in the year			564,625		(97,745)
Cash and cash equivalents at the beginning of the year			506,170		603,915
Cash and cash equivalents at the end of the year	19		1,070,795		506,170

1 Accounting policies

a) Statutory information

Rift Valley Research Limited is a charitable company limited by guarantee and is incorporated in England & Wales. The registered office address is Unit 107, Belgravia Workshops, 159/163 Malborough Road, London N19 4NF.

b) Basis of preparation

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.

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

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.

1 Accounting policies (continued)

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.

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.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

i) Expenditure and irrecoverable VAT

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 costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose
- Expenditure on charitable activities includes the costs of carrying out research, carrying out educational activities including running courses and producing publications undertaken to further the purposes of the charity and their associated support costs
- Other expenditure represents those items not falling into any other heading

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

1 Accounting policies (continued)

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.

Where such information about the aims, objectives and projects of the charity is also provided to potential donors, activity costs are apportioned between fundraising and charitable activities on the basis of area of literature occupied by each activity.

● Education and training	17%
● Research, programmes and publications	54%
● Fundraising	5%
● Support costs	18%
● Governance costs	6%

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

● Education and training	10%
● Research, programmes and publications	65%
● Fundraising	25%

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.

k) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

l) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds \$600.00. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Where fixed assets have been revalued, any excess between the revalued amount and the historic cost of the asset will be shown as a revaluation reserve in the balance sheet.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

● Non-IT equipment	4 years
● Computers and other IT equipment	2 years

1 Accounting policies (continued)

m) 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.

n) 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. Cash balances exclude any funds held on behalf of service users.

o) 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.

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.

p) Pensions

The charity offers a pension scheme requiring a 3% contribution from staff which is then matched with a 6% company contribution. There are different schemes in different countries of operation and staff are able to opt out if they choose to. For staff based in countries where there is no company providing pensions (currently South Sudan and Somaliland) these funds are held by the charity and will be dispersed to the employee when they leave the charity's employment.

q) Foreign exchange

Monetary assets and liabilities in foreign currencies are translated into US Dollars at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the average rate of exchange for the year. Exchange differences are taken into account in arriving at the net incoming resources for the year.

r) Overseas operations

The SORP 2015 stipulates that where international offices are legally registered in their country of operations, this is an indication that they should be treated as subsidiaries for accounting purposes. However, having reviewed the governance and management procedures in place, it is the trustees' belief that the practical operation of the charity's international offices means that they are, in substance, branches and are accounted for accordingly.

2 Detailed comparatives for the statement of financial activities

	Unrestricted US\$	Restricted US\$	2016 Total US\$
Income from:			
Donations and legacies	165,650	–	165,650
Charitable activities			
Education and training	671,620	–	671,620
Research, programmes and publications	301,992	896,125	1,198,117
Scholarship fund	–	35,576	35,576
Investments	10,207	–	10,207
Total income	1,149,469	931,701	2,081,170
Expenditure on:			
Raising funds	288,968	–	288,968
Charitable activities			
Education and training	480,389	–	480,389
Research, programmes and publications	601,430	1,160,219	1,761,649
Scholarship fund	–	15,000	15,000
Total expenditure	1,370,787	1,175,219	2,546,006
Net income / expenditure before gains / (losses) on investments	(221,318)	(243,518)	(464,836)
Net gains / (losses) on investments	–	–	–
Net income / expenditure	(221,318)	(243,518)	(464,836)
Transfers between funds	(88,302)	–	(88,302)
Net income / (expenditure) before other recognised gains and losses	(309,620)	(243,518)	(553,138)
Foreign exchange gains/ (losses)	–	–	–
Net movement in funds	(309,620)	(243,518)	(553,138)
Total funds brought forward	639,494	298,559	938,053
Total funds carried forward	329,874	55,041	384,915

3 Income from donations and legacies

	Unrestricted US\$	Restricted US\$	2017 Total US\$	2016 Total US\$
Gifts – Unrestricted grants	66,909	–	66,909	165,650
Gifts – sale of product income	3,403	–	3,403	–
	70,311	–	70,311	165,650

Rift Valley Research Limited

Notes to the financial statements

For the year ended 31 December 2017

3 Income from charitable activities

	Unrestricted US\$	Restricted US\$	2017 Total US\$	2016 Total US\$
Annual Field Courses	408,941	–	408,941	456,598
Other Training Courses	374,376	–	374,376	215,022
Sub-total for Education and Training	<u>783,317</u>	<u>–</u>	<u>783,317</u>	<u>671,620</u>
European Union	–	32,785	32,785	7,850
Somalia Stability Fund	–	283,786	283,786	312,376
Somaliland Development Fund	–	–	–	302,249
Australian Embassy in Addis Ababa	–	–	–	(10,989)
Clingendale Institute	–	–	–	23,164
Swiss Development Corporation – Juba	–	–	–	74,109
Swiss Development Corporation – Nairobi	–	–	–	86,450
University of Edinburgh	–	–	–	174,094
SDF Somaliland Land Study	–	5,306	5,306	–
UK Dfid	–	–	–	42,420
UK Foreign & Commonwealth Office	–	–	–	33,530
Remittances and Vulnerability in Somalia	–	100,080	100,080	–
HMG Ethiopia Phase III	–	14,874	14,874	–
University of Adger – PEA Somalia 1	–	11,567	11,567	–
Heinrich Boll Foundation	–	–	–	14,351
Context Analysis on Gender for the JPLG and UNICEF in Somalia	–	22,766	22,766	–
World Bank	–	–	–	56,029
DFID – PEA Ethiopia	–	65,535	65,535	–
East African Research Fund – Kenya Elections	–	215,877	215,877	–
Australian Embassy – Pilot Research Into Diaspora Projects	–	15,046	15,046	–
The Swiss Confederation SSCA IV	–	8,490	8,490	–
The Swiss Confederation SSCA III	–	362,931	362,931	–
Political Settlements Research Project	–	20,882	20,882	–
SOAS university of London – REF Project	–	90,028	90,028	–
East African Research Fund – Women in Politics	–	80,999	80,999	–
UNESCO	–	99,905	99,905	–
Juba Lectures	–	16,497	16,497	–
UNESCO II	–	25,405	25,405	–
Small Forum Funders	–	255,807	255,807	82,484
SSF Kismayo Land Commission	–	2,111	2,111	–
Sub-total for Research, programmes and publications	<u>–</u>	<u>1,730,677</u>	<u>1,730,677</u>	<u>1,198,117</u>
Book sales	–	562	562	926
Other contributions to the scholarship fund	7,052	–	7,052	34,650
Sub-total for Scholarship Fund	<u>7,052</u>	<u>562</u>	<u>7,614</u>	<u>35,576</u>
Total income from charitable activities	<u>790,369</u>	<u>1,731,239</u>	<u>2,521,608</u>	<u>1,905,313</u>

4 Analysis of expenditure

	Charitable activities						2017 Total US\$	2016 Total US\$
	Cost of raising funds US\$	Education US\$	Research, programmes and publications US\$	Scholarship Fund US\$	Governance costs US\$	Support costs US\$		
Direct Staff Costs	115,429	5,762	63,961	-	71,020	282,734	538,907	801,921
Grants made (note 5)	-	-	174,509	-	-	-	174,509	253,024
Travel, subsistence and associated costs	-	192,765	267,742	-	-	-	460,507	353,475
Consultants Fees	-	147,858	598,583	-	-	-	746,441	516,636
Events	-	37,727	92,673	-	-	-	130,400	254,568
Direct publication costs	-	6,773	30,719	-	-	-	37,492	101,374
Other Direct Costs	-	1,576	24,049	-	67,495	-	93,120	47,793
Office & Other Staff Costs	-	-	-	-	-	132,812	132,812	217,215
	115,429	392,461	1,252,236	-	138,515	415,546	2,314,188	2,546,006
Support costs								
Staff Costs	88,439	35,375	229,940	-	(71,020)	(282,734)	-	-
Office & Other Staff Costs	33,203	13,281	86,328	-	-	(132,812)	-	-
Governance Costs	16,874	6,750	43,872	-	(67,495)	-	-	-
Total expenditure 2017	253,944	447,867	1,612,376	-	-	-	2,314,188	2,546,006
Total expenditure 2016	288,969	480,389	1,761,648	15,000	-	-	2,546,006	

Notes to the financial statements

For the year ended 31 December 2017

5 Grant making

Grants were made in accordance with funder agreements. Larger grants through the EU Funded Hargeysa Cultural Centre to the Red Sea Online Cultural Foundation (\$11,000; 2016: \$65,000), University of Hargeysa –IPCS (\$68,660; 2016: \$77,878) and Punt land State University (\$78,978; 2016: \$86,240).

6 Net incoming resources for the year

This is stated after charging / crediting:

	2017 US\$	2016 US\$
Depreciation	6,748	8,422
Operating lease rentals:		
Property	58,658	81,243
Auditors' remuneration (excluding VAT):		
Audit – UK	13,859	11,002
Audit – Kenya	2,320	955
Foreign exchange gains or losses	20,480	88,302
	<u> </u>	<u> </u>

7 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2017 US\$	2016 US\$
Salaries and wages	483,833	703,368
Redundancy and termination costs	–	–
Social security costs	827	31,809
Employer's contribution to defined contribution pension schemes	21,368	31,961
Other forms of employee benefits	32,879	34,783
	<u> </u>	<u> </u>
	<u>538,907</u>	<u>801,921</u>

The following number of employees received employee benefits (excluding employer pension costs) during the year between:

	2017 US\$	2016 US\$
\$61,000–\$73,999	–	1
\$74,000–\$85,999	1	–
	<u> </u>	<u> </u>

The total employee benefits (including employer's pension contributions and national insurance contributions) of the key management personnel were \$78,820 (2016: \$100,212).

No Trustees' remuneration was paid during the year (2016: \$52,913 paid to one Trustee, John Ryle).

No Trustees' expenses were paid during the year (2016: \$354 paid to one Trustee for travel and subsistence costs).

8 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was as follows:

	2017 No.	2016 No.
Raising funds	0.5	2.2
Education and training	1.8	1.0
Research, programmes and publications	5.6	4.3
Support	1.9	5.8
Governance	0.6	2.0
	10.4	15.3
	10.4	15.3

9 Related party transactions

There are no related party transactions to disclose for 2017 (2016: none) apart from those to trustees described above.

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

10 Taxation

The company is exempt from UK corporation tax as all its income is charitable and is applied for charitable purposes. RVI is registered as a company in Kenya and therefore is subject to Kenyan corporate tax on the deemed surplus arising on activities in that country. In these financial statements 2017 resources expended include \$8,531.36 paid to Kenyan Revenue Authority as Company Tax (2016: \$5,125 in respect of Kenyan tax).

11 Tangible fixed assets

	Office equipment US\$	Total US\$
Cost or valuation		
At the start of the year	79,609	79,609
Additions in year	-	-
Disposals in year	(1,232)	(1,232)
	78,377	78,377
At the end of the year	78,377	78,377
Depreciation		
At the start of the year	70,850	70,850
Charge for the year	6,748	6,748
	77,598	77,598
At the end of the year	77,598	77,598
Net book value		
At the end of the year	780	780
	780	780
At the start of the year	8,759	8,759
	8,759	8,759

All of the above assets are used for charitable purposes.

12 Debtors

	2017 US\$	2016 US\$
Grant Income	431,522	131,845
Other debtors	21,672	15,356
Prepayments	16,872	27,292
	<u>470,066</u>	<u>174,493</u>

13 Creditors: amounts falling due within one year

	2017 US\$	2016 US\$
Other creditors	112,873	28,022
Accruals	94,051	111,453
Deferred income	650,595	165,032
	<u>857,519</u>	<u>304,507</u>

14 Deferred income

Deferred income comprises of 9 funds received in 2017, but only eligible to be spent in respective projects from 2018.

	2017 US\$	2016 US\$
Balance at the beginning of the year	165,032	109,377
Amount released to income in the year	(165,032)	(109,377)
Amount deferred in the year	650,595	165,032
	<u>650,595</u>	<u>165,032</u>
Balance at the end of the year	<u>650,595</u>	<u>165,032</u>

15 Pension scheme

RVI does not have a company pension scheme. Staff are automatically enrolled in a private pension plan. They may request their own or alternate pension scheme, or opt out of the pension provision altogether. However, for staff based in countries where there is no company providing pensions (currently South Sudan and Somaliland) these funds are held by the charity and will be dispersed to the employee when they leave the charity's employment.

16a Current year analysis of net assets between funds

	General unrestricted \$	Restricted \$	Total funds \$
Tangible fixed assets	780	–	780
Net current assets	463,943	219,399	683,342
Net assets at the end of the year	464,723	219,399	684,122

16b Prior year analysis of net assets between funds

	General unrestricted \$	Restricted \$	Total funds \$
Tangible fixed assets	8,759	–	8,759
Net current assets	321,114	55,042	376,156
Net assets at the end of the year	329,873	55,042	384,915

17a Current year movements in funds

	At the start of the year \$	Income & gains \$	Expenditure & losses \$	Transfers and gains/(losses) \$	At the end of the year \$
Restricted funds:					
Hargeysa Cultural Center	(3,333)	32,785	(29,452)	-	-
Somalia Research Capacity Building	4,473	283,786	(283,786)	-	4,473
Juba Lectures	(1,772)	16,497	(14,725)	-	-
South Sudan Customary Authorities III	(5,157)	362,931	(357,774)	-	-
Women in Politics	-	81,042	(54,931)	-	26,111
Rift Valley Forum	36,750	255,807	(198,510)	-	94,047
Political Settlements Research Programme	649	20,882	(19,504)	-	2,027
Pilot Research Into Diaspora Projects	-	15,046	(15,046)	-	-
EARF Kenya Elections	-	215,877	(171,925)	-	43,952
Scholarship fund	23,431	562	-	-	23,993
HMG Ethiopia Phase III	-	14,874	(16,274)	-	(1,400)
PEA Somalia	-	11,567	(9,500)	-	2,067
REF Project	-	90,028	(89,999)	-	29
Context Analysis on Gender for the JPLG and UNICEF in Somalia	-	22,766	(19,358)	-	3,408
PEA Ethiopia	-	65,535	(66,094)	-	(559)
SSF Kismayo Land Commission	-	2,111	(2,111)	-	-
Remittances and Vulnerability in Somalia	-	100,080	(78,829)	-	21,251
SDF Somaliland Land Study	-	5,306	(5,306)	-	-
South Sudan Customary Authorities IV		8,490	(8,490)	-	-
UNESCO		99,905	(99,905)	-	-
UNESCO II		25,405	(25,405)	-	-
Mipakani Phase II	-	(43)	43	-	-
Total restricted funds	55,041	1,731,239	(1,566,881)	-	219,399
General funds	329,874	861,674	(747,305)	20,480	464,723
Total unrestricted funds	329,874	861,674	(747,305)	20,480	464,723
Total funds	384,915	2,592,913	(2,314,186)	20,480	684,122

17b Prior year movements in funds

	At the start of the year \$	Income & gains \$	Expenditure & losses \$	Transfers and gains/(losses) \$	At the end of the year \$
Restricted funds:					
Hargeysa Cultural Center	90,543	7,850	(101,726)	-	(3,333)
Somalia Research Capacity Building	-	302,249	(297,776)	-	4,473
Juba Lectures	40,387	(10,989)	(31,170)	-	(1,772)
National Archives of South Sudan	-	-	-	-	-
South Sudan Customary Authorities III	97,394	74,109	(176,660)	-	(5,157)
Women in Politics	-	42,420	(42,420)	-	-
Rift Valley Forum	85,920	165,619	(214,789)	-	36,750
Political Settlements Research Programme	(18,541)	177,410	(163,828)	-	(4,959)
South Sudan Customary Authorities IV	-	-	-	-	-
EARF Kenya Elections	-	-	-	-	-
Scholarship fund	2,856	35,576	(15,000)	-	23,432
Remittances and Vulnerability in	-	56,029	(56,029)	-	-
Other Restricted Funds		<u>81,428</u>	<u>(75,820)</u>	-	5,608
Total restricted funds	<u>298,559</u>	<u>931,701</u>	<u>(1,175,218)</u>	<u>-</u>	<u>55,042</u>
General funds	<u>639,494</u>	<u>1,149,470</u>	<u>(1,370,787)</u>	<u>(88,302)</u>	<u>329,875</u>
Total unrestricted funds	<u>639,494</u>	<u>1,149,470</u>	<u>(1,370,787)</u>	<u>(88,302)</u>	<u>329,875</u>
Total funds	<u>938,053</u>	<u>2,081,171</u>	<u>(2,546,005)</u>	<u>(88,302)</u>	<u>384,916</u>

Purposes of restricted funds

Restricted funds comprise grants and donations received for specific purposes as follows:

Hargeysa Cultural Centre – This is a three-year project in partnership Red Sea Online Cultural Foundation, funded by the European Union, and involving the creation and development of a cultural centre in Hargeysa.

Somalia Research Capacity Building – Funded by the Somalia Stability Fund, this project works to build research capacity with two local partners, University of Hargeysa and Puntland State University

Political Settlements Research Programme – In 2015 the RVI embarked on a four-year DFID-funded research project on Political Settlements as part of a consortium led by the University of Edinburgh, which aims to examine how different types of political settlements emerge, how they can be improved through internal initiatives and how external actors may change them. This is funded by UK DfID.

National Archive of South Sudan – This project is dedicated to the conservation and digitisation of the National Archive of South Sudan. The digitisation component was funded by AECOM – VISTAS with support from the Catholic University of South Sudan.

Juba Lecture Series – This was the sixth year of the annual Juba lecture series, funded by the Australian Embassy in Addis Abbaba

South Sudan Customary Authorities – Supported by the Swiss Development Corporation in Juba, this project aims to ingrate Customary Authorities into the peace building Processes in South Sudan.

Women in Politics – This is a year long research project, funded by the East Africa Research Fund (EARF), that aims to: map the level of women’s representation in decision-making roles in the Government of Kenya (GoK); identify the factors that impact the level of women’s representation in decision making roles; and evaluate the impact of the two-thirds gender rule and women’s representation in politics on human and economic development outcomes.

Remittances and Vulnerability in Somalia – This World Bank commissioned study aims to investigate the role that remittances play as a safety-net at a household level in different regions of Somalia, in order to inform the design of social safety-net programmes in Somalia.

EARF Kenya Elections – This project was commissioned by the British High Commission in Nairobi through the EARF. The project was an early-warning and monitoring project for violence around the 2017 Kenyan elections and consisted of research in a number of counties and periodic reporting and presentations to the BHC in the pre-election period, around the elections and the post-election period. As the Presential results were anulled by the Supreme

Rift Valley Forum – Rebranded from the Nairobi Forum, the Rift Valley Forum is a public space for engagement, exploring topics under 7 themes affecting the region. Events are held in Nairobi and other cities in East and Central Africa.

The RVI Scholarship Fund – The Scholarship Fund is a voluntary donation fund which has the aim of promoting individual educational development of young researchers and activists from countries in Eastern and Central Africa. This may include funding their attendance on courses provided by the Charity. Income from the sale of RVI publications is also allocated to this fund.

18 Reconciliation of net income / (expenditure) to net cash flow from operating activities

	2017 US\$	2016 US\$
Net income / (expenditure) for the reporting period (as per the statement of financial activities)	299,207	(553,138)
Depreciation charges	6,748	8,422
(Increase)/decrease in debtors	(295,573)	272,313
Increase/(decrease) in creditors	553,011	182,105
Net cash provided by / (used in) operating activities	563,393	(90,298)

19 Analysis of cash and cash equivalents

	At 1 January 2017 \$	Cash flows \$	Other changes \$	At 31 December 2017 \$
Cash at bank and in hand	506,170	564,625	-	1,070,795
Total cash and cash equivalents	506,170	564,625	-	1,070,795

20 Operating lease commitments

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods

	Property 2017 US\$	2016 US\$
Less than one year	19,482	21,695
One to five years	-	-
	19,482	21,695

21 Legal status of the charity

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 £10 (GBP).