

Company number: 4271537

Charity number: 1144010

Rift Valley Research Limited

Report and Financial Statements

31 December 2015

Rift Valley Research Limited

Reference and administrative details

For the year ended 31 December 2015

Company number	4271537				
Charity number	1144010				
Operating as	Rift Valley Institute				
Registered office and operational address	26 St Luke's Mews London W11 1DF				
Trustees	<p>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:</p> <p>John Ryle Ann Grant Justin Willis Lindsey Hilsum Mohamed Osman</p>				
Principal staff	<table><tr><td>John Ryle</td><td>Executive Director (until 30 September)</td></tr><tr><td>Philip Winter</td><td>Acting Executive Director (from 1 October)</td></tr></table>	John Ryle	Executive Director (until 30 September)	Philip Winter	Acting Executive Director (from 1 October)
John Ryle	Executive Director (until 30 September)				
Philip Winter	Acting Executive Director (from 1 October)				
Bankers	HSBC (UK) I&M Bank (Kenya)				
Auditors	Sayer Vincent LLP Chartered accountants and registered auditors Invicta House 108-114 Golden Lane London EC1Y 0TL				

Report of the trustees

For the year ended 31 December 2015

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 programmes include action-oriented research, field-based training, digital archives, distance learning and open-access publishing. In 2015, RVI worked in Somalia, Somaliland, South Sudan, Kenya, Ethiopia and the Democratic Republic of the Congo. RVI have increased its staff to 14 by the end of 2015. It maintained offices in the UK, in London, Kenya, in Nairobi and South Sudan, in Juba. At the end of 2015, RVI also opened an office in Somaliland, in Hargeysa.

RVI was financed, as in previous years, by a combination of donor funding, fees earned from courses, and payments for consultancies and project management. These allowed us to continue to expand our staffing levels and extend our work in the linked field of independent research, public information and digital publication. The year saw global dissemination of RVI work on land policy, militia groups, “mobile money” and migration.

While 2015 saw a 10% decrease in the unrestricted reserves of the charity this due to a direct decision to invest in opening a new office as well as maintain the Digitisation of the National Archives of South Sudan through a gap in funding. Overall income increased by 36 per cent to £1,714,888 and reflects a recent trend of the growth of the institute that is expected to continue in future years.

RVI continues to run flagship annual training courses for the Horn of Africa, and the Sudans and the Great Lakes. Lectures, panel discussions and public meetings were convened each month in Nairobi or elsewhere under the aegis of the Rift Valley Forum, with audiences of up to 300.

Other notable projects included the following: the establishment of the Hargeysa Cultural Center in Somaliland, an EU-funded joint project with Red Sea Online Cultural Foundation, now in its second year; ongoing conservation and digitization of the National Archive of South Sudan, currently with funds from the USAID VISTAS programme; documentation and promotion of the role of customary authorities in the political transition in South Sudan, supported by the Swiss Government; and a joint DFID-funded research project on political settlements, implemented with the University of Edinburgh and other partners.

The RVI's balance of funding sources is currently changing. This reflects changes in the wider funding environment. The year saw a relative increase in unrestricted income, the result of a growth in contract work. But the increase in contract work itself masks a decline in unrestricted core funding.

In 2015 the Institute made a greater number of tenders as a consortium partner in multi-sectoral research projects. The Institute also began a strategic planning process which will reassess our commitment to the historical core mission in relation to the changing funding environment.

The operational context in the regions where the Institute works has become increasingly challenging. In 2015, physical security, freedom of information and public space diminished in all countries where we have projects. Despite these constraints the Institute continued its steady expansion in turnover, staffing levels and scope of operation.

OBJECTIVES AND ACTIVITIES

Background

The Rift Valley Institute was founded in 2001 as a non-profit organisation operating in Eastern and Central Africa. It works with communities, institutions and individuals to bring local knowledge to bear on political, economic and social development in the countries in the region: Sudan, South Sudan, the Somali regions (including Somaliland and Puntland), Ethiopia, 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 and contested borders in Sudan and South Sudan and other countries in Eastern and Central Africa. It has developed training courses for three sub-regions (the Horn, Great Lakes, and Sudans) and pioneered field-based digitisation and preservation of endangered archives, as well as the creation of open-access digital libraries.

RVI programmes are designed for long-term impact. They aim to shape aid interventions, expand space for public participation in policy, support local research capacity, preserve communal histories, and promote social justice. Recent and current programmes include the documentation of conflict in the DRC, with a specific focus on armed groups, and the Nairobi Forum, which provides a platform for a continuing series of seminars and public meetings to stimulate discussion between policy-makers, researchers, activists and community leaders in the wider region. The Institute has also implemented a security and justice programme in Somalia and Somaliland, and a long-term project of conservation and digitisation of the National Archive of South Sudan.

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 website. Digital archives created and run by the RVI use UNESCO-endorsed open-source software.

Report of the trustees

For the year ended 31 December 2015

Partners

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 organisations. 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.

RVI's local partners in Eastern and Central Africa in 2015 include the following: in South Sudan, the Sudd Institute, the South Sudan Law Society, the Gurtong Trust, the University of Juba and the Catholic University of South Sudan; in Sudan, the Institute of African and Asian Studies at the University of Khartoum; in Kenya, the Kwani Trust and the National Museums of Kenya; in the DRC, the Catholic University of Bukavu; in Somalia, the Heritage Institute for Policy Studies; and in Somaliland, Redsea Online Cultural Foundation, the University of Hargeysa, Puntland State University and the Academy for Peace and Development.

Objectives and activities in 2015

In 2012, the charity identified four key aims:

Aim 1: Diversification of the RVI's range of activities by extension of research programmes to new countries in the region, broadening the range of research and educational work, and developing competence in new areas, including economics, culture and the environment.

Progress in 2015: RVI successfully expanded the number of research projects undertaken, particularly in the Horn of Africa. A new EU-funded project with the Red Sea Online Cultural Foundation is a significant expansion into the area of cultural development. A study of Lamu Port-South Sudan Ethiopia-Transport (LAPSSET) involved an expansion of RVI work on the environmental impact of a regional development plan. RVI's work in Somalia included the research for a Government land policy and training of Somali researchers.

Aim 2: Development of cross-cutting regional programmes that build on RVI's experience working in the countries of Eastern and Central Africa,

RVI work on LAPSSET expanded RVI projects both across Kenya, Ethiopia, Uganda and South Sudan. RVI is also an active partner in the DFID-funded *Political Settlements Research Programme* (PSRP), a complex four-year contract awarded to a consortium led by the University of Edinburgh. This has provided RVI an opportunity to expand its regional work, involving a second phase of the *Usalama* project in DRC, with a series of research projects, publications and briefings.

Aim 3: Deepening ties with local partner organisations with a view to strengthening local research capacity and developing RVI's work in countries where it does not yet maintain offices.

Progress in 2015: RVI continues to maintain relationships with local academic institutions, in Kenya, Somaliland and South Sudan. The partnership with local organisation Red Sea Online Cultural Foundation is the first time that RVI has embarked on a multi-year, donor funded partnership project.

Aim 4: Development of a long-term strategy for the development of the Institute

Report of the trustees

For the year ended 31 December 2015

Progress in 2015: In 2015, a process to develop an organizational strategy was formally begun. The process will involve all staff from RVI's four offices and will include a Strategic Planning Meeting to be held in Ethiopia in March 2016.

Overview of achievements and performance in 2015

In 2015, in pursuit of the objectives above the Institute embarked on a number of new projects and appointed three new staff members.

Diversification. The Institute's first research project in Ethiopia examined the history of conflict in the Ogaden and the prospects for peace between the Ethiopian Government and the insurgent Ogaden National Liberation Front. In Somaliland RVI supported events and discussions at the Hargeysa International Book Fair and developed a project for a permanent cultural centre in Hargeysa, now underway.

Cross-cutting programmes. The Institute continued to work on a multi-disciplinary research and public information programme focused on the proposed Lamu Port-South Sudan Ethiopia-Transport (LAPSSET) corridor. LAPSSET is a large-scale infrastructural project consisting of regional highway, railway and pipeline connections, airports, an oil refinery and a port. The project entailed research in several countries in Eastern Africa.

Local partners. RVI continued to work on collaborative research projects, including land disputes in Mogadishu, the impact of war on Somali men, and the economics of elections in Somaliland. These projects include a substantial training component, which is designed to enhance the research and dissemination capacity of local research organizations and institutions of higher education. Many of the meetings of the Rift Valley Forum also involve collaboration with regionally-based organisations, such as the British Institute in East Africa.

Social Research and Public Information

In 2015, several research projects were undertaken in Somalia and Somali-inhabited regions of the Horn and East Africa. These tackled the following themes: political processes in the region, emerging economies, democratisation, the social impact of war, and resource-based conflict. Research was conducted in numerous locations and involved more than 25 Somali researchers. In the course of the research over 700 informants and discussants were engaged through interviews, focus group discussions and critical thinking forums. Details follow below.

The Economics of Elections in Somaliland

Working with Somali researchers and the Academy for Peace and Development in Hargeysa, RVI completed a study on the economic dimensions of elections in Somaliland in June 2015. In December 2015, the launch of the report of the study was organised at the Observatory of Conflict and Violence Prevention (OCVP), in collaboration with the Institute of Peace & Conflict Studies (IPCS).

Following Mobile Money in Somaliland

RVI published a study in November 2015 on the emergence of a mobile telephone money transfer system in Somaliland and its social and political implications for a country lacking a developed financial infrastructure.

Between Somaliland and Puntland

A book-length study of the contested borderland between Somaliland and Puntland was published in May 2015.

Report of the trustees

For the year ended 31 December 2015

Hosts and Guests

In March 2015 RVI published a research report on the contestation over land as a key driver of violent conflict in Somalia. The report offers a historical approach to assist in understanding these disputes.

We Have Lived Too Long to Be Deceived

Following a peace agreement for South Sudan, signed in August 2015, RVI published a report summarising the discussions during the 2014 Juba University Lecture Series. Over the course of three evenings, the public lectures examined past peace deals and addressed the question of whether previous conflicts and agreements hold useful lessons for the future. Due to insecurity and government pressure on the University the 2015 lecture series was postponed to 2016.

LAPSSET

RVI published a study in December 2015 summarising the findings of research conducted in Kenya in 2014 on the Lamu Port–South Sudan–Ethiopia Transport (LAPSSET) corridor, a megaproject which, in its most ambitious form, would link a major new port development on Kenya’s Indian Ocean coast to South Sudan and Ethiopia.

Land Governance and Boundary Disputes in South Sudan and Northern Uganda

A publication currently at the editing stage on findings from research conducted by Durham University. The publication will form the next in the Contested Borderlands series and is expected in 2016.

The Economics of Elections in Somaliland – Somali translation

In late 2015, due to popular demand in Somaliland, RVI started the translation of *The Economics of Elections in Somaliland* into Somali. This will be RVI’s first publication in Somali. Publication is expected in 2016.

Tahriib narrative

In mid-2015 the Institute started editorial work on a first-person narrative of a would-be migrant from Somaliland to Europe, rescued from the Mediterranean and repatriated to Somaliland. It will be published in a bilingual edition, in English and Somali. Publication is expected in 2016.

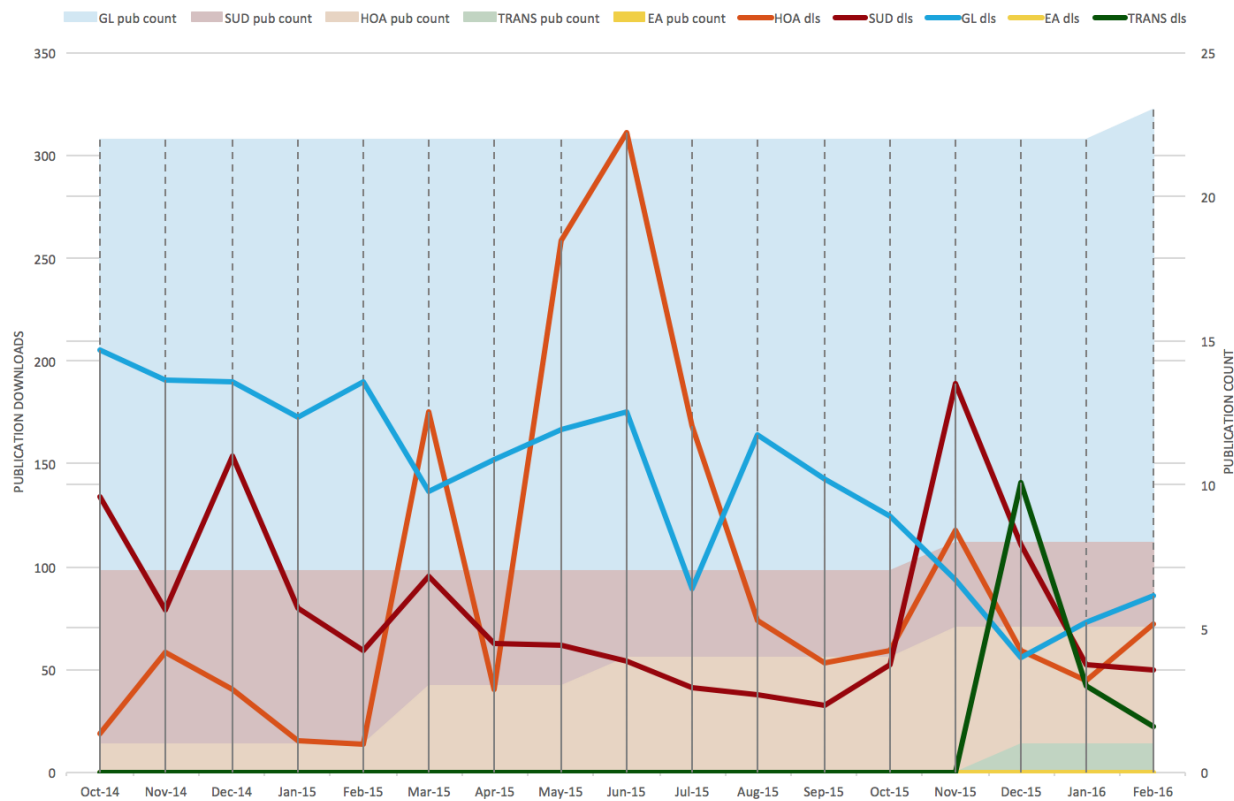
A Microcosm of Militarization – Usalama Phase II (PSRP)

In 2015 RVI started the publication process of a new publication on armed groups in Uvira, Eastern Congo, under Usalama Phase II (Political Settlements Research Programme). Publication is expected in early 2016.

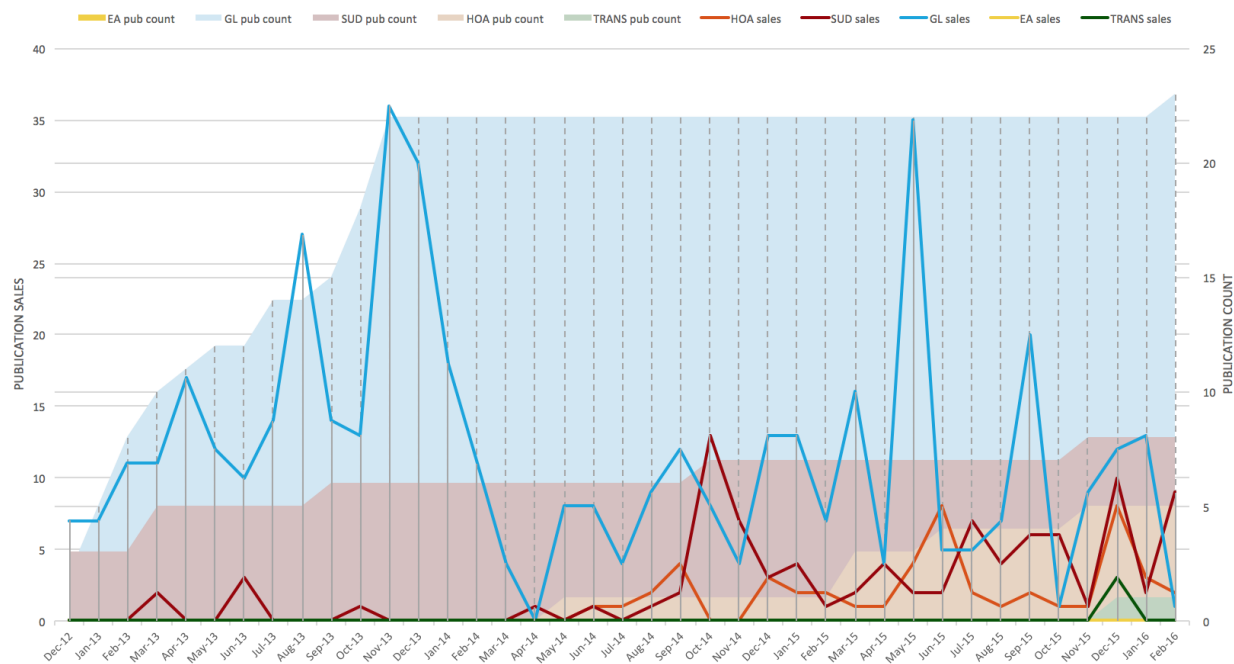
The Institute now has over ninety publications in circulation. All are available as freely downloadable PDFs. These books, research papers and reports are also available from online merchants, principally Amazon. Starting in 2015, RVI has made new publications available in epub format for Kindle. All proceeds from sales of printed copies and Kindle downloads of publications are remitted to the RVI scholarship fund, which supports researchers and activists from the region on academic courses including the RVI’s own sub-regional training courses. Statistics for sales and downloads of publications, from when the recording of this information began, are shown below.

The first graph shows downloads from the website, as well as the number of publications in circulation from October 2014. The second graph shows publication sales as well as the amount of publications in circulation from December. The graphs only show publications that are available in print; they do not include meeting reports, briefings, and publications published by partners. They are divided by region.

Publication downloads and count by region



Publication sales and count by region



Report of the trustees

For the year ended 31 December 2015

Training and education

RVI Field Courses

RVI held all its three annual field courses in June and July 2015 in Naivasha, Kenya. 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. In 2015, over 90 participants attended the courses from NGOs, donor organisations, regional bodies, embassies, media organisations, civil society organisations, universities and the private sector. The RVI scholarship programme, funded by RVI from donor funds, internal resources and proceeds of book sales, enabled five young researchers and civil society activists from the region to attend the courses.

The Institute also organized four customised training courses for institutional clients:

- A three-day seminar on Somalia, held in London, for the Foreign & Commonwealth Office
- A one-day course on Burundi, held in Nairobi, for the East Africa Standby Force (EASF)
- A three-day induction course on Burundi, held in Nairobi, for UNICEF ESARO
- A three-day induction course on Ethiopia, held in Nairobi, for UNICEF ESARO

Political Settlements Research

In 2015 RVI embarked on a four-year DFID-funded research project on Political Settlements as part of a consortium, led by the University of Edinburgh. The project 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. Under the consortium's 'political settlements and armed conflict' research theme, the Institute has been able to extend the work of the Usalama Project, an RVI project which researches armed groups and local governance in the eastern DRC. The Political Settlements research analyses the effect of armed groups on governance structures in three areas in North and South Kivu, with a specific focus on the economy, justice and security sectors. Fieldwork was conducted from September to December 2015. Under the PSRP Research theme 'political settlements and transformation', RVI also continued work on stabilization interventions and will publish a report on external and internal stabilization efforts in Somalia, Somaliland and Puntland in March 2016. Publication of PSRP research reports, briefings, blogs and promotion of public events in the DRC and Europe will continue until mid-2016.

The Rift Valley Forum for Research, Policy and Local Knowledge

In 2015, the Nairobi Forum for Research, Policy and Local Knowledge—the Institute's flagship project in Kenya— was renamed the Rift Valley Forum for Research, Policy and Local Knowledge, in order to better capture the programme's multi-regional focus. The Rift Valley Forum is a space for critical discussion of political, economic and social issues in Eastern and Central Africa. Established in October 2012, this programme of research and public information is designed to bring together three constituencies: policy-makers in government and international organizations, intellectuals and civil society activists from the countries of Eastern and Central Africa, and analysts and researchers with a long-term commitment to the region. The Forum programme covers the Horn of Africa, East and Central Africa, Sudan and South Sudan.

Meetings in 2015 included:

- A panel discussion, in collaboration with the Institute of Peace & Conflict Studies and the Observatory of Conflict and Violence Prevention (OCVP), Hargeysa University, to launch the report of the study *The Economics of Elections in Somaliland: The financing of political parties and candidates*. The event was held in Hargeysa and about fifty participants, including members of the Electoral Commission, representatives of

Report of the trustees

For the year ended 31 December 2015

three political parties, members of parliament, members of local councils, women's organisations, INGOs, and local civil society organisations, attended.

- A debate: *The Great Migration Debate* was held in collaboration with the Regional Mixed Migration Secretariat (RMMS) and the Swiss Agency for Development Cooperation, at the Louis Leakey Auditorium at the Nairobi National Museum. It featured a panel debating the proposition 'Global migration is out of control—states must enforce stricter border controls and adopt policies to reduce migration.' Two hundred and thirty people attended, including many students.
- A panel discussion was held on *Extractives Development and Violence in Eastern Africa*, in collaboration with the Institute for Development Studies and the Centre for Human Rights and Policy Studies. The discussion explored how extractive development of mineral deposits may affect the dynamics of violence in Eastern African and examined policy and legal options to prevent violence.
- A meeting with Ugandan writer Jennifer Nansubuga Makumbi, whose novel *Kintu* won the 2013 Kwani? Manuscript Prize was moderated by Tom Odhiambo, Lecturer in Literature at the University of Nairobi. The meeting examined the history, culture and the resurgence of kingdoms in Ugandan politics and was co-hosted with Kwani?
- A panel discussion entitled *Burundi at the Crossroads* was held, featuring four Burundi specialists, to discuss the political crisis that has gripped Burundi since the ruling CNDD-FDD party announced the nomination of President Pierre Nkurunziza to run for a third term in April 2015.
- A panel met to discuss the Kenyan government's announcement, after the al Shabaab attack on Garissa University College on 2 April 2015, of the imminent closure of the Dadaab refugee camps and the repatriation of their 340,000 or more Somali residents. Panellists discussed the legal and humanitarian implications of a mass repatriation of Somali refugees. The event and the announcement that refugees would not be forcibly repatriated, by the Chair of Kenya's refugee affairs commission speaking from the audience, received international press coverage.

Reports of these meetings and others are available on RVI's website, along with podcasts and videos.

Hargeysa Cultural Center

In 2014 the Institute secured a three-year grant to support the establishment by the Redsea Cultural Foundation of a permanent cultural centre in Hargeysa, Somaliland. In 2015, the Hargeysa Cultural Centre organised the annual Hargeysa International Book Fair: the centre runs a permanent library, and for 2015, organised a calendar of cultural activities and public events and provided training opportunities for young artists. The centre held exhibitions and performances, documented endangered cultural heritage, organised reading clubs in all regions of Somaliland and published works of Somali literature. Through these diverse activities, the Centre aims to stimulate a revival of culture in Somaliland and particularly of reading culture.

The Impact of War on Somali Men

The inception phase of this project was completed in 2014. Funding is currently being sought for a longer-term study of the impact of protracted conflict on Somali men. This project has three aims: firstly, to promote public discussion among Somalis on the impact of the war; secondly, to generate information that Somali and non-Somali policy makers can use to address the practical needs of men and youths affected by war; thirdly, to strengthen the capacity of Somali academic institutions to undertake research. The study will be undertaken in south central Somalia, Puntland and Somaliland and among refugees and diaspora communities in Kenya and elsewhere.

Report of the trustees

For the year ended 31 December 2015

Scoping Study on Land Policy in Somaliland

In 2015, RVI successfully conducted a “scoping study” on land issues in Somaliland. The study was conducted in 29 locations in all regions of Somaliland – Awdal, Marodijeh, Sahil, Togdheer, Sool, and Sanaag. The study team held more than 272 consultative meetings and interviewed more than 1450 people, of whom 460 were female. The study produced six thematic reports which are now undergoing a final editing and drafting process. These six reports have the following themes: Historical and Cultural Analysis; Comparative Case Studies; Legal and Policy Framework; Land Conflict and Land Dynamics; Land Resources, Use and Economy; and Land Tenure and Administration. A synthesis report and a road map for a land policy for Somaliland will be produced in 2016.

LAPSSET research and public information programme

In October 2013, the Nairobi Forum organised a public meeting to discuss the LAPSSET project, the proposed Lamu Port-South Sudan Ethiopia-Transport corridor. The meeting was attended by civil society activists, local political representatives and Kenyan government officials. Civil society groups in the area explained that they had limited access to knowledge about LAPSSET, official or otherwise. This meeting shaped RVI’s planning for a longer-term study started in 2014, which built on the Institute’s position as a research and training organisation engaged in all the countries in the Horn and East Africa region that are affected by the project. The project report includes a history of LAPSSET and an “actor-mapping” of regional and international institutions, civil society organisations and affected communities. During the research, civil society groups again voiced a need for a public information-sharing platform, which RVI intends to develop in 2016.

Juba Lecture Series 2015

Funding from the Australian Embassy in Addis was received in September for the 2015 Juba Lecture Series, the fifth in RVI’s collaboration with the Centre for Peace and Development Studies (CPDS) of Juba University. A series of public lectures and panel discussions, examining the role of civil society in South Sudanese politics and peace building was planned for November. However government pressure led to the departure from the country of the Director of the CPDS. After discussion with our South Sudanese collaborators the lectures were postponed to 2016.

National Archive of South Sudan

The South Sudan National Archive contains records from 1904 to 1983. They form the primary historical resource for nation-building in South Sudan. A significant proportion of the documents were lost or destroyed during Sudan’s second civil war (1983-2005). Others have been damaged by rain and termites. This long-running RVI programme, implemented in partnership with the Ministry of Culture, Youth and Sport, provides for the conservation, reordering, cataloguing and digitisation of these irreplaceable records. In 2015 the programme was expanded in collaboration with the Catholic University of South Sudan, with support from the USAID VISTAS programme. In December, RVI trustees and directors agreed that the Institute should continue to support the vital work of digitization of the archives from its own reserves if necessary. Fundraising efforts will continue during 2016.

South Sudan Customary Authorities Project

In January 2015, the RVI launched the first phase of the South Sudan Customary Authorities Project (SSCA), a six-month project designed to explore the current and future roles played by customary authorities (CAs) in South Sudan. RVI’s field research, undertaken in all ten states, established the grounds for a conversation between chiefs and elders in diverse parts of the country. It examined the history of chiefship, the role of chiefs, and chiefs’ relationships with the communities they represent. This research culminated in a public panel discussion, under the aegis of the RVI Forum in Nairobi, which brought together five chiefs from Yambio, Rumbek, Panyijar, Kuajok and Juba with members

of civil society. The RVI also made a documentary film, *The Chiefs Speak*, which has been widely disseminated in South Sudan and Kenya.

FUTURE PLANS

The Institute's projects are organised under the following categories: Social Research and Public Information; Training and Education; Archives and Digital Libraries. The strategic Plan currently under development will guide programmes in these three areas for the five-year period 2016-2021.

Social Research and Public Information

Over the past decade the Rift Valley Institute has established a reputation for field-based research 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. 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 RVI's founders. Since then the Institute has conducted further front-line research in South Sudan and in other conflict-affected areas, including Somalia and the eastern DRC. Today the security situation in many parts of Eastern and Central Africa is deteriorating and in a number of countries the curtailment of political freedom and space for public discussion adds a new challenge for field-based researchers. As space for public discussion shrinks and civil society is put on the defensive, Programmes that support freedom of information are more necessary than ever.

Publications

Publications planned for 2016 include reports on land and governance in Mogadishu and in the South-Sudan Uganda border area, briefings and reports arising from the political settlements project, a history of the Somali national movement, narratives of the Somali migration to Europe, and Somali translations of existing RVI publication.

Research Capacity Building Project

In 2015, RVI, in partnership with Puntland State University and the University of Hargeysa, secured a grant from the Somalia Stability fund to work towards the goal of enabling Somali research institutions to gain the capacity to undertake their own research on political, economic and social development in Somalia and Somaliland. This two-year project is due to begin in 2016 and will include training courses for teaching staff in social research methodology, and the delivery of short courses for non-university students

'In Our Own Words'

In Our Own Words is an innovative strand of social research developed by the RVI in conflict-affected countries of the region. Young researchers drawn from universities, civil society and government are mentored in techniques of field-based oral history in order to document the experience of their home communities. They are also trained in multimedia dissemination of the results. The onset of civil war in South Sudan in December 2013 curtailed funding for *In Our Own Words*; the Institute is developing a comparable project in eastern DRC

Report of the trustees

For the year ended 31 December 2015

Political Settlements Research

Under the conflict research theme of the Political Settlements Research Programme, RVI will publish a second series of Usalama Project research reports, briefings and blogs and disseminate research conclusions in events in the DRC and Europe, between January and June 2016. RVI will also publish a report on external and internal stabilisation efforts in Somalia, Somaliland and Puntland in 2016 and host a conference on past and current stabilisation efforts in the Democratic Republic of the Congo in September 2016.

Rift Valley Forum for Research, Policy and Local Knowledge

The Rift Valley Forum was established in September 2012 for public discussion of political, economic and social issues affecting Eastern and Central Africa. The core activities of the Forum were research, discussion of local forms of understanding, and their application to policy and practice. In 2015, RVI revised the scope of the Rift Valley Forum programme, to focus exclusively on public information and events. 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.

Hargeysa Cultural Center

The Institute will continue to support the development of the Hargeysa Cultural Center, the Hargeysa International Book Fair and a programme of the cultural activities throughout the year, the last year of the 3-year European Union grant.

Scoping Study on Land Policy in Somaliland

Now that the land study has been completed, the next step is to use the study to inform the land policy drafting process, which RVI committed to support in 2016. Other related activities planned for 2016 include validation workshops and a final land policy conference.

Mipakani Project

Phase 2 of the Mipakani Project is under discussion with potential funders. In this phase the RVI will expand the content of the online project library and pursue new means of dissemination with feedback from communities in northern Kenya.

South Sudan Customary Authorities Project

Phase Two of this project will begin in January 2016 in a number of locations in South Sudan (initially Warrap, Jonglei and Western Equatoria states) and to expand this conversation to include other groups such as churches and civil society. There will be public screenings of the film made in the earlier phase of the project, *The Chiefs*. Field research and filming will inform a more substantial documentary film for a wider South Sudanese public during 2016. The aim is for the customary authorities themselves to clarify their roles and their potential contribution to the building of peace in South Sudan.

Juba Lecture Series

RVI intends to hold the fifth annual Juba lecture series in South Sudan in 2016. There have been discussions with the Centre for Peace and Development Studies at the University regarding potential changes to the format or venue of the lecture series. The lectures will coincide with the final phase of the South Sudan Customary Authorities project.

National Archive of South Sudan

Despite the continued insecurity, uncertainty and donor reticence created by the conflict in South Sudan, the Institute

Report of the trustees

For the year ended 31 December 2015

has maintained an uninterrupted working relationship with the Ministry of Culture, Youth and Sports of the Government of South Sudan. At the current rate of digitization the entire archive will be scanned and digitally recorded by 2020. The current work-placement scheme will continue as a central component of the project during 2016 under a Letter of Agreement signed with the Catholic University. RVI will continue to seek sources of funding for the programme

Training and Education

A new Education Manager was recruited in 2015 and starts work in January 2016. The Institute will run the three established annual field courses on Sudan and South Sudan, the Horn of Africa, and the Great Lakes in 2016, and a number of bespoke courses for institutional clients.

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 2015. 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 twice 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, fund-raising, 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 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

Report of the trustees

For the year ended 31 December 2015

publications and written policies relevant to the governance and risk management of RVI.

Offices and related parties

The Charity has five offices: its headquarters in London, in the United Kingdom; a regional office for Eastern Africa in Nairobi, Kenya; an office in Juba, South Sudan; an office in Hargeysa, Somaliland; and an office in Annandale-on-Hudson, in the state of New York, in the United States. 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 is also a trustee of the Rift Valley Institute (i.e. the UK entity).

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 2015 the risk register was reviewed at both trustee meetings and with Africa-based staff in October 2015. RVI continuously reviews procedures and protocols for managing staff security. At the end of December a managerial staff member in Nairobi with special responsibility for managing security was appointed.

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. Staff retention

RVI is a small, transnational organisation that relies on key staff members for organisational continuity and for delivering projects. Human resource management remains challenging. In the last year RVI recruited five new staff, based variously in Nairobi, Juba, Hargeysa and London. Three long-serving staff were promoted. At certain times the Institute requires long hours and frequent travel from staff; to balance this, flexible working hours, "time off in lieu" and support to staff who undertake educational courses are features of RVI working practice.

2. Security

Due to the nature of the work that RVI undertakes and the locations in which this work is undertaken physical security of personnel is a major risk for the institute. This is managed through travel and security policies and procedures. These are designed to ensure the safety and security of staff and consultants based in or travelling to the region on behalf of the Institute. RVI also aims to have a balanced portfolio of projects in a range of countries across the Eastern African and Central African region, in order to spread the risk should a particular area become too difficult to work in. For mission-related reasons the Institute works wherever possible with local partners. This also makes it possible to continue to implement projects in cases when international organisations such as RVI do not have access.

3. Inability to deliver on contracts

Both in the case of grants and service delivery contracts, the challenging operating environment and the Institute's reliance on key individuals results in an identified risk of failure to deliver timely results on key contracts, which would

Report of the trustees

For the year ended 31 December 2015

have substantial reputational and financial impact. In order to manage this, the Institute conducts open discussion with funders and partners of the risks involved before entering into contracts, and clear identification of responsibility for each element of project delivery.

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 implemented 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.

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 £1,714,887, the Charity's total income in 2015 was over 36 per cent higher than its total income in 2014. Net income from fees charged on the three RVI Training Courses was lower than the previous year and additional income was generated by a number of bespoke training courses. A general institutional support grant provided substantial unrestricted core funds for the charity. £371,439 in unrestricted income was generated through contract work.

In 2016 it is anticipated that Charity's total income will continue to increase.

In 2015 the Institute's overall expenditure rose by 22 per cent, from £1,321,989 in 2014 to £1,613,531 in 2015 and reflected general growth of the Institute.

At the end of 2015 the Charities overall reserves on hand were higher, at £636,550 compared with £535,194 in 2014. However, the total component of unrestricted reserves decreased by 10 per cent from £483,787 in 2014 to £433,952 in 2015.

The method of allocation of costs was adjusted this year to reflect allocation of staff costs to fundraising efforts. The figures contained in this report reflect this revision as described in the accounting policies.

Report of the trustees

For the year ended 31 December 2015

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 provided 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 have examined the need for free reserves—i.e. those unrestricted funds not invested in tangible fixed assets, or designated for specific purposes, or otherwise committed—and judge it prudent to keep the equivalent of six months of estimated staff and support costs in reserves. (These costs principally comprise employee salaries and office expenses.) This policy has been in place since 2012.

Keeping six months of estimated staff and support costs in reserves protects the Charity against temporary shortfalls. The Board of Trustees reviews the reserves policy annually.

The estimate for staff and support costs in 2016 is £837,000, compared to £676,000 in 2015. The desired reserve as at 31 December 2015 is therefore £418,500. The unrestricted reserves on hand at £433,952 adequately covers this.

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.

Report of the trustees

For the year ended 31 December 2015

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 2015 was 5 (2014 - 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.

Auditors

Sayer Vincent LLP were re-appointed as the charitable company's auditors 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 5 August 2016 and signed on their behalf by

Justin Willis – Trustee

Independent auditor's report

To the members of

Rift Valley Research Limited

We have audited the financial statements of Rift Valley Research Limited for the year ended 31 December 2015 which comprise the statement of financial activities, balance sheet, statement of cash flows and related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the 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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the 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.

Respective responsibilities of the trustees and auditors

As explained more fully in the statement of responsibilities of the trustees set out in the report of the trustees, 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.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the report of the trustees to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

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 2015 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; and
- Have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

Independent auditor's report

To the members of

Rift Valley Research Limited

Matters on which we are required to report by exception

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

- Adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- The financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of 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' exemption in preparing the report of the trustees and take advantage of the small companies' exemption from the requirement to prepare a strategic report.

Jonathan Orchard (Senior statutory auditor)

8 August 2016

For and on behalf of Sayer Vincent LLP, Statutory Auditors

Sayer Vincent, 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 2015

	Note	Unrestricted £	Restricted £	2015 Total £	2014 Total £
Income from:					
Donations and legacies	3	144,125	–	144,125	253,822
Charitable activities					
Education and training	4	293,720	–	293,720	340,830
Research, programmes and publications	4	371,439	899,959	1,271,398	653,426
Scholarship fund	4	–	1,806	1,806	9,144
Investments	5	3,836	2	3,838	70
Total income		813,120	901,767	1,714,887	1,257,292
Expenditure on:					
Raising funds	6	92,903	18,893	111,796	140,996
Charitable activities					
Education and training	6	287,996	9,467	297,463	336,725
Research, programmes and publications	6	481,620	720,652	1,202,272	835,381
Scholarship fund	6	–	2,000	2,000	8,887
Total expenditure		862,519	751,012	1,613,531	1,321,989
Net income / (expenditure) before other recognised gains and losses		(49,399)	150,755	101,356	(64,697)
Transfers between funds		(436)	436	–	–
Net movement in funds		(49,835)	151,191	101,356	(64,697)
Reconciliation of funds:					
Total funds brought forward		483,787	51,407	535,194	599,891
Total funds carried forward		433,952	202,598	636,550	535,194

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 19 to the financial statements.

Rift Valley Research Limited

Balance sheet

Company no. 4271537

As at 31 December 2015

	Note	£	2015 £	£	2014 £
Fixed assets:					
Tangible assets	13		6,605		8,306
			6,605		8,306
Current assets:					
Debtors	14	303,197		91,129	
Cash at bank and in hand		409,809		542,649	
		713,006		633,778	
Liabilities:					
Creditors: amounts falling due within one year	15	83,061		106,890	
Net current assets / (liabilities)			629,945		526,888
Total assets less current liabilities			636,550		535,194
Total net assets / (liabilities)			636,550		535,194
The funds of the charity:	19				
Restricted income funds			202,598		51,407
Unrestricted income funds:					
General funds		433,952		483,787	
Total unrestricted funds			433,952		483,787
Total charity funds			636,550		535,194

Approved by the trustees on 5 August 2016 and signed on their behalf by

Justin Willis
Trustee

Rift Valley Research Limited

Statement of cash flows

For the year ended 31 December 2015

	Note	2015 £	£	2014 £	£
Cash flows from operating activities	20				
Net cash provided by / (used in) operating activities		(126,829)		49,325	
Cash flows from investing activities:					
Purchase of fixed assets		<u>(6,011)</u>		<u>(9,358)</u>	
Net cash provided by / (used in) investing activities		<u>(6,011)</u>		<u>(9,358)</u>	
Change in cash and cash equivalents in the year		(132,840)		39,967	
Cash and cash equivalents at the beginning of the year		<u>542,649</u>		<u>502,682</u>	
Cash and cash equivalents at the end of the year	21	<u><u>409,809</u></u>		<u><u>542,649</u></u>	

1 Accounting policies

a) 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) (August 2014) 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.

b) Reconciliation with previously Generally Accepted Accounting Practice (GAAP)

In preparing the accounts, the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 a restatement of comparative items was required. The transition date was 1 January 2014. No adjustments were required.

c) Public benefit entity

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

d) Going concern

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

Key judgements that the charitable company has made which have a significant effect on the accounts include an estimated GBP 175,000 liability from multi-year grant commitments.

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	16%
● Research, programmes and publications	65%
● Fundraising	5%
● Support costs	11%
● Governance costs	4%

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	20%
● Research, programmes and publications	58%
● Fundraising	21%

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 £500.00. 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) 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 sterling 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 overseas 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, oversight from the UK office is such that overseas offices are in substance branches.

2 Detailed comparatives for the statement of financial activities

	Unrestricted £	Restricted £	2014 Total £
Income from:			
Donations and legacies	131,389	122,433	253,822
Charitable activities	544,997	458,403	1,003,400
Investments	70	–	70
Total income	676,456	580,836	1,257,292
Expenditure on:			
Raising funds	140,996	–	140,996
Charitable activities	456,148	724,845	1,180,993
Total expenditure	597,144	724,845	1,321,989
Net income / expenditure before gains / (losses) on investments	79,312	(144,009)	(64,697)
Net gains / (losses) on investments	–	–	–
Net income / expenditure	79,312	(144,009)	(64,697)
Transfers between funds	–	–	–
Net income / (expenditure) before other recognised gains and losses	79,312	(144,009)	(64,697)
Net movement in funds	79,312	(144,009)	(64,697)
Total funds brought forward	404,475	195,416	599,891
Total funds carried forward	483,787	51,407	535,194

3 Income from donations and legacies

	Unrestricted £	Restricted £	2015 total Total £	2014 Total £
Gifts	144,125	–	144,125	253,822
	144,125	–	144,125	253,822

4 Income from charitable activities

	Unrestricted £	Restricted £	2015 Total £	2014 Total £
Annual Field Courses	230,559	–	230,559	314,226
Other Training Coursese	63,161	–	63,161	26,604
Sub-total for Education and Training	293,720	–	293,720	340,830
European Union	–	229,306	229,306	176,031
Somaliland Development Fund	303,947	–	303,947	–
OSIEA	29,049	–	29,049	–
Somaliland Stability Fund	–	45,904	45,904	–
UNICEF	26,643	–	26,643	–
AECOM	–	108,278	108,278	–
Australian Embassy in Addis Ababa	–	28,252	28,252	–
Swiss Development Corporation – Juba	–	211,747	211,747	–
Swiss Development Corporation – Nairobi	–	149,984	149,984	–
University of Edinburgh	–	121,178	121,178	–
UNESCO	–	–	–	53,730
Tufts University	–	–	–	34,791
Danish Institute of International Studies	–	–	–	11,777
Heinrich Boll Foudnation	–	–	–	14,866
Africa Conflict Prevention Pool and DfID	–	–	–	129,735
World Bank	–	–	–	204,167
United States Institute of Peace	–	–	–	22,848
Other Small Funders	11,800	5,310	17,110	5,481
Sub-total for Research, programmes and publications	371,439	899,959	1,271,398	653,426
Book sales	–	490	490	–
Other contributions to the scholarship fund	–	1,316	1,316	9,144
Sub-total for Scholarship Fund	–	1,806	1,806	9,144
Total income from charitable activities	665,159	901,765	1,566,924	1,003,400

5 Income from investments

	Unrestricted £	Restricted £	2015 Total £	2014 Total £
Bank Interest	3,836	2	3,838	70
	3,836	2	3,838	70

6 Analysis of expenditure

	Cost of raising funds £	Charitable activities			Governance costs	Support costs £	2015 Total £	2014 Total £
		Education £	Research, programmes and publications £	Scholarship Fund £				
Direct Staff Costs	74,926	20,493	132,142	–	44,529	100,790	372,880	362,775
Grants made	–	–	259,735	–	–	–	259,735	–
Travel, subsistence and associated	–	42,696	174,706	–	–	–	217,402	177,443
Consultants Fees	–	71,090	423,375	–	–	–	494,465	397,187
Events	–	111,097	25,727	–	–	–	136,824	189,412
Direct publication costs	–	3,652	31,846	–	–	–	35,498	27,532
Other Direct Costs	–	2,659	7,677	2,000	12,981	–	25,317	48,159
Office & Other Staff Costs	–	–	–	–	–	71,410	71,410	119,481
	74,926	251,687	1,055,208	2,000	57,510	172,200	1,613,531	1,321,989
Support costs								
Staff Costs	20,981	17,009	62,800	–	–	(100,790)	–	–
Office & Other Staff Costs	15,889	18,212	37,309	–	–	(71,410)	–	–
Governance Costs	–	10,555	46,955	–	(57,510)	–	–	–
Total expenditure 2015	111,796	297,463	1,202,272	2,000	–	–	1,613,531	1,321,989
Total expenditure 2014	140,996	336,725	835,381	8,887	–	–	1,321,989	

7 Grant making

Grants were made in accordance with funder agreements. A small grant for research work with SAHAN (£5,192) in east Africa and larger grants through the EU Funded Hargeysa Cultural Center to the RedSea Online Cultural Foundation (£172,233). Grants were not recorded in 2014 and were accounted for as advances, with expenses being allocated accordingly in the RVI account.

8 Net incoming resources for the year

This is stated after charging / crediting:

	2015 £	2014 £
Depreciation	7,712	8,648
Operating lease rentals:		
Property	42,913	46,069
Auditors' remuneration (excluding VAT):		
Audit – UK	6,000	5,900
Audit – Kenya	842	625
Other services	–	–
Foreign exchange gains or losses	9,281	29,765

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

Staff costs were as follows:

	2015 £	2014 £
Salaries and wages	316,416	324,254
Social security costs	21,036	20,309
Employer's contribution to defined contribution pension schemes	11,846	3,577
Other forms of employee benefits	23,582	20,351
	372,880	368,491

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

	2015 No.	2014 No.
£60,000 – £69,999	–	–
£70,000 – £79,999	1	1

The total employee benefits including pension contributions of the key management personnel were £58,838 (2014: £37,505).

Trustees' remuneration comprises a salary, pension contribution and associated costs paid to John Ryle (£40,838 in 2015; £45,892 in 2014).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £174.40 incurred by Justin Willis. No other trustees claimed expenses relating to attendance at meetings of the trustees.

10 Staff numbers

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

	2015 No.	2014 No.
Raising funds	2.1	1.6
Education and training	0.6	1.6
Research, programmes and publications	3.8	3.8
Support	2.8	2.4
Governance	1.2	0.9
	<u>10.5</u>	<u>10.3</u>

11 Related party transactions

There are no related party transactions to disclose for 2016 (2015: 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.

12 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 2015 resources expended include £4,206 paid to Kenyan Revenue Authority as Company Tax (2014: £4,506 and 2013: £4,074 in respect of Kenyan tax).

13 Tangible fixed assets

	Office equipment £	Total £
Cost or valuation		
At the start of the year	42,957	42,957
Additions in year	6,011	6,011
	<u>48,968</u>	<u>48,968</u>
At the end of the year		
Depreciation		
At the start of the year	34,651	34,651
Charge for the year	7,712	7,712
	<u>42,363</u>	<u>42,363</u>
At the end of the year		
Net book value		
At the end of the year	6,605	6,605
	<u>8,306</u>	<u>8,306</u>
At the start of the year		
	<u>8,306</u>	<u>8,306</u>

All of the above assets are used for charitable purposes.

14 Debtors

	2015 £	2014 £
Grant Income	281,519	59,079
Other debtors	15,887	26,175
Prepayments	5,791	5,875
	<u>303,197</u>	<u>91,129</u>

15 Creditors: amounts falling due within one year

	2015 £	2014 £
Other creditors	3,684	–
Accruals	5,155	26,580
Deferred income	74,222	80,310
	<u>83,061</u>	<u>106,890</u>

16 Deferred income

Deferred income comprises of two grants received in 2015, but for projects only due to commence in 2016 as well as deferred course fees.

	2015 £	2014 £
Balance at the beginning of the year	80,310	–
Amount released to income in the year	(80,310)	–
Amount deferred in the year	74,222	80,310
	<u>74,222</u>	<u>80,310</u>
Balance at the end of the year	74,222	80,310

17 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.

18 Analysis of net assets between funds

	General unrestricted £	Restricted £	Total funds £
Tangible fixed assets	6,605	–	6,605
Net current assets	427,347	202,598	629,945
	<u>433,953</u>	<u>202,598</u>	<u>636,550</u>
Net assets at the end of the year	433,953	202,598	636,550

19 Movements in funds

	At the start of the year £	Incoming resources & gains £	Outgoing resources & losses £	Transfers and gains/(losses) £	At the end of the year £
Restricted funds:					
Hargeysa Cultural Center	45,416	229,306	(213,281)	–	61,441
Addressing land disputes in Mogadishu, Somalia	4,295	–	(4,295)	–	–
Somaliland Land Study	(436)	–	–	436	–
Somalia Research Capacity Building	–	45,904	(45,904)	–	–
Juba Lectures	–	28,252	(846)	–	27,406
National Archives of South Sudan	–	108,278	(108,278)	–	–
South Sudan Customary Authorities	–	211,747	(145,656)	–	66,091
Rift Valley Forum	–	155,296	(96,992)	–	58,304
Political Settlements Research Programme	–	121,178	(133,760)	–	(12,582)
Scholarship fund	2,132	1,806	(2,000)	–	1,938
Total restricted funds	51,407	901,767	(751,012)	436	202,598
General funds	483,787	813,120	(862,519)	(436)	433,952
Total unrestricted funds	483,787	813,120	(862,519)	(436)	433,952
Total funds	535,194	1,714,887	(1,613,531)	–	636,550

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 Somali Development fund, this project works to build research capacity with two local partners, Hargeisa University 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.

Addressing Land Disputes in Mogadishu – This study, carried out in collaboration with the Mogadishu-based Heritage Institute for Policy Studies, with funding from the United States Institute of Peace (USIP), analyses the different types and causes of land disputes in Mogadishu.

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 fifth 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.

Purposes of restricted funds (continued)

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.

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

	2015 £	2014 £
Net income / (expenditure) for the reporting period (as per the statement of financial activities)	101,356	(64,697)
Depreciation charges	7,712	8,648
(Increase)/decrease in debtors	(212,068)	54,770
Increase/(decrease) in creditors	(23,829)	50,604
Net cash provided by / (used in) operating activities	(126,829)	49,325

21 Analysis of cash and cash equivalents

	At 1 January 2015 £	Cash flows £	Other changes £	At 31 December 2015 £
Cash at bank and in hand	542,649	(132,840)	–	409,809
Total cash and cash equivalents	542,649	(132,840)	–	409,809

22 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 2015 £	2014 £
Less than one year	14,464	16,873
	14,464	16,873

23 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.