



# Annual Report & Consolidated Financial Statements

**INTERNEWS EUROPE**  
**31 DECEMBER 2021**

Company number: 07891107  
Charity number: 1148404



**Internews Europe**  
**Reference and administrative details**  
**For the year ended 31 December 2021**

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<b>Company number</b>	07891107
<b>Charity number</b>	1148404
<b>Registered office and operational address</b>	13-14 Angel Gate, London, EC1V 2PT
<b>Trustees</b>	Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:  Mr Mark Stephens CBE      Chair Mrs Daisy McAndrew      Vice-Chair Mrs Carolyn Hink      Treasurer Dr Saleyha Ahsan Mr Yann Borgstedt Mr Sach Chandaria Mr Matt Chanoff Mrs Kristina Henschen Mr David Hoffman Ms Meera Selva      (Appointed: 25 <sup>th</sup> May 2021)
<b>Key Management Personnel</b>	Ms Jodie Ginsberg      Chief Executive Officer (resigned March 31 2022)  Ms Rosie Parkyn      Acting Chief Executive Officer and Global Director of Impact (from 01 April 2022) Mrs Foluke Mogaji      Senior Director of Finance & Resources (resigned 5 <sup>th</sup> May 2022) Mr Abdurahman Sharif      Senior Director of Outreach and Partnerships (from 25 <sup>th</sup> January 2021) Mrs Claire Palmer      Director of Philanthropy Mr Denis Kovalenko      Head of Grants, Contracts & Compliance
<b>Bankers</b>	Barclays Bank PLC 27 Soho Square London W1D 3QR
<b>Solicitors</b>	Bates, Wells and Braithwaite 10 Queen Street Place London EC4R 1BE
<b>Auditor</b>	Sayer Vincent LLP Chartered accountants and statutory auditors Invicta House 108-114 Golden Lane London, EC1Y 0TL

## Foreword

This year was another one of dramatic global change. The effects of the global pandemic continued to be felt, with major health and economic impacts experienced globally. That was coupled with major upheaval in a number of the countries in which Internews has worked for many years, notably Myanmar and Afghanistan.

While total income remained at similar levels to 2020, Internews Europe experienced increased visibility in 2021, reflecting the continued importance the organisation's mission to support accurate and trustworthy information at all times, including crisis. We secured funding to deliver our Afghanistan response, saw increased funding from Foundations, and built new funding relationships with the Belgian Department for Foreign Affairs and the World Health Organization. We continued the Rapid Response Fund for Latin America and the Caribbean launched in 2020, in addition to tackling COVID 19 mis- and disinformation in the African Great Lakes region and expanding our work in countries where freedom of expression is highly restricted. Along with our sister organisation the Internews Network, we worked in 106 countries, supporting the provision of high quality information in 135 languages.

Staff continued to adjust to remote working and a number of systems were rolled out during the year to support this, including the Internews Studio, which develops and hosts online training. Our 'One Internews' initiative, which aims to improve the efficiency of collaboration between Internews Europe and the Internews Network, shifted up a gear as we transitioned to an Enterprise Resource Planning system. This was a major internal project that will deliver greatly enhanced support for all our teams and much needed increased efficiencies. An internal database dubbed Program Source was also launched during the period to better and more systematically capture the impact of our work. We are confident this will help us hone and improve our delivery, and continue to develop innovative responses to emerging global challenges.

Our **Health Journalism Network** grew during the year, bringing together hundreds of local journalists and editors worldwide to share knowledge and expertise on reporting on health, and now has 1300 members

While health dominated the headlines in 2021, climate change remains the pressing issue of our time. Our **Environment Journalism Network** is mobilising its hundreds of members worldwide to meet the urgent task of communicating these stories, and we were particularly pleased to bring 22 fellows to Glasgow for the UN Climate Change conference in November 2021 as part of our Climate Change Media Partnership programme. These fellows brought a much needed local perspective to these global issues and a partnership with The Scotsman newspaper brought their stories to a UK audience and we hosted an official side panel attended by hundreds in person and over livestream.



Mark Stephens CBE, Chair



Rosie Parkyn, Interim CEO, Europe

We brought the insights and experiences of our partners in over 80 countries to the policy agenda on issues related to media freedom and freedom of expression, including online – where we have a wealth of expertise derived from years of work with local digital rights groups and activists. Internews Europe submitted a number of submissions to UK parliamentary inquiries in 2021, including on climate change, Afghanistan and foreign aid.

Internews' technology knowledge, combined with our media business expertise, allows us to provide bespoke, flexible and rapid support to partner media outlets that addresses the specific risks they face and the contexts in which they operate. We consider these dual offerings – technology support and business advisory services – some of the most important services that we have developed. They are increasingly in demand as civic space shrinks globally and financial burdens for media outlets increase.

Internews Europe enters 2022 working in many countries with an approved budget of £18.31m. We do so firm in the knowledge that providing access to accurate and trustworthy information is more important than ever and with renewed hope and energy that we are building the networks, expertise and advocacy skills to make this happen.

**Mark Stephens CBE, Chair of Trustees**

**Rosie Parkyn, Interim Chief Executive Officer (from 01 April, 2022 to 16<sup>th</sup> June, 2022)**

*The trustees present their report and the audited financial statements for the year ended 31 December 2021. Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice - Accounting and Reporting by Charities SORP FRS 102.*

## Objectives, Activities and Public Benefit

Internews Europe is an international charity whose mission is to empower people worldwide with the trustworthy, high-quality news and information they need to make informed decisions, participate in their communities, and hold power to account.

The primary objective of the Charity as expressed in the Memorandum of Association is “The promotion of education and vocational training in the field of journalism in all its forms for the benefit of the public, in particular in countries experiencing conflict, civil unrest, or natural disaster.”

Internews Europe is led by the CEO who is accountable to the Board of Trustees. Their work is guided by a Governance Policy Statement and Trustee Terms of Reference which set out statutory and discretionary expectations and which incorporate many aspects of the Charity Governance Code. With regards to organisational purpose, leadership and decision-making, risk and control, the Board holds a minimum of three full board meetings per year. At these meetings, they evaluate and assess proposed activities, geographic presence and expansion, funding relationships, refinements to the business model, the organisation’s financial position and impact for partners against the charity’s strategy and purpose. They also review, set, approve and monitor annual planning goals, objectives and targets for the organisation and assess risks in close consultation with Executive Leadership. The Board Chair meets monthly with the CEO and has delegated authority from the Board to manage their performance, whilst the Finance and Audit Committee meets annually for the Treasurer to review the audit.

On integrity, the Board of Trustees understand their responsibilities for the safeguarding of Internews’ staff, partners, beneficiaries and other stakeholders engaged in the delivery of the organisations charitable objects, as well as promoting the highest standards of business ethics. The CEO has operational responsibility for applying a suite of global ethics policies including business ethics, whistleblowing, non-discrimination and anti-harassment, prevention of abuse and safeguarding and conflict of interest. On board effectiveness, the Board runs regular skills audits to ensure the right mix of experience and expertise is available, and oversees the integration of equality, diversity and inclusion values and principles through Internews’ Belonging, Dignity and Justice initiative, delivered by the People and Culture Team.

### *Public Benefit*

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

Specifically, it is through the provision of our charitable activities that, by way of example:

- In humanitarian disasters, affected communities can access life-saving information to receive emergency health, water and shelter supplies.
- In fragile states and emerging democracies, all citizens are afforded more and better opportunities to speak truth to power, engage with elected officials regarding critical issues,

- holding them and the wider society to account through strengthened local media and investigative journalism; and
- In countries with limited press freedom, our tools and training help citizens access a greater plurality of views and sources of information about the world around them, by protecting credible sources of news and information.

## Strategic report

### *Achievements and Performance*

#### DEMOCRACY, HUMAN RIGHTS AND GOVERNANCE PROJECTS

We are working to support independent media to remain resilient against political, economic and security threats which only increase. We do this work in a broad range of countries and political contexts, each of which necessitates multi-pronged, holistic approaches and bespoke tools and strategies drawn from our expertise in legal reform, digital and operational security from journalists, information providers and media outlets, digital rights and internet freedom, media sustainability and basic journalism.

Our flagship 5 year multi-country, multi-donor programming designed to support the free flow of information where freedom of expression is most at risk continued to grow, with a 20% increase in income. Editorial, managerial and digital security support was provided to 58 media outlets, information providers and civil society groups in eleven countries – an increase from nine in 2020 - reaching an estimated 17 million people. 39% of individuals who received training and support were women. In addition, 74% of outlets supported reported that Internews had helped them to address one of their key operational issues, whilst 56% reported that Internews support had enabled them to expand their sources of revenue beyond Internews.

In Eastern Europe, the Sida-funded Audience Understanding and Digital Support (AUDS) programme supported improved digital and organisational security for over 100 outlets in Armenia, Moldova, Georgia and Ukraine, whilst also building a community of digital security specialists and auditors in the region for the longer term, facilitating connections between this group and the donor and wider internet freedom community. 21 outlets received small grants and targeted consultancy to improve understanding of their audience's needs, improve the quality of content, increase audience reach and improve financial sustainability.

Media partners produced impactful reporting on a range of issues in the public domain, including gender, health, environment, education, rural depopulation, migration, and conflicts. Some of these stories provided critically important information about health, while others helped connect communities divided by conflicts. For example, CivilNet in Armenia launched a Russian-language digest, which attracted users from neighbouring Azerbaijan despite that country remaining in the state of conflict with Armenia over Nagorno -Karabakh. Azerbaijanis now make up the third largest segment of CivilNet's followers on YouTube and Facebook. Ukrainian partner Rubryka's '[despite everything #the non-indifferent can](#)' project produced a series of stories about women who overcame difficulties in various facets of their own lives, building successful careers, managing to balance their home and work life, as well as contributing to socially significant and charitable initiatives. The stories, accompanied by the promotional social media campaign and the launch of the outlet's sticker-packs on Telegram, earned Rubryka a record number of daily website visits of over 96 thousand and contributed to the 173 percent average daily audience growth in the period covered by the AUDS grant. The combined audience of partner media grew in all countries except Armenia, which suffered the continued turmoil in the aftermath of the Nagorno-Karabakh conflict.

And despite the COVID-19 crisis, the combined online revenues of media partners grew in all countries thanks to bold experimentation with innovative business approaches, such as crowdfunding and reader support. Rubryka's popular product, '[despite everything #the non-indifferent can](#)' campaign about successful women helped *the outlet* in Ukraine to attract 63 new advertisers, which, in turn, contributed to 280 percent growth of its revenues from online sales. An investigative outlet Hetq in Armenia teamed up with IT company to launch its first crowdfunding campaign on the [web](#) and across social media [platforms](#), and earned reader donations. Heqt launched its first investigation paid entirely through reader donations. The readers have also collectively proposed the issue of labour rights violations for the investigation and provided a dozen of leads on various instances of infringement of labour rights.

In Moldova, Sida funded the Support to Moldovan Media and Innovative Media Literacy Efforts project, which published research into subscription and donation models for Moldovan media based partly on the experience of key project partners, all of whom developed their first business plans in 2021. The project also supported the development of a code of conduct for social media use by Moldovan journalists. Internews awarded six Media Information Gaps Grants (MIGG) out of 54 applications while prioritising projects outside Chisinau that support media literacy and consumption of quality media. launched a transformational media literacy board game called Media Jungle, which was initially developed by Internews in Central Asia with the support of the European Union. The game helps young people develop critical thinking skills and the ability to identify fake news.

In Malaysia, our European Commission (EC) funded project 'Suara Masyarakat' (Community Voices) continued into its second year. The project's goal is to promote good governance, transparency and accountability by empowering information producers and journalists, and a number of activities were delivered to this end in 2021. These included the publication of Malaysia's first [Information Ecosystem Assessment](#), gaining insight into local information needs, especially among youth and marginalised communities, and training in mobile data and investigative journalism for hundreds of journalists, citizen journalists, activists and content producers, including those representing indigenous and rural communities. It should be noted that Malaysia has dropped 18 ranks in the World Press Freedom Index from 101 in 2020, to 119 in 2021. Towards the end of 2021, there was a surge in police harassment of journalists, activists and protesters, with free speech under increasing threat.

Seven stories covering local environmental issues were published in December 2021 by trainees. Their stories were in Mandarin and English and highlighted [e-waste management](#), [coal usage's impact on local and Indigenous communities](#), and the [Reimagine Plastic recycling project](#). These stories have been published on notable media such as the Oriental Daily and Macaranga (an online news portal specialising in environmental journalism).

In India, Internews partnered with the BBC World Service and DataLeads to bring BBC initiatives the Young Reporter programme and BBC Beyond Fake News to the country. This co-created initiative to build media and digital literacy and community resilience to mis and disinformation reached 8000 students in 160 schools in 27 states.

Under the Sida-funded Zimbabwe Media Development Project (ZMD), a growing number of rural media organisations have been able to meet an acute gap in information provision through citizen-based, participatory reporting. According to the project's evaluation, 93 percent of surveyed journalists reported gaining new skills and knowledge in digital media production and social media news generation and dissemination because of the training they received. The evaluation



concluded that the project has contributed towards better-informed communities in the south of Zimbabwe, who are increasingly included in the national dialogue and empowered to hold authorities to account. Several stories produced by partners has resulted in actions taken by local authorities and communities.



*Community Radio in Bulawayo, Zimbabwe*

In Democratic Republic of Congo, support from the European Union for the Independent and Innovative Media Project has resulted in many media outlets expanding their presence online, increasing their audience share and developing new sources of revenue. Sida-funded advocacy activities are helping to promote legal reform granting legal status for community radios which will include tax exemption.

In Iraq, Internews entered the third year of the Aswatouna (Our Voices) programme, funded by Sida and focussed on empowering women to participate equally as citizens and decision-makers by strengthening and expanding their voices in the public sphere. Over 470 journalists and human rights defenders received support to improve their communication, advocacy, and managerial skills, basic digital and physical security, psychosocial care and stress management, mobile journalism skills, as well as gender-sensitive, political and economic reporting.



### *Women's Media Festival, Iraq*

In Lebanon, Internews Europe collaborated with Maharat Foundation to deliver the first year of the Netherlands Ministry of Foreign Affairs-funded project Advancing Diverse Voices in Lebanon (ADVIL). Through increased and improved understanding of the media landscape in Lebanon and by enhancing citizen journalists' abilities to understand and address information gaps in their communities, the project is intended to increase the inclusion of diverse voices and rights-based reporting in local media. A baseline study conducted with the URIKA Agency sought to establish the existing information consumption habits and preferences of audiences - particularly women and youth - as well as the role of new and emerging media outlets in the country.

### ENVIRONMENT PROJECTS

The Earth Journalism Network (EJN's) Biodiversity Media Initiative, now in its second phase after its conception in 2016, is working to highlight the biodiversity crisis worldwide through its partner organisations and journalists. We have delivered Biodiversity Media Grants to strengthen journalism networks and media organisations to report on biodiversity and conservation issues. One grantee recipient, Open Knowledge Brazil, delivered data journalism training to 323 journalists, with a focus on how this can be used to investigate deforestation and other pressing issues facing the Amazon rainforest. Through these grants we have also supported the creation of the first national journalism networks focused on biodiversity reporting in Mongolia, Mexico and Côte d'Ivoire. The project has also provided funding and editorial support to 25 journalists to report on the pressing biodiversity concerns of the day, covering everything from bushmeat trade in Cameroon to fair access and benefit sharing for snake venom harvesters Chennai, India. 2022 will see the launch of one of EJN's first self-paced e-learning courses for biodiversity reporters – 'From Microbes to Rainforests' – providing journalists with the fundamental knowledge of biodiversity science and governance needed to report effectively on these issues.



*A resident of Sokokembang Hamlet shows good quality red coffee cherries picked from the forest to be processed for sale as 'Gibbon Coffee', Indonesia. Credit: Hartatik via suaramerdeka.com.*

EJN's UN Ocean Project has supported a suite of activities to complement the launch of the UN Decade of Ocean Science (2021-2030) and the 2<sup>nd</sup> UN Ocean Conference. This has included webinars and story grant funding for journalists writing on the theme of Sustainable Development Goal 14: Life Below Water. EJN will also bring a cohort of fellows to the UN Ocean Conference when it takes place in Lisbon, Portugal, in 2022.



*EJN Fellows interview a fishmonger about sustainable fishing practices in Lisbon, Portugal.*

2021 also saw the launch of a new project, funded by the Swedish Postcode Lottery Foundation, on the highly topical issue of “green recovery” from the Covid-19 pandemic – a touted win-win situation where Covid-19 recovery packages are invested into green initiatives that work towards a sustainable future. This is a critical time to ensure that governments are kept accountable for their green commitments, and a cohort of grantees will be reporting on the green, or not-so-green, spending in their countries worldwide.

After a year’s delay due to the Covid-19 pandemic, Glasgow finally hosted the UN Climate Change conference COP26 in November 2021. Despite facing many logistical challenges due to the ongoing Covid-19 crisis, EJN succeeded in bringing a cohort of 22 fellows to the conference as part of its flagship Climate Change Media Partnership programme, which was started in 2007. These fellows represented countries from all over the world, and for many this was the first time they were able to attend and report from such an event. They published an incredible 226 stories between them on the conference proceedings, and the CCMP programme, EJN and Internews were highlighted in an official EJN-led COP26 side panel event – ‘Journalism in a Changing World: Improving Climate Coverage and Including More Voices’, attended by a packed-out audience at the COP as well as hundreds more over livestream.



*COP26 panel: 'Journalism in a Changing World: Improving Climate Coverage and Including More Voices'.*

## HEALTH PROJECTS

In Latin America and the Caribbean, Internews continued to coordinate the provision of financial and technical support to media and communicators impacted by the Covid-19 pandemic in the region through the Rapid Response Fund. Seventy-six media and communicators in 17 countries benefitted from small grants to cover their operational costs and invest in the production of content on the pandemic with a focus on priority audiences, including indigenous people, afro-descendants, migrants, women and the LGBTQ+ community.

To date, the Rapid Response Fund has supported the production of over 350 pieces of dedicated content in 29 languages, including radio spots and programmes, podcasts, audio-visual materials, newspapers, brochures, special investigations, and multimedia campaigns. This content has ensured that the most vulnerable communities across Latin America and the Caribbean have sustained access to trustworthy, needs-driven information on Covid-19 infections, prevention, and vaccines, and raised the visibility of the differentiated effects of the pandemic on certain groups in relation to gender-based violence, education, employment, food security, mental health and sexual and reproductive rights, among others.

In addition, over 80 media and communicators have received technical support under the programme, through trainings and mentorships in administration, finance, and investigative journalism with a focus on health journalism, fact-checking, gender and new formats. The programme has also promoted the emergence of support networks, including through the creation of the Red de Defensores de la Libertad de Expresión en América Latina (Network of Freedom of Expression Defenders in Latin America), joined by media and communicators interested in strengthening their professional skills and giving visibility to aggressions against the press in their

locality. Thus the project has supported the provision of desperately needed information about covid as well as strengthening the media sector as a whole for future crisis.



*Residents of Vichada and Guanía in Colombia read the December 2021 issue of Rapid Response Fund grantee El Morichal, which includes content on COVID-19 prevention and vaccines in Sikuani and Puniave languages. Credit: El Morichal*

Information Saves Lives: Covid-19 in Afghanistan, funded by the EC, completed its first year in 2021. The project was designed to ensure that accurate, timely, and contextualized information about the COVID-19 epidemic reaches citizens across Afghanistan to allow people to make informed decisions for themselves, their families, and their communities and to mitigate the impacts of misinformation. It continued despite the deteriorating security situation and the political uncertainty linked to the decision by the US to withdraw troops. The fall of many provinces in June and July to the Taliban which culminated in the takeover of Kabul in August, saw the suspension of activities until November.

Partner broadcasters have significant reach across the country: Salam Watandar broadcasts to over two million people, whilst ToloTV has a 60% audience share and is watched across Afghanistan. 250 pieces of TV and audio content were produced and aired, including features, investigative reports, public service announcements and roundtable discussions.

In Democratic Republic of Congo, the Sida-funded project Communicating with Communities to Support the COVID-19 Vaccine Rollout in DRC launched in 2021. Internews is working closely with the Ministry of Health to develop staff capacity to monitor and respond to misinformation in anticipation of future disease outbreaks and public health crisis through application of Internews rumour tracking methodology.



*Session with Community radio staff, DRC*

ACCESS, the FCDO-funded programme focussed on Sexual and Reproductive Health and Rights closed towards the end of 2021. Initially designed to provide SRHR information to residents of the Kyangwali Refugee Settlement in Uganda with partner radio station Spice FM, we broadened the scope during the final months to providing webinars and resources on SRHR in multiple languages for a global community of health reporters, as well as story grants to support stories on SRHR, so often a taboo subject that journalists are increasingly discouraged from covering.

## Financial Review

The detailed results for the year and the state of affairs on 31 December 2021 are set out in the financial statements. The Trustees confirm that, in their opinion, applicable accounting standards and statements of recommended practice have been followed.

Total expenditure for the year was **£17.64m** and income was **£14.13m**. It is to be noted that the higher expenditure amounts are a result of delivering activities postponed in 2020 because of the pandemic. Getting programme implementation back on track has been a success. Compared to previous years, Internews Europe's activities experienced stable growth in 2021, which along with its rapid year on year growth trajectory is commendable. 2021 saw further progress in securing new funding income streams and forecasts for 2022 indicate the potential for further, incremental growth.

### Reserves Policy

The board of trustees reviews the reserves policy on an annual basis. The current minimum target, as reviewed and determined by the trustees remains three months of overhead operating expenditure. On 31<sup>st</sup> December 2021 our unrestricted group reserves showed **£174k compared with £333k at the end of 2020**.

While the reported reserves are at lower levels this year, we can expect these to rise in accordance with Internews continued fundraising efforts and focus on unrestricted giving around our 40<sup>th</sup> anniversary. This has taken Internews Europe into a new phase compared to previous years where it showed an unrestricted deficit. The origins of the unrestricted fund deficit lay in 2012/13 when Internews Europe's headquarters was relocated from Paris to London. From the accounting year of 2015 onwards, the charity has enjoyed in-year surpluses on unrestricted funds, which have gradually reduced the

unrestricted deficit and aid foundations for a reserve.

The organisation continues to work towards its reserves target through a focused approach to securing unrestricted funding, from trusts and foundations and corporate donors.

## Significant Events

### COVID – 19 Developments

COVID-19 continued to impact globally throughout 2021. Internews Europe programmes remained focussed on the need to provide high quality, impartial information, reduce the prevalence of mis and disinformation and support media to weather the economic and political fallout. In collaboration with the Internews Network, we continued to prioritise the health and wellbeing of staff and retain robust health protocols, with many Internews offices continuing to work in a 'flexible first' fashion, meaning staff are able to work from home or from offices as desired.

During the period, Internews moved its London offices from Old Street to Angel, and is adopting a hybrid work approach that allows simultaneous in-person and virtual meetings.

### Rapidly closing civic space

A number of the countries in which Internews has been operating for a significant number of years experienced severe political turbulence during the period, most notably Myanmar and Afghanistan. Internews was able to rapidly adjust its approach to programming in both countries and hired an emergency response coordinator specifically for Afghanistan. We were able to evacuate a number of staff members and their families as well as high risk partners and continue to



offer remote support to individuals seeking support.

## Brexit

Whilst the UK has officially left the European Union, UK-based INGOs can still access some funding streams as a third country, although there have been changes to funding eligibility and processes. Internews Europe won two competitive funding bids in 2021.

Internews International, the French entity registered in 1999 and in which leadership for the Freedom of Expression programme sits, remains a key element of Internews Europe's ability to maintain a broad donor base and distributed programmatic expertise and operations. Work is currently underway to further enhance Internews International's role in the diversification of our funding.

Internews Europe's subsidiary in Dublin remained dormant through 2021. Further financial details on the group can be observed from the consolidated financial statements for the year ending 31 December 2021.

## External Events

The UK hosted in June 2021 the first in-person G7 summit in almost two years. Jodie Ginsberg, former CEO of Internews Europe, was among 99 Civil Society participants from the United Kingdom, G7 countries and across the world selected to participate in the Civil Society 7 Summit. Internews contributed to a note on Civic Space and Open Societies and contributed to the [Civil Society 7 Communique](#), successfully lobbying to incorporate a section on *'providing long term, flexible funding for civil society and media organisations to enable them to become more effective and resilient in the face of increased restrictions'*.

Internews participated in the first Vaccine Confidence Summit hosted by the UK on 2<sup>nd</sup>

June 2021, and continued to play a key role in the Media Freedom Coalition as a member of the Advisory Network and trusted advisor helping to shape the agenda for the Media Freedom Conference in Tallin, Estonia in February 2022.

## Belonging, Dignity & Justice

Internews' Belonging, Dignity & Justice (BDJ) program came into being in 2020. We have worked with consultancy Decolonize Design to ensure Internews is a place where everyone can thrive with three working groups created to address the opportunities surfaced by our organisational climate assessment. These focused on pathways for progression, the review of policies and procedures including our code of conduct and recruitment policy, and the creation of an Inclusive Language Guide to help staff find the right words when speaking to and of others. Elsewhere, many recruitment and compensation process improvements were made to increase diversity and equity, including running all job descriptions through a Gender Decoder to find and remove bias and increased transparency around pay and promotion. Additionally, Internews launched two affinity (employee resource) groups in 2021 to create spaces for staff to be themselves, connect with other Internewsers and develop professionally: our "Alphabet Alliance" for LGBTQIA+ staff members, and our "Beginnings" group for early career staff member.

## Principal funding sources

Most of our income is derived from public donor agencies supporting international development. Wins from such entities comprised 95% of total new awards secured in 2021 vs in 2020 where it stood at 92.5%. Thematic diversification in 2021 continues to be a key IEU strength: Democracy & Human Rights funding comprised 53% of total wins (at par with 2020), followed by Environment at 31% (significant increase from 2020), Health at 9% (significant decrease from 2020)

where it stood at over 40%) and other sectors making up the rest.

This year also saw the continuation of much-valued in-kind support and unrestricted support from corporate partners: Sky News; Slaughter & May; Ropes & Gray and News UK.

We were also delighted to continue projects funded the following foundations: Bertarelli; Calouste Gulbenkian; Arcadia; and OSF and begin new projects funded by: The Mercury Phoenix Trust; Swedish Postcode Foundation; Commonwealth Foundation and Adessium.

The trustees are additionally grateful to the contributions of Slaughter & May, Ropes & Gray, Mayer Brown and Howard Kennedy for a range of pro-bono legal and other facilitation support this year.

### **Going Concern Review**

For the reasons set out above, and outlined further in accounting policy 1(d), the Trustees consider it appropriate to prepare the accounts on the going concern basis.

At the end of the 2021 financial year, Internews Europe had been awarded new donations and contracts with a total value of US\$21.99m over the next 3 years in addition to existing work/income, with a strong and growing pipeline of other income developing in 2021 through subsequent years.

Processes of monthly and 12 month rolling forecasts of income and expenditure, including cash management procedures, have ensured the charity maintains strong liquidity with forecasts showing a further strengthened position over the coming 12 months.

Internews continues to further its efforts in its pursuing an aggressive donor diversification strategy which reduces over-reliance on any one donor. In addition, we continue to develop strategies to build unrestricted income.

We expect disruption to the donor landscape as a result of the Russian invasion of Ukraine, with donor agencies revising their development strategies in order to increase support to Ukraine, improve defence, enable refugee resettlement and address food security issues arising globally. However, we are engaging extensively with this community to underscore the importance of continued support to high quality, accurate information in the region and beyond, including - but not limited to - bolstering independent Russian-language media, supporting digital and physical security for journalists and media outlets under threat, and addressing mis and disinformation related to the conflict.

### **Fundraising Regulation**

All Internews fundraising activities are managed in house. Our development department manages relationships with governmental, multilateral and NGO donors whilst the Philanthropy Department is responsible for fundraising from individual supporters, private foundations and corporations.

Internews Europe is registered with the Fundraising Regulator. There were no complaints received during the year and, likewise, no-incidents of non-compliance with the applicable code.

## Risk Management

Internews Europe adopts a rigorous approach to risk management which allows the trustees and Senior Management Team to take a contemporaneous and informed view of the organisation's risk tolerance level. They are supported in doing so by an Enterprise Risk Management Team who flag urgent concerns and provide a monthly overview of top risks and trends.

Such an approach is necessary for Internews to implement complex programmes, with success and well-managed risk, in a range of the most fragile states in the world and in view of increased unpredictability

The trustees actively review the major risks to which the charity is exposed to ensure that systems are in place to monitor and mitigate those risks. A review of the strategic risk register takes place during all scheduled trustee board meetings and on an ad-hoc basis if and when risks are re-graded to the higher levels in the register. The trustees also determine which areas of risk they wish to review in detail on a standing basis, irrespective of the risk ratings.

Senior managers take operational responsibility for risk mitigation in all areas; for example, by ensuring appropriate internal controls and policies are in place whilst regularly monitoring risks from the external operating environment. Specifically, the management group receives information via a more detailed programme portfolio risk register which identifies specific risks and actions required down to the level of each individual project. In turn, this information feeds the overall strategic risk register as reviewed by the trustees.

The trustees believe these actions provide sufficient early warning systems, and the

requisite controls and procedures in the event of adverse conditions.

### Principal Risks and Uncertainties

**Increased Growth:** Increased demand for Internews Europe's expertise and programming creates pressure on the operating model, with pressure on workloads and staff wellbeing and potential dilution of programmatic quality. Recruitment of new staff, increased investment in key operational roles, efforts to align more closely with the Internews Network to reduce inefficiencies and improved risk management reduce this strain.

**Global shocks:** 2021 saw the continued aftershocks of the global pandemic. Internews implemented robust operational security protocols which enabled swift and decisive action to mitigate the health risk to staff across the organisation, and deeply embedded tools and practices for distributed working which meant a smooth transition to remote working. Over the last two years, the Field Operations & Security team has routinely monitored the global impacts and developments of COVID-19 on a country-by-country basis and adapted protocols related to events and travel accordingly.

Internews has also been working hard in response to the many crises that have unfolded around the globe – including in Myanmar, Afghanistan and Ukraine – over the last 12 months. In some locations Internews has shifted its working strategies and/or closed offices out of an abundance of staff security concerns. Some programs have moved to programming out of alternate locations as well.

We have been highly effective in influencing funder strategies in response to these crisis,

swiftly mobilising resources to increase the digital and operational security of our partners through the provision of specialist expertise and equipment which ensures they are able to continue reporting, and setting up humanitarian information operations to support the broader population.

At the time of writing, Russia's invasion of Ukraine has been underway for three months. Immediate steps were taken to ensure the safety of staff and partners, whilst donors have proven supportive of Internews' response and have turned to Internews for guidance on media and information dynamics in the region. Access to a diverse donor base across the Alliance has enabled Internews to marshal the necessary resources to act quickly. Whilst we expect some European donors to reallocate human rights and democracy funding to support refugee resettlement, the importance of supporting high quality, accurate information about the conflict is well recognised. Internews has been effective at reinforcing this message across the fora in which we are involved.

**Operational Security:** There are inherent risks to working in fragile states, those vulnerable to disasters, or countries in the midst of very volatile security environments. As has been seen over the last year, these risks are impacting all regions of the world and can impact countries that are already considered elevated risk or may happen in countries that are not classified as such generally. The trustees periodically and carefully review the organisation's ability to continue to operate programmes in high-risk environments, and in areas that could be facing shifting security environments, to ensure that we have well developed procedures and protocols for working in such environments. These include a well-established and prepared emergency management structure shared with our allied entity in the US, involving a Global Security Policy, robust travel policy and journey management programme and reserves available for emergencies.-

These procedures are managed and overseen by the Field Operations and Security team. This team monitors the security situation for all of Internews' in-country operations around the world to routinely assess for potential risks to personnel, our office, operating locations, posture, and more. The team has significant experience developing business continuity plans for environments at risk of undergoing volatile security situations or shifting landscapes.-The trustees are of the view that maintaining such resources and operational capacity is essential for the organisation to achieve its charitable purposes.

**Digital Security:** The risk of a cybersecurity attack is ever-present and could result in harm to our staff and partners, pose reputational risk, cause financial harm, create legal liabilities and affect our ability to operate.

Internews employs next-generation antivirus and endpoint protection software across all devices that connect to our system. Our policies and procedures are regularly reviewed in annual external cybersecurity assessment and our systems undergo yearly penetration testing. Internews' comprehensive set of end-user and internal control policies cover data privacy, privileged access, data storage and retention, account access controls, vendor risk assessment, business continuity, and more.

The risk and frequency of breaches and incidents has increased significantly in recent years. As such, Internews will continue to focus on and invest in a best-in-class cybersecurity program and capabilities. Our program will be critical in proactively protecting data while maintaining compliance with best practice and regulatory requirements. Ensuring that the security program is effectively maintained and adaptable will aid in mitigating potential risks to Internews and assure that the organisation can respond to any incidents quickly.

The trustees are of the view that maintaining such resources and operational capacity is essential for the organisation to achieve its charitable purposes.

**Hostile Environment for Media Partners and Support to Media:** worldwide the number of journalists killed or attacked in the course of their duties continues to remain high. Established norms that protect the fundamental principles of free expression, and the role of media as a fourth pillar of democracy face increasing hostility in all societies. These trends underscore the global need for Internews' work, but also require increasingly careful assessment of risks to partners involved, as well as creativity in responding to attendant challenges such as the inability to move money. Such assessments and adaptations go on to form the method of operation for individual projects, in such a way that impact can still be achieved whilst preserving partner safety and security.

**External/Government Policy:** like many UK registered international charities, Internews has developed an extensive mitigation strategy to insulate the organisation from the effects of the UK leaving the European Union and changes in the policies of any institutional donor from which we receive funds. The former further described in 'Significant Events' above, whilst the latter is dealt with through an ongoing strategy of donor diversification.

**Financial:** on-going volatility in the currency markets affecting multi-currency operations and programme budgets continued in 2021. This is mitigated through a well-managed treasury function and highly effective currency planning.

In addition, Internews continues to focus intensively on a donor diversification strategy to mitigate risks. Internews appointed a new Senior Director of Outreach and Partnerships to focus on building relationships with a diverse set of institutional funders. In addition, Internews has appointed a new Trusts and Foundations Officer to support the work of Director of Philanthropy, Claire Palmer.

Investment in increased external outreach, through collaboration with our newly created Alliance-wide External Affairs team will also enable us to identify potential new sources of support in future, and constant improvement and innovation to our tools and methodologies in response to the needs and realities of our partners will enable us to stay competitive.

## Safeguarding and Serious Incidents

During the year, Internews continued to step up its efforts in ensuring high standards of safeguarding, monitoring and training of all relevant persons across the globe in line with the Code of Conduct set out in its Governance Policy. This strengthened by a suite of policies in six languages. These include policies on :

- Prevention of Abuse and Safeguarding,
- Non-Discrimination and Anti-Harassment
- Relationships in the Workplace,
- Business Ethics,
- Disclosure, Protection Investigation,
- Conflict of Interest.

One of such stepped up measures included the appointment of skilled consultants to review reported cases where it was felt that there was insufficient in-house expertise to deal with the matter at hand as well as a safeguarding review conducted by an external consultant.

The charity maintains its zero-tolerance policy towards abuse or other forms of serious misconduct and sets clear standards and expectations around representatives' behaviour in our international Code of Conduct. Internews' downstream partners are required to give specific assurances that they have their own safeguarding frameworks, consistent with Internews' standards.

All employees and other representatives are required to take part in both induction and recurring annual training on safeguarding and associated policies and controls (through webinars, face to face discussions and consultations) Internews continued to refer to its Safeguarding framework intended to provide absolute clarity of incident management, simplicity and accessibility within our reporting mechanisms. Internews offers various points of internal incident reporting for all UK and international representatives, in addition to an external, multi-lingual reporting and whistleblowing 'hotline' operated by Lighthouse Services.

The trustees are alive to their obligations to report the most serious misconduct or abuse to relevant authorities in the United Kingdom and other countries of operation, in particular the formal requirements for Serious Incident Reporting to the Charity Commission for England and Wales. In broader terms, this obligation is understood across the broader definitions of Serious Incidents in which the Commission would have an interest.

One Serious Incident Notifications was made to the Commission during the period covered by this report. The Charity Commission was satisfied that the trustees had dealt with the matter appropriately and responsibly.

All reported cases have been closed by the Charities Commission and donors respectively, following in-depth reviews and investigations.

An initial review of Internews Europe's safeguarding policies and practices in 2020 and in 2021 was launched during the year where Internews engaged an external consultant to advise on the organisation's current policies, processes, and practices.

We are in the process of implementing the recommendations from that report.

## Plans

2021 was the second year of implementation of the Internews Alliance five-year strategic framework: Internews 2025. Internews 2025 has the following goal:

*Over the next five years, as the next 3 billion people come online, we will join with allies who share our vision, including journalists and technologists, data scientists and legal specialists, as well as artists, advocates, and storytellers. **Together, we will build healthy information environments in more than 100 countries across the globe.***

The joint focus for Internews Europe and the Internews Network in 2021 was to drive organisational resilience. This was prioritised in recognition of the need to allow staffing, systems and processes to keep pace with significant financial growth and programmatic expansion, as well as prepare for a more uncertain world with increasingly complex operating environments. Good progress was made on three overarching goals below, despite the continued impact of covid and crisis situations in Afghanistan and Myanmar. These overarching goals were broken down into objectives and key performance indicators for Internews Europe to deliver on, progress on which is reported in the matrix in the next section.

### 1. Building the best organisation

A Chief Operating Officer was hired to lead business operations with a remit to reduce inefficiencies and promote cost-effectiveness, strengthen enterprise risk management and improve strategic and operational planning and budgeting.

New staff were recruited to support Finance and regional teams, and the People and Culture Team focussed on increasing the provision of continuous professional development opportunities and continuing to embed Belonging, Dignity and Justice approaches, including inclusive hiring and talent development practices.

### 2. Building the best Alliance

2021 saw the appointment of a Global Director of Corporate Integration leading increased integration with the US entity Internews Network, resulting in the creation of global People and Culture, Technology Solutions and Services, Strategic Planning and Enterprise Risk and Field Operations teams. The roll out of finance software ERP across the organisation will improve financial management and reporting.

Whilst Internews Europe and Internews Network remain independent and have separate Boards, the intention is to minimise friction for project teams seeking support from distributed services. They can now access support across all time zones and be confident that they are engaging with a single, unified set of processes.

### 3. Building a better world

Internews has made investments in external affairs capacity to raise our profile and enable thought leadership, including website redesign and a focused external outreach strategy. A new events series entitled 'Turn the Mic Around' has provided a platform for Internews partners to showcase their work and amplify the issues they're affected by, and has received a positive reception. We also partnered with the Scotsman during COP26, which resulted in the publication of multiple articles by Internews' grantees reflecting the reality of climate change in some of the most acutely affected communities in the world.

## Detailed Report Annual Plan 2021

Goals	Objectives	Key Performance Indicators	Assessment
<b>1. Lead, service and support effective programmes in support of Internews' global strategy</b>	<b>Objective 1.1:</b> Sustain EU- funded programmes in service of the strategic plans developed by regional Program Management Units and global teams.	<b>1.1.1:</b> Internews regional strategies for 2021 reflect and incorporate thematic and geographic opportunities identified by SMT.	Whilst country level engagement was challenged by restrictions on travel and in-person meetings, donor support remains high and focussed on Internews strategic priorities, resulting in £17,494 in net new awards secured in 2021, a 2.9% increase on 2020.
		<b>1.1.2:</b> London and Paris-based teams continue to build programmatic expertise whilst ensuring growth is operationally supported.	Specialist expertise in digital security and technology support for media outlets and activists, operation in restricted political spaces, impact measurement and health programming sit in London and Paris. These teams continued to expand in 2021, attracting more financial support for their work and enabling them to provide services directly to partners and across the wider Internews Alliance.  These teams were able to grow and remain effective thanks to the commensurate expansion of support teams, including Business Operations, Finance, HR and Grants and Contracts.
		<b>1.1.3:</b> EU- funded projects are well designed, achieve full cost recovery and are launched according to clear start up protocols, laying the foundation for effectiveness and impact.	A robust and flexible cost recovery model has been developed and applied across all business development activities, whilst project start up processes are uniform and seek to ensure each project receives the appropriate level of support from different teams of experts across the organisation.



Goals	Objectives	Key Performance Indicators	Assessment
		<b>1.1.4:</b> Better promote and integrate GlobalTech Hub into Alliance and proposal processes	This was not achieved in 2021 and remains a focus for 2022 when the Global Tech Hub will be integrated within the Technical Leadership Unit.
		<b>1.1.5:</b> Build Internews practice and external reputation in key areas related to the strategy, including media sustainability, disinformation, technology, humanitarian, health and the environment.	Internews continued to provide technical and thought leadership within the sector. Examples include the official endorsement of the multi-lingual health journalism training course Let's Talk Vaccines by the World Health Organisation and Internews leadership on multiple country-based and regional Communicating with Communities coordination groups during the most acute stages of the pandemic, an official partnership with Meta including research funding to explore the impacts of mis and disinformation available on platforms in minority language contexts, the extensive presence of the Earth Journalism Network at COP26 and the development of a media viability accelerator, a multi-stakeholder initiative designed to transform the market for independent media globally.
<b>2. Increase financial sustainability</b>	<b>Objective 2.1:</b> Increase private income, unrestricted income and reserves	<b>2.1.1:</b> Year on year growth in unrestricted donations.	The unrestricted target of £100k was not met, although we achieved £50k in loosely restricted donations.
		<b>2.1.2:</b> Net new awards, private restricted	The private restricted target was exceeded with a total of £590,252 in net new awards secured in 2021.
	<b>Objective 2.2:</b> Maintain EU market share of major institutional, public grant income	<b>2.2.1 :</b> Net new awards (all years)	Net new awards totalled £17,494, a 2.9% increase on 2020.
		<b>2.2.2:</b> Technical area expansion.	Environment funding totalled 31%, whilst health funding decreased from 40% in 2020 to 9%. Democracy and human rights funding totalled 53% of total wins.

Goals	Objectives	Key Performance Indicators	Assessment
	<b>Objective 2.3:</b> External Communications activities provide effective support to all fundraising and policy influence efforts, including the Global Change agenda.	<b>2.3.1:</b> Global communication strategy implemented to support strategy and all other external engagement.	A new Director of Communications gave us a stronger presence internationally, whilst our partnership with the Scotsman for COP26 coverage offered coverage for our partners and attention to the impacts of climate change in the countries which they represent.
		<b>2.3.2:</b> Local/expert insights feed into Global Change Agenda.	We use our access to global for a to ensure our partners needs are reflected. In 2021, this included attendance as part of group of civil society organisations at the G7 and a contribution focussed on support to independent media to a G7 communique on civil society.
<b>3. Develop the operational capacity and resilience of the organisation</b>	<b>Objective 3.1:</b> Reform Alliance agreements and processes to improve cost effectiveness and create efficiencies across organisation	<b>3.1.1:</b> CFAO hired with remit to address Alliance pain points. Organisational plan devised and implemented that includes proposals to address Alliance structural inefficiencies.	A new Chief Operating Officer joined in July, followed in December by a Director of Corporate Integration to work on resolving structural inefficiencies. A Regional Programme Accountant was also recruited to minimise friction between IEU and IUS accounting.  We also recruited an external company to align job descriptions, titles and relative pay and benefits across the two organisations in 2022.
		<b>3.1.2:</b> Maintain situational awareness and contingency planning around Brexit.	Ongoing engagement continued with EC to retain access to key funding streams.
	<b>Objective 3.2:</b> Increase culture of longer-term financial planning, efficient management reporting and inter-company transactions	<b>3.2.1:</b> Existence of tools and processes to ensure effective management of resources in the near and longer term.	The roll out of the Enterprise Resource Planning system commenced in 2021 and will be completed in 2022.
		<b>3.2.2:</b> Effective global implementation of Alliance Accounting	A Regional Programme Analyst was hired in 2021 to support intercompany accounting.

Goals	Objectives	Key Performance Indicators	Assessment
	<b>Objective 3.3:</b> Increased support to personal professional development of all staff and culture of employee well-being	<b>3.3.1:</b> Staff motivated and equipped to achieve at least their expected level of performance	We continue to evolve our performance appraisal process to ensure all staff have clear objectives aligned with the organisation's objectives, and that progress is monitored on a quarterly basis.  The Belonging, Dignity and Justice initiative continued to take root across the organisation, with a series of initiatives designed to foster and embed an inclusive culture.  Significant numbers of staff will undertake management training in 2022.
		<b>3.3.2:</b> Measures to ensure Internews is a safe, compliant and efficient place to work are reviewed and improved.	Travel procedures have been modified with the rollout of a new Environmental Policy and centralised decision-making.
		<b>3.3.3:</b> Improved Admin and Compliance systems.	We have strengthened our internal controls to improve donor compliance, including improved teaming agreement procedures to support productive partnerships and consortia working.

The priorities addressed above will continue to shape the way we work in 2022 and engage with the world, providing us with a firmer foundation from which to listen more closely to our partners, advocate more loudly on their behalf, work harder to find and support effective media business models, understand the threats and opportunities created by digital transformation and be more demanding in the pursuit of quality and excellence - and in proving that we have achieved it – as well as finding new partners and avenues to deliver our mission. At the heart of the strategy is to ensure we are delivering the most effective, relevant support to our partners.

We expect continued unpredictability and turbulence in many of the regions in which we work in 2022, but remain confident of our ability to serve our partners no matter their circumstances through improved enterprise risk management and continued innovation of within our core technology services, as well as proactive advocacy within our diverse and engaged donor community. This will allow us to continue to ensure resources are directed where they are most needed and ensure attention remains focussed on democratic erosion worldwide.

## Structure, Governance and Management

Internews Europe is a charitable company limited by guarantee, incorporated in England and Wales on 23 December 2011 and registered as a charity in England and Wales on 1 August 2012. Internews Europe (UK) is the legal successor to Internews Europe (France), originally established in 1995, having been the beneficiary entity of an assignment agreement whereby contracts, grants and assets were transferred to full control of Internews Europe (UK) as of 1 April 2013. The resulting subsidiary, Internews France, was disposed of after winding up operations on the 1 January 2015.

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

The primary objective of the charity as expressed in the Memorandum of Association is "The promotion of education and vocational training in the field of journalism in all its forms for the benefit of the public, in particular in countries experiencing conflict, civil unrest, or natural disaster."

The trustees and executive seek to fulfil these objectives through establishing projects in a wide range of countries which focus on media development and information access around several core themes: Democracy, Human Rights & Governance, Humanitarian Information, Health and the Environment.

The trustees are responsible for the overall governance of the charity. The Board has constituted a committee for Audit, Risk and Governance which meets two to three times a year. The committee, reviews financial reports, annual audits and other risk matters

making recommendations to the main board as deemed appropriate.

All trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in Note 6 to the accounts. Most trustees donate travel and other expenses associated with their governance duties.

### GROUP SUBSIDIARIES

#### **Internews International (France)**

Since 2018 Internews Europe has enjoyed effective overall control of the French Non-Profit Association Internews International (RNA no. W751139592, SIRET no. 425 132 347 000 13 APE 921).

Internews International was originally established in Paris, France in 1995 as a coordination and membership body for both Internews Europe (by extension including the former Internews France), Internews Network (USA) and a range of national media development organisations in Eastern Europe Central and South Asia. Whilst practical cooperation continued, the legal vehicle itself had become somewhat redundant in more recent years.

For good order, and as part of measures to sustain a continental European legal identity after the UK leaves the European Union Internews Europe agreed to the measures necessary for it to assume overall control with all other members. The transfer of control was confirmed at an Extraordinary General Meeting of Internews International in February 2018. A principal measure of control is that Internews Europe UK, as a corporate member of the French Association, has the sole authority to appoint the officers of President, General Secretary and Treasurer.

The revised articles of Internews International make provision for these officers to be members of the Key Management Personnel of Internews Europe UK.

Internews International closed its third year of operations (31 December 2021) with a deficit of £23,249. There were no restricted operations during the year and the deficit is primarily due to provisions required as at the end of the financial year.

### **Internews Media Development Company (Republic of Ireland)**

In addition to the above, Internews Europe registered a subsidiary non-profit company in the Republic of Ireland in 2017 (no. 615323). This entity remains dormant on the Irish company register and no further disclosures are required.

### **TRUSTEE APPOINTMENT, INDUCTION AND TRAINING**

Trustees are proactively selected and appointed to ensure there is a broad range of relevant skills and experience represented across the trustee board. Trustee recruitment may take place using open advertisements and/or through more targeted approaches to individuals, agreed by existing trustees to possess skills and experience that would further strengthen the board. A trustee board skills matrix is regularly reviewed to ensure a suitable balance of skills, experience and trustee diversity. A comprehensive policy exists for the appointment and approval of new trustees, in addition to processes for the election of officers such as the Chair, Vice-Chair and Treasurer.

A rolling cycle of training and development of trustees ensures there are cognizant of their statutory responsibilities and keep up to date on key issues such as development and relief work in addition to exposure to Internews Europe's international programmes.

As part of our Strategic Alliance with Internews Network (see Related Parties, below), the board of our US sister organisation is entitled to select and appoint one of its own number as a trustee to serve on the Internews Europe board.

This role is currently fulfilled by **Mr Matt Chanoff**. This is a reciprocal arrangement; therefore, Internews Europe's trustees also have an entitlement to select one of their number to serve on Internews Network's Board of Directors. This role is currently undertaken by **Ms Meera Selva**.

### **ORGANISATION OF THE CHARITY**

Internews Europe's operations are conducted in accordance with the Memorandum and Articles of Association and the policies/strategies approved by the Trustees. Given the international scale and complexity of the organisation, the trustees delegate all day-to-day responsibilities for running the organisation to the Chief Executive Officer (CEO)..

The CEO is supported by the Senior Management Team (SMT, consisting of Key Management Personnel) namely **Mrs Foluke Mogaji**, Senior Director of Finance and Resources, **Mr Abdurahman Sharif**, Senior Director of Outreach and Partnerships who joined the company in January, 2021, **Mrs Claire Palmer**, Director of Philanthropy, **Mr Denis Kovalenko**, Head of Grants and Contracts, and **Ms Rosie Parkyn**, Global Director of Impact, for the period when she was not acting as CEO.

In addition, a larger Corporate Management Group takes responsibility for various operational and support functions. Field programmes are overseen by a range of Regional Directors, Country Directors and other national support staff.

## RELATED PARTIES AND RELATIONSHIPS WITH OTHER ORGANISATIONS

### Internews Network (USA)

Internews Europe operates in a **Strategic Alliance** with Internews Network; a US based non-profit organisation which was the first media development organisation to bear the Internews name and brand. A Memorandum of Understanding to establish a strategic alliance was signed by the boards of both entities in September 2014. This was subsequently reinforced with a legalised, Strategic Alliance Agreement signed in June 2016.

Through their Alliance, Internews Network (IUS or Internews US) and Internews Europe (IEU) express their joint commitment and intent to create greater programme impact and public benefit than two separate organisations would be able to achieve on their own. The Alliance is particularly intended to ensure seamless delivery of programmes through regional and country offices, and greater sharing and application of effective organisational learning.

The Alliance has shared responsibility for five regional Programme Management Units (PMUs) which, under the leadership of their associated Regional Directors are accountable to both entities for the successful implementation of a diverse body of projects and programmes jointly funded by the Alliance. Given the nature of this arrangement, there are a significant amount of Inter-Alliance financial transactions over the course of the year, which ensure each field office is equipped with the resources to deliver a blended portfolio of projects and programmes.

Nevertheless, IEU and IUS purposefully maintain separate, independent, governance bodies and each legal entity has its own CEO.

### CDAC Network (Limited) (UK)

Internews Europe continues to maintain its membership of the “Communicating with Disaster Affected Communities (CDAC) Network” . During the year, Internews has been represented on the CDAC board by **Ms Rosie Parkyn**.

## REMUNERATION POLICY AND SALARY DISCLOSURES FOR KEY MANAGEMENT PERSONNEL

The trustee board takes responsibility for the appointment and performance management of the Chief Executive Officer. This includes an annual review of the CEO’s pay and benefits which, in turn, is linked to a detailed and rigorously benchmarked organisational salary scale.

In broad terms, all salary bands are reviewed periodically, both for sector benchmarking and any inflationary increments deemed appropriate and affordable for the overall pay-scale. During annual benchmarking of the organisational salary scale, Internews Europe compares its pay bands for all positions to equivalent posts in the following areas:

- Domestic and international charities with a similar level of income.
- Other relevant international charities of any size; for example, others in the British Government’s Rapid Response Facility (RRF).
- Other charitable organisations working in the specific sectors of media, information and development, freedom of expression and support to independent journalism; and
- Comparable salaries of Internews Network staff.

Taken as a whole, the Internews Alliance is among the two or three largest, if not the largest organisation working in the media, information and development sub-sector. Given this scale and complexity, and the

need to recruit and retain skilled staff with an unusual blend of experience in both media and international development, our salary scale is set in the middle of the upper quartile of our benchmarking results.

In setting the pay and benefits of the Chief Executive Officer, the trustees work from a minimum floor figure in the salary scales, which is currently £ £95,500 up to an in principle pay multiple ratios of five (relative to the lowest pay scale).

In turn, the CEO sets the pay and benefits of the other senior directors using the scale points immediately below the CEO floor. Details of all salaries and benefits exceeding £60,000 for the year can be found in Note 6 to the financial statements.

For 2021, the Senior Pay disclosures include the CEO, Senior Director of Finance and Resources, Senior Director of Outreach and Partnerships, Director of Philanthropy, Global Director of Impact and Head of Grants and Contracts. The aggregated actual pay for this group in 2021 was £522,726.

## FUNDS HELD AS CUSTODIAN TRUSTEE

During 2021 there were no funds held as custodian trustee on behalf of others.

## STATEMENT OF TRUSTEE'S ROLES AND RESPONSIBILITIES

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

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of

affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements; 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 adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's 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 charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Members of the charity guarantee to contribute an amount not exceeding £10 to the assets of the charity in the event of winding up. The total number of such guarantees on 31 December 2021 was 10 (2020: 10). 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.

Approved by the trustees on 17 June 2022 and signed on their behalf by:



Jul 12, 2022

**Mark Stephens, CBE, Chair of Trustees**

### Photo Credits:

Internews (pg. 8), Internews (pg. 9), FCEM (ph 10), ASFEV (pg 11)



# Independent Auditor's Report

## Opinion

We have audited the financial statements of Internews Europe (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2021 which comprise the consolidated statement of financial activities, the group and parent charitable company balance sheets, the consolidated statement of cash flows and the 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 FRS 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 group's and of the parent charitable company's affairs as at 31 December 2021 and of the group's 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 and the Charities Act 2011

## 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 group financial statements section of our report. We are independent of the group and parent 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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on Internews Europe's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

## Other Information

The other information comprises the information included in the trustees' annual report, including the strategic report, other than the group financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the group 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. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the group financial statements or our knowledge obtained in the course of 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 this gives rise to a material misstatement in the group financial statements themselves. 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, including the strategic 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 group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report, including the strategic report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and Charities Act 2011 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- The parent charitable company 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.
- 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 parent 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 group's and the parent 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 group or the parent 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

We have been appointed auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud are set out below.

## Capability of the audit in detecting irregularities

- In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:
  - We enquired of management and the finance and audit committee, which included obtaining and reviewing supporting documentation, concerning the group's policies and procedures relating to:
    - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
    - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
    - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
  - We inspected the minutes of meetings of those charged with governance.
  - We obtained an understanding of the legal and regulatory framework that the group operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the group from our professional and sector experience.
  - We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.

- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## 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 and section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. 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.

*Sayer Vincent LLP*

Noelia Serrano (Senior statutory auditor)

14 July 2022

for and on behalf of Sayer Vincent LLP, Statutory Auditor

Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006.

Internews Europe

Consolidated statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 December 2021

	Note	Unrestricted £	Restricted £	2021 Total £	Unrestricted £	Restricted £	2020 Total £
<b>Income from:</b>							
Donations and legacies	2	180,573	-	<b>180,573</b>	94,400	-	94,400
Charitable activities							
Democracy, Governance & Human Rights	3	833,601	10,741,436	<b>11,575,037</b>	601,932	10,748,890	11,350,822
Environment	3	56,940	886,036	<b>942,976</b>	84,272	1,177,012	1,261,284
Humanitarian	3	86,178	1,341,011	<b>1,427,189</b>	116,300	2,839,746	2,956,046
<b>Total income</b>		<b>1,157,292</b>	<b>12,968,483</b>	<b>14,125,775</b>	<b>896,904</b>	<b>14,765,648</b>	<b>15,662,552</b>
<b>Expenditure on:</b>							
Raising funds	4	323,266	-	<b>323,266</b>	184,873	-	184,873
Charitable activities							
Democracy, Governance & Human Rights	4	772,552	12,985,420	<b>13,757,972</b>	275,599	9,710,795	9,986,394
Environment	4	93,620	912,077	<b>1,005,697</b>	40,551	1,140,642	1,181,193
Humanitarian	4	127,771	2,428,311	<b>2,556,082</b>	57,243	1,484,328	1,541,571
<b>Total expenditure</b>		<b>1,317,209</b>	<b>16,325,808</b>	<b>17,643,017</b>	<b>558,266</b>	<b>12,335,765</b>	<b>12,894,031</b>
<b>Net movement in funds</b>		<b>(159,917)</b>	<b>(3,357,325)</b>	<b>(3,517,242)</b>	<b>338,638</b>	<b>2,429,883</b>	<b>2,768,521</b>
<b>Reconciliation of funds:</b>							
Total funds brought forward	15	333,951	9,249,897	<b>9,583,848</b>	(4,687)	6,820,014	6,815,327
<b>Total funds carried forward</b>		<b>174,034</b>	<b>5,892,572</b>	<b>6,066,606</b>	<b>333,951</b>	<b>9,249,897</b>	<b>9,583,848</b>

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 15 to the financial statements.

As at 31 December 2021

	Note	The group 2021	2020 £	The charity 2021	2020 £
<b>Fixed assets:</b>					
Tangible assets	10	103,471	47,775	103,471	47,775
		<b>103,471</b>	<b>47,775</b>	<b>103,471</b>	<b>47,775</b>
<b>Current assets:</b>					
Debtors	11	2,167,173	2,054,613	2,228,310	2,231,722
Cash at bank and in hand		5,987,054	8,089,159	5,977,301	8,064,099
		<b>8,154,227</b>	<b>10,143,772</b>	<b>8,205,611</b>	<b>10,295,821</b>
<b>Liabilities:</b>					
Creditors: amounts falling due within one year	12	2,191,092	607,699	2,188,086	726,801
		<b>5,963,135</b>	<b>9,536,073</b>	<b>6,017,525</b>	<b>9,569,020</b>
<b>Net current assets</b>		<b>6,066,606</b>	<b>9,583,848</b>	<b>6,120,996</b>	<b>9,616,795</b>
<b>Total net assets</b>		<b>6,066,606</b>	<b>9,583,848</b>	<b>6,120,996</b>	<b>9,616,795</b>
<b>Funds:</b>					
Restricted income funds	15	5,892,572	9,249,897	5,932,005	9,254,864
Unrestricted income funds:					
General funds		174,034	333,951	188,991	361,931
<b>Total funds</b>		<b>6,066,606</b>	<b>9,583,848</b>	<b>6,120,996</b>	<b>9,616,795</b>

Approved by the trustees on 17 June 2022 and signed on their behalf by



Jul 12, 2022

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 Mark Stephens CBE  
 Chair of Trustees

## Internews Europe

### Statement of cash flows

**For the year ended 31 December 2021**

	Note	2021 £	2020 £
<b>Cash flows from operating activities</b>	16	<b>(1,992,800)</b>	2,621,190
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(109,305)	(15,621)
<b>Change in cash and cash equivalents in the year</b>		<b>(2,102,105)</b>	2,605,569
Cash and cash equivalents at the beginning of the year		8,089,159	5,483,590
<b>Cash and cash equivalents at the end of the year</b>		<b>5,987,054</b>	8,089,159

**1 Accounting policies**

**a) Statutory information**

Internews Europe is a charitable company limited by guarantee and is incorporated in England and Wales. The registered office address (and principal place of business), is Second Floor, 13–14 Angel Gate, London, EC1V 2PT. In 2018, Internews Europe initiated the process of acquiring effective control of the French Non-Profit Association Internews International (RNA no. W751139592, SIRET no. 425 132 347 000 21 APE 913). As of 15 November, 2017, Internews Europe had successfully registered a new entity in Ireland – Internews Media Development (A Company Limited by Guarantee) with registered Company number 615323. Under the new structure, Internews Europe remains the Parent Company, with Internews France and Ireland as Subsidiaries. As December 2018, there is a requirement to consolidate the reports of both Internews Europe and Internews International, as control of the latter was achieved in February 2018. Internews Media Development Company (registered in November 2017 in the Republic of Ireland), remained dormant in 2021.

**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) – (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) 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.

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

These financial statements consolidate the results of the charitable company and its wholly-owned subsidiary **Internews International** on a line by line basis. Transactions and balances between the charitable company and its subsidiary have been eliminated from the consolidated financial statements. Balances between the two companies are disclosed in the notes of the charitable company's balance sheet. A separate statement of financial activities, or income and expenditure account, for the charitable company itself is not presented because the charitable company has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006.

**c) Public benefit entity**

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

**d) Going concern**

**Internews Europe opened in 2021 with an Unrestricted Fund surplus of £333,951. The Charity's in-year deficit for 2021 however resulted in a carried forward surplus to 2022 of £174,035.**

In light of the COVID 19 pandemic, new Country crises during 2021 (Afghanistan, Myanmar) and other increased potential exposure, the Internews senior management team has conducted a series of stress tests and scenario plans for the coming year to ensure the organisation is able to continue business operations including its support to partners worldwide. This includes a review of possible different possibilities or scenarios that could impact budget income in the current year and corresponding mitigation measures within the company's reach and abilities. Such scenarios considered included the reduction of key donor funding as a result of new donor strategy or priorities and drop in budgeted expenditure. Internews through costs controls and budget recodes, informed by robust monthly management reporting and forecasting, will be able to keep these emerging situations in full view and respond accordingly. The raising of unrestricted funds and subsequent enhancement of reserves and diversification of funding continue to remain Internews Europe's key priority further boosted by a robust strategy in place working closely with its sister company Internews Network. In the view of the trustees, there are no other material uncertainties and so they continue to consider IEU to be a going concern.

**e) Income**

Revenue grants are credited to the statement of financial activities when received or receivable whichever is earlier.

Where unconditional entitlement to grants receivable is dependent upon fulfilment of conditions within the charity's control, the incoming resources are recognised when there is sufficient evidence that conditions will be met. Where there is uncertainty as to whether the charity can meet such conditions the incoming resource is deferred.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

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



Notes to the financial statements

For the year ended 31 December 2021

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**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).

On receipt, 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) 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.

**h) 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 delivering activities undertaken to further the purposes of the charity and their associated support costs.

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

**i) 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 to the charities activities on a proportionate and consistent basis. Governance costs are the costs associated with the governance arrangements of the charity. These costs relate to constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

We have apportioned Support costs to the activities as follows:

Democracy and governance	77.73%
Environment	9.42%
Humanitarian	12.85%

**j) Foreign currency transactions**

Transactions in foreign currencies are translated at the **Inforeuro rates** prevailing at the date of the transaction. Balances denominated in foreign currencies are translated at the rate prevailing at the balance sheet date. Any gain or loss for the period is taken to the statement of financial 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. Furniture and other equipment directly related to projects are fully expensed to such projects so as to reflect the full costs of implementation. 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.

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:

Office equipment and computers	3 years
Office furniture	5 years
Fixtures & fittings	Life of office lease

**m) Debtors**

Debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid.

Advanced payments to partners are recognised as prepayments until expenditure incurs.

Notes to the financial statements

For the year ended 31 December 2021

1 Accounting policies (continued)

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.

o) Creditors

Creditors are recognised as soon as there is a legal or constructive obligation committing the charity to pay out the resource.

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

Internews Europe maintains a pension scheme where staff are auto-enrolled accordingly. Both Internews Europe and employees make contributions into the scheme in compliance with regulatory requirements.

2 Income from donations

	Unrestricted	Restricted	2021 Total	Unrestricted	Restricted	2020 Total
	£	£	£	£	£	£
Donations	104,279	-	104,279	63,250	-	63,250
Gifts/Services in kind	76,294	-	76,294	31,150	-	31,150
	180,573	-	180,573	94,400	-	94,400

The unrestricted donations represent monies received from individuals and foundations. Gifts/Services in-kind are in relation to pro-bono legal support on various tasks and assignments undertaken throughout the year.

3 Income from charitable activities

	Unrestricted	Restricted	2021 Total	Unrestricted	Restricted	2020 Total
	£	£	£	£	£	£
UK Department for International Development (FCDO) – OPTIONS	-	421,441	421,441	-	312,219	312,219
European Commission	-	1,031,317	1,031,317	-	4,085,452	4,085,452
European Commission – DG Devco	-	180,600	180,600	-	191,083	191,083
European Commission – ICSP	-	1,172,140	1,172,140	-	3,060	3,060
European Commission – EIDHR	-	61,123	61,123	-	368,614	368,614
Swedish International Development Corporation Agency (SIDA)	-	6,392,302	6,392,302	-	4,129,298	4,129,298
Norwegian Agency for Development Cooperation	-	91,250	91,250	-	231,916	231,916
Ministry for Foreign Affairs of the Netherlands	-	448,117	448,117	-	676,937	676,937
Resource sharing agreements	690,285	-	690,285	559,933	-	559,933
Joseph Rowntree Reform Trust	-	-	-	42,000	18,000	60,000
Luminate US Services, LLC	-	-	-	-	407,254	407,254
FCDO (KPMG Advisory)	-	(15,299)	(15,299)	-	72,692	72,692
Swiss MFA (le département fédéral des affaires)	-	370,913	370,913	-	96,964	96,964
Open Society Foundation	143,316	-	143,316	-	82,525	82,525
Foreign, Commonwealth and Development Office – A19	-	298,749	298,749	-	15,437	15,437
Foreign, Commonwealth and Development Office – other	-	1,989	1,989	-	-	-
BBC Global Service	-	190,000	190,000	-	-	-
ACTED	-	44,061	44,061	-	-	-
Embassy of the Kingdom of the Netherlands	-	52,733	52,733	-	-	-
Ministry of Foreign Affairs, Sweden	-	-	-	-	(2,600)	(2,600)
Foundation to Promote Civil Society	-	-	-	-	60,039	60,039
<b>Sub-total for Democracy, Human Rights &amp; Governance</b>	<b>833,601</b>	<b>10,741,436</b>	<b>11,575,037</b>	<b>601,932</b>	<b>10,748,890</b>	<b>11,293,383</b>

## Notes to the financial statements

For the year ended 31 December 2021

## 3 Income from charitable activities (continued)

	2021		2020	
	Unrestricted £	Restricted £	Unrestricted £	Restricted £
		<b>2021 Total £</b>		<b>2020 Total £</b>
Swedish International Development Corporation Agency (SIDA)	-	588,363	1,885	933,078
Calouste Gulbenkian Foundation	-	13,000	-	25,000
Resource sharing agreements	56,940	-	82,387	-
Arcadia Philanthropic Trust	-	192,317	-	192,175
Swedish Post-Code Lottery	-	83,556	-	-
Commonwealth Foundation	-	8,800	-	-
European Commission	-	-	-	32,319
European Climate Foundation	-	-	-	(8,403)
The Bertarelli Foundation	-	-	-	(976)
Oxfam	-	-	-	3,819
<b>Sub-total for Environment</b>	<b>56,940</b>	<b>886,036</b>	<b>84,272</b>	<b>1,177,012</b>
		<b>2021 Total £</b>		<b>2020 Total £</b>
Resource sharing agreements	86,178	-	116,300	-
FCDO – IPPF	-	173,826	-	15,764
Ministry for Foreign Affairs of the Netherlands	-	40,659	-	649,275
Swedish International Development Corporation Agency (SIDA)	-	1,033,623	-	-
The Mercury Phoenix	-	10,000	-	-
World Health Organisation	-	37,040	-	-
ECHO – BBC Media Action	-	45,863	-	-
Danish Refugee Council (FCDO)	-	-	-	202,756
UK Department for International Development	-	-	-	-
International Planned Parenthood Federation (IPPF)	-	-	-	74,997
UK Department for International Development (FCDO) – OXFAM	-	-	-	32,705
Rockefeller Foundation – OXFAM	-	-	-	72,755
Oxfam	-	-	-	7,563
European Commission	-	-	-	1,783,931
<b>Sub-total for Humanitarian</b>	<b>86,178</b>	<b>1,341,011</b>	<b>116,300</b>	<b>2,839,746</b>
<b>Total income from charitable activities</b>	<b>1,157,292</b>	<b>12,968,483</b>	<b>802,504</b>	<b>14,765,648</b>

The income from the grants shown above have been aggregated by charitable activity which have been described in note 15 to the financial statements.

\* Negative income balances relate primarily to forex adjustments on actual income received and unspent funds payable back to donors.

## 4 Analysis of expenditure (Current year)

	Charitable activities						2021 Total £	2020 Total £
	Cost of raising funds £	Democracy, Governance & Human Rights £	Environment £	Humanitarian £	Governance costs £	Support costs £		
Staff costs (Note 6)	294,396	4,627,253	560,742	765,295	-	1,178,836	7,426,522	5,445,646
Project delivery costs	4,130	6,556,654	183,690	1,348,894	-	350,837	8,444,205	6,310,409
Rent	-	146,441	15,138	85,175	-	66,548	313,302	321,955
Office costs	3,922	158,589	2,830	8,611	-	86,976	260,928	179,218
Utilities	-	12,900	-	12	-	-	12,912	8,070
IT and communications	129	113,805	2,902	6,283	-	67,397	190,516	123,237
Development costs	535	-	2,000	-	-	288	2,823	25,585
Finance costs	652	248,947	54,219	27,101	-	7,143	338,062	58,417
Legal and Professional fees	13,104	141,709	223	1,987	31,084	158,069	346,176	257,520
Depreciation and gains/losses on disposals	-	-	-	-	-	53,612	53,612	29,136
Travel costs	6,398	221,351	6,060	8,187	-	11,963	253,959	134,838
	323,266	12,227,649	827,804	2,251,545	31,084	1,981,669	17,643,017	12,894,031
Support and governance costs	-	1,530,323	177,893	304,537	(31,084)	(1,981,669)	-	
<b>Total expenditure 2021</b>	<b>323,266</b>	<b>13,757,972</b>	<b>1,005,697</b>	<b>2,556,082</b>	<b>-</b>	<b>-</b>	<b>17,643,017</b>	

Internews Europe

Notes to the financial statements

For the year ended 31 December 2021

4 Analysis of expenditure (Prior year)

	Charitable activities						2020 Total £
	Cost of raising funds £	Democracy, Governance & Human Rights £	Environment £	Humanitarian £	Governance costs £	Support costs £	
Staff costs (Note 6)	136,935	3,411,724	501,991	708,625	-	686,371	5,445,646
Project delivery costs	-	5,102,326	505,193	570,081	-	132,809	6,310,409
Rent	-	123,885	22,447	70,754	-	104,869	321,955
Office costs	5,685	133,544	3,636	6,858	-	29,495	179,218
Utilities	-	8,055	-	24	-	(9)	8,070
IT and communications	851	75,217	2,886	2,518	-	41,765	123,237
Development costs	25,417	-	-	-	-	168	25,585
Finance costs	109	49,585	2,100	1,764	-	4,859	58,417
Legal and Professional fees	11,530	117,458	662	6,510	35,941	85,419	257,520
Depreciation	-	-	-	-	-	29,136	29,136
Travel costs	4,346	102,830	9,941	18,801	-	(1,080)	134,838
	184,873	9,124,624	1,048,856	1,385,935	35,941	1,113,802	12,894,031
Support and governance costs	-	861,770	132,337	155,636	(35,941)	(1,113,802)	
<b>Total expenditure 2020</b>	<b>184,873</b>	<b>9,986,394</b>	<b>1,181,193</b>	<b>1,541,571</b>	<b>-</b>	<b>-</b>	<b>12,894,031</b>

## Internews Europe

### Notes to the financial statements

#### For the year ended 31 December 2021

##### 5 Net income/(expenditure) for the year

This is stated after charging / (crediting):

	2021 £	2020 £
Depreciation	28,312	29,137
Losses on disposals of tangible fixed assets	25,297	
Operating lease rentals:		
Property	61,600	41,273
Auditors' remuneration (net of VAT) :		
Audit UK ( Statutory Audit)	21,700	20,700
Other services – donor audits	59,000	64,350
Foreign exchange gains or losses	274,919	(11,943)

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

Staff costs were as follows:

	2021 £	2020 £
Salaries and wages	2,112,735	1,582,528
Social security costs	233,254	176,235
Employer's contribution to defined contribution pension schemes	95,624	70,817
Project staff – Internews & other direct contracted staff**	4,795,320	3,576,443
Redundancy and termination costs	4,227	–
Total emoluments paid to staff were:	7,241,160	5,406,023
Other human resources costs	185,362	39,623
<b>Total staff costs</b>	<b>7,426,522</b>	<b>5,445,646</b>

\*\*The Salaries of staff of Internews International (Paris) amounted to £370,465.

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

Approved by the trustees on DATE and signed on their behalf by	2021 No.	2020 No.
£60,000 – £69,999	1	3
£70,000 – £79,999	2	–
£80,000 – £89,999	2	–
£90,000 – £99,999	–	3
£100,000 – £109,000	–	–
£110,000 – £119,999	1	–

The total employee benefits of the key management personnel were £522,726 (2020: £457,784).

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2020: £nil). No charity trustee received payment for professional or other services supplied to the charity (2020: £nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £nil (2020: £nil) incurred by nil (2020: nil) members relating to attendance at meetings of the trustees.

**7 Staff numbers**

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

	2021 No.	2020 No.
Charitable Expenditure	36	21
Support & Governance	7	10
Raising Funds	<u>5</u>	<u>5</u>
	<u><b>48</b></u>	<u><b>36</b></u>

Staff of Internews Network, other contractors and local staff working on Internews Europe's projects were 280 (December 2020: 260). Total staff engaged on Internews Europe's projects by the staff of Internews Network are estimated at 152.

**8 Related party transactions**

Internews Europe maintains a formal 'Strategic Alliance' with Internews Network; a US based non-profit organisation which was the first media development organisation to bear the Internews name and brand. A Memorandum of Understanding to firmly establish a strategic alliance was signed by the boards of both entities in September 2014. Through this Memorandum of Understanding (MOU), Internews Network (IUS or Internews US) and Internews Europe (IEU) express their joint commitment and intent to form a Strategic Alliance which aims to create greater programme impact and public benefit than two separate organisations would be able to achieve on their own. The alliance approach is particularly intended to ensure seamless delivery of programmes through regional and country offices, and greater sharing and application of effective organisational learning. Nevertheless, IEU and IUS purposefully maintain separate governance bodies and each legal entity has its own CEO.

One of the trustees of Internews Network, David Hoffman, is on the board of both entities. Matt Chanoff is the Internews Network Board representative on the Board of Internews Europe. Ms Meera Selva is the Internews Europe Board representative on the Board of Internews Network. Mrs Meera Selva Jeevan was appointed to the Board of Internews Europe on 25th May, 2021. The IEU Chief Executive Officer, Senior Director of Finance & Resources and the company's Treasurer, are on the board of Internews International, based in Paris.

At the end-of the financial year 31.12.21 IEU had a net debtor balance with IUS stated at £576,134 (2020: £81,040) All transactions were at an arm's length basis. Internews Europe's subsidiary, Internews International also owed a net total of £68,367 (2020: £41,041) as of the same date. Internews Europe, continued its representation on the Board of Trustees of CDAC (Communication in Disaster Affected Communities) during the year.

Donations amounting to £4,592 (cash and pledges) from trustees have been recognised during the year, (2020- £4,739). Internews Europe maintained its effective control of the French Non-Profit Association, Internews International (RNA no. W751139592, SIRET no. 425 132 347 000 13 APE 913). Internews Media Development, registered as a non-profit entity in Ireland by Internews Europe in 2017, remained dormant.

**9 Taxation**

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

**10 Tangible fixed assets****The group and charity**

	Fixtures and fittings £	Office equipment & computers £	Office furniture £	Total £
<b>Cost</b>				
At the start of the year	91,645	51,003	598	<b>143,246</b>
Additions in the year	59,352	24,363	25,590	<b>109,305</b>
Disposals	(91,644)	-	(598)	<b>(92,242)</b>
At the end of the year	59,353	75,366	25,590	<b>344,793</b>
<b>Depreciation</b>				
At the start of the year	66,595	28,526	350	<b>95,471</b>
Disposals	(66,595)	-	(350)	<b>(66,945)</b>
Charge for the year	8,903	15,144	4,265	<b>28,312</b>
At the end of the year	8,903	43,670	4,265	<b>56,838</b>
<b>Net book value at end of the year</b>	<b>50,450</b>	<b>31,696</b>	<b>21,325</b>	<b>103,471</b>
At the start of the year	25,050	22,477	248	47,775

All of the above assets are used for charitable purposes.

**11 Debtors**

	The group		The charity	
	2021 £	2020 £	2021 £	2020 £
Accounts receivable	576,134	211,093	576,134	211,093
Programme advances	469,817	878,789	469,817	878,789
Other debtors	110,127	64,656	102,896	64,656
Balance due from subsidiary/other	-	-	68,367	184,755
Accrued income	987,248	888,245	987,248	888,245
Prepayments	23,847	11,831	23,848	4,184
	<b>2,167,173</b>	2,054,616	<b>2,228,310</b>	2,231,722

**12 Creditors: amounts falling due within one year**

	The group		The charity	
	2021 £	2020 £	2021 £	2020 £
Trade creditors	489,300	243,270	489,300	240,644
Taxation and social security	101,044	90,561	101,044	70,812
Other/Sundry creditors	19,994	70,066	19,994	70,066
Other Intercompany	-	-	-	143,714
Accruals	299,787	203,802	296,781	201,566
Deferred income (note 13)	1,280,967	-	1,280,967	-
	<b>2,191,092</b>	607,699	<b>2,188,086</b>	726,801



13 Deferred income

Deferred Income shown, relates to pre-financed monies received, unspent and unearned as at the year end.

	The group		The charity	
	2021	2020	2021	2020
	£	£	£	£
Balance at the beginning of the year		145,803		145,803
Amount released to income in the year	-	(145,803)	-	(145,803)
Amount deferred in the year	<b>1,280,967</b>	-	<b>1,280,967</b>	-
Balance at the end of the year	<b>1,280,967</b>	-	<b>1,280,967</b>	-

14a Analysis of group net assets between funds (current year)

	General unrestricted	Restricted funds	Total funds
	£	£	£
Tangible fixed assets	103,471	-	<b>103,471</b>
Net current assets	70,563	5,892,572	<b>5,963,135</b>
<b>Net assets at the end of the year</b>	<b>174,034</b>	<b>5,892,572</b>	<b>6,066,606</b>

14b Analysis of group net assets between funds (prior year)

	General unrestricted	Restricted funds	Total funds
	£	£	£
Tangible fixed assets	47,775	-	<b>47,775</b>
Net current assets	286,176	9,249,897	<b>9,536,073</b>
<b>Net assets at the end of the year</b>	<b>333,951</b>	<b>9,249,897</b>	<b>9,583,848</b>

15a Movements in funds (current year) – Group

	At the start of the year	Incoming resources & gains	Outgoing resources & losses	Transfers	At the end of the year
	£	£	£	£	£
<b>Restricted funds:</b>					
Democracy and Governance	5,646,123	10,741,436	12,985,420	-	<b>3,402,139</b>
Environment	1,833,211	886,036	912,077	-	<b>1,807,170</b>
Humanitarian	1,770,563	1,341,011	2,428,311	-	<b>683,263</b>
<b>Total restricted funds</b>	<b>9,249,897</b>	<b>12,968,483</b>	<b>16,325,808</b>	<b>-</b>	<b>5,892,572</b>
<b>Unrestricted funds:</b>					
General	333,951	1,157,292	1,317,209	-	<b>174,034</b>
Total unrestricted funds	<b>333,951</b>	<b>1,157,292</b>	<b>1,317,209</b>	<b>-</b>	<b>174,034</b>
<b>Total funds</b>	<b>333,951</b>	<b>14,125,775</b>	<b>17,643,017</b>	<b>-</b>	<b>6,066,606</b>

15b Movements in funds (prior year)

	At the start of the year £	Incoming resources & gains £	Outgoing resources & losses £	Transfers £	At the end of the year £
<b>Restricted funds:</b>					
Democracy and Governance	4,608,028	10,748,890	9,710,795	-	5,646,123
Environment	1,796,841	1,177,012	1,140,642	-	1,833,211
Humanitarian	415,145	2,839,746	1,484,328	-	1,770,563
<b>Total restricted funds</b>	<b>6,820,014</b>	<b>14,765,648</b>	<b>12,335,765</b>	<b>-</b>	<b>9,249,897</b>
<b>Unrestricted funds:</b>					
General	(4,687)	896,904	558,266	-	333,951
Total unrestricted funds	(4,687)	896,904	558,266	-	333,951
<b>Total funds</b>	<b>6,815,327</b>	<b>15,662,552</b>	<b>12,894,031</b>	<b>-</b>	<b>9,583,848</b>

Purposes of restricted funds

**Democracy, Governance and Human Rights**

**Democracy and Governance**

Media serve a crucial watchdog function, providing citizens with the information they need to keep the public and private sectors accountable. In many countries, however, repressive legal environments inhibit the media's ability to play this role. Moreover, some journalists lack the skills to conduct the in-depth investigative reporting that is essential to accountability.

Internews has trained journalists in investigative reporting, produced television programming to encourage dialogue on corruption, and helped reform media laws, including expanding freedom of information rights.

**Human Rights** : Internews trains both professional and citizen journalists to analyse and report on human rights issues more effectively. We support independent media to preserve access to information and promote the monitoring of human rights violations.

**Conflict and Stabilisation** : Projects to support media, community mobilisation, and access to information with the aim of long-term efforts to build trust between governments and the governed and contribute to peace. Internews brings together journalists from diverse media outlets working in different languages to improve their professional standards of news reporting.

**Environment**

**Environment**: The Earth Journalism Network (EJN) – established by Internews – creates networks of environmental journalists in countries where they don't exist, and builds their capacity where they do. Through training workshops and development of training materials, support for production and distribution, the provision of small grants, and creation of unique data mapping platforms, EJN works with journalists in developing countries to find innovative solutions to the world's most pressing environmental issues of today.

We support freedom of expression by helping to keep information flows open and connecting human rights defenders with their local media.

Our work also aims to reduce the potential for harm to journalists, writers and other civil society activists in countries where they are most at risk. We also build the independence and credibility of emerging information stakeholders, such as internet bloggers, to allow communities to trust in their most prolific sources of information.

**Humanitarian**

**Humanitarian**: In disasters people affected by the unfolding tragedy need more than physical necessities: they also have an urgent need for information. From earthquakes to armed conflicts, survival can depend on knowing the answers to questions such as: is it safe to go back home? Should I stay with my family or go elsewhere for help? What is the extent of the damage? Where can I get clean water and food? What are the symptoms of cholera? Where is the nearest health facility? Internews addresses these questions with a range of ongoing information services.

## Notes to the financial statements

For the year ended 31 December 2021

<b>16 Reconciliation of net income to net cash flow from operating activities</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
<b>Net movements in funds for the reporting period (as per the statement of financial activities)</b>	<b>(3,517,242)</b>	<b>2,768,521</b>
Depreciation charges	<b>28,312</b>	29,137
Losses on disposals of tangible fixed assets	<b>25,297</b>	–
(Increase)/decrease in debtors	<b>(112,560)</b>	415,076
Increase/(decrease) in creditors	<b>1,583,393</b>	(591,544)
<b>Net cash (used in)/provided by operating activities</b>	<b>(1,992,800)</b>	<b>2,621,190</b>

**17 Operating lease commitments**

	<b>Property</b>		<b>Equipment</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
In one year	<b>61,600</b>	27,544	<b>1,464</b>	764
One to five years	<b>205,000</b>	–	<b>5,670</b>	–
	<b>266,600</b>	27,544	<b>7,133</b>	764

**18 Capital commitments**

At the balance sheet date, the charity had no capital commitments (2020: £nil).

**19 Contingent assets or liabilities**

At the balance sheet date the charity had no contingent assets or contingent liabilities.

**20 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

**21 Subsidiary undertaking**

The charitable company maintains effective control over Internews International, a company registered in France. The company number is 425 132 347 00013 (Numero Siret) and charity (Association) number is RNA W751139592 . The registered office address is 21 bis rue du Simplon, 75018 Paris

The subsidiary is used for charitable activities in Europe. All activities have been consolidated on a line by line basis in the statement of financial activities. Available profits are gift aided to the charitable company.

The Internews Europe's Chief Executive Officer, Senior Director of Finance & Resources, Internews Europe's Treasurer (Trustee) and Internews Network's Chief Operating Officer, currently constitute the directors of the subsidiary.

Notes to the financial statements

For the year ended 31 December 2021

21 Subsidiary undertaking (continued)

A summary of the results of the subsidiary is shown below:

	2021 £	2020 £
Turnover	501,018	319,113
Administrative expenses	(524,267)	(319,441)
	<u>(23,249)</u>	<u>(328)</u>
<b>Reserves</b>		
Brought forward	(32,947)	7,058
Exchange Adjustment	1,806	(39,677)
(Deficit)/surplus for the year	(23,249)	(328)
	<u>(54,390)</u>	<u>(32,947)</u>
The aggregate of the assets, liabilities and funds was:		
Assets	65,966	96,210
Liabilities	(120,356)	(129,157)
Total funds	<u>(54,390)</u>	<u>(32,947)</u>

During the year, Internews Europe's net costs incurred on behalf of Internews International was **£68,367 (2020: £41,041)**. These costs were stated on the Charity's balance sheet (Intercompany account) – see note 11.

22 Parent charity

The parent charity's gross income and the results for the year are disclosed as follows:

	2021 £	2020 £
Gross income	14,086,148	15,662,552
Result for the year	<u>(3,495,799)</u>	<u>2,768,521</u>