Company Registration No. 06368740 (England and Wales)

Development Initiatives Poverty Research Limited

Annual report and financial statements
for the year ended 31 December 2021

Development Initiatives Poverty Research Limited

Company information

Directors	Harpinder Collacott	
	Dr Alex Ezeh	
	Timothy Takona	
	Paul Stuart	
	Elizabeth Drew	
	Susan Wardell	(Appointed 1 March 2021)
	Mary Chege	(Appointed 27 October 2021)
	Kapil Kapoor	(Appointed 27 October 2021)
	Zhi Huan Wu	(Appointed 16 November 2021)
	Annie Namala	(Appointed 31 January 2022)
Secretary	Janet Reilly	
Company number	06368740	
Registered office	1st Floor Centre The Quorum Bond Street South Bristol BS1 3AE	
Independent auditor	Saffery Champness LLP St Catherine's Court Berkeley Place Clifton Bristol BS8 1BQ	

Development Initiatives Poverty Research Limited

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Development Initiatives Poverty Research Limited

Directors' report
For the year ended 31 December 2021

The directors present their annual report and financial statements for the year ended 31 December 2021.

Directors
The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Harpinder Collacott	
Dr Alex Ezeh	
Timothy Takona	
Paul Stuart	
Tina Blazquez-Lopez	(Resigned 11 February 2021)
Elizabeth Drew	
Diane Kingston	(Resigned 22 October 2021)
Susan Wardell	(Appointed 1 March 2021)
Mary Chege	(Appointed 27 October 2021)
Kapil Kapoor	(Appointed 27 October 2021)
Zhi Huan Wu	(Appointed 16 November 2021)
Annie Namala	(Appointed 31 January 2022)

Principal activities
Development Initiatives Poverty Research Limited ("DI") exists to provide data-drive evidence and analysis, technical support to strengthen data ecosystems, and advisory programmes to support partners to:

- Better respond to people's needs through improved quality and use of data and evidence in policymaking
- Improve the quantity, quality and coherence of public finance and private investment
- Challenge systemic and structural barriers to equity and support the reform of existing systems.

Our purpose is to apply the power of data and evidence to build sustainable solutions that create an equitable and resilient world.

Our mission is to work closely with partners to ensure data-driven evidence and analysis are used effectively in policy and practice to end poverty, reduce inequality and increase resilience.

We work at global, national and local levels, through a global hub connected to a growing network of regional hubs and partners.

2021 key achievements

The world continued to struggle with the significant health, social and economic impacts of the Covid 19 pandemic throughout 2021. We saw inequality rising and countries pushed further off track from achieving the Sustainable Development Goals (SDGs). Global poverty and unemployment rose, and the unequal roll-out of vaccines across the world meant an imminent recovery remained out of reach for most countries. It was against this backdrop that the world also came together in Glasgow for The UN Climate Change Conference in Glasgow (COP26) to set new ambitions to cut greenhouse gas emissions.

Our world today is ever more interconnected and faces challenges that only a truly global response can overcome. Global cooperation and strong international public finance are essential to foster an inclusive and sustainable recovery from Covid-19 and mobilise resources to achieve the SDGs and build back better. As the pandemic has underscored, national efforts alone will not suffice. Stronger and more ambitious international cooperation will remain critical to contain the pandemic, and accelerate a robust and inclusive global recovery.

DI's new ten year strategy and regionalising for the future

2021 was also the year Development Initiatives (DI) launched its new strategy, setting out the mission we want to achieve over the next 10 years and a road map for how we will get there. We began our transition towards an organisation that is situated closer to the partners it seeks to serve and inform, to ensure data-driven evidence and analysis are used effectively in policy and practice to end poverty, reduce inequality and increase resilience.

DI has always been committed to localisation and has had regional offices employing exclusively local staff. In 2021, through the new strategy, we began the conscious process of expanding our network of hubs across the world. This will allow DI to truly support sustainable, inclusive progress that equips and empowers partners to maximise impact in their communities, countries and regions. At the end of 2021, we appointed a new East Africa Director based in Nairobi, Kenya to lead the creation of a fully established hub in the Africa region in 2022 – the first of more to come. An international hub will remain to contribute to global efforts towards delivering our mission.

Financing development

DI continued its important work of ensuring that international public finance is working as effectively as possible to ensure inclusive global progress. We provided thought leadership and facilitated dialogue on Global Public Investment - a concept for transforming international cooperation - led by a multistakeholder initiative where DI played a key role on its official expert working group and steering committee throughout 2021. We led the first ever consultation on Global Public Investment across East Africa, convening stakeholders from Ethiopia, Kenya, Somalia and Tanzania with representation from government, civil society and think tanks to discuss its viability. A core group is now forming in Africa to take GPI forward and ensure co-creation of a model that works for and is truly co-owned by Africa.

DI's analysis of Official Development Assistance (ODA) continued to inform our partners' advocacy and campaigns to increase volumes and improve targeting of people living in extreme poverty. Our close tracking of humanitarian and nutrition financing provided vital information for specific sector experts and government officials to inform their financing commitments. The launch of the Nutrition Accountability Framework by the Global Nutrition Report (GNR), hosted by DI, supported the 2021 Tokyo Nutrition for Growth Summit to mobilise SMART and ambitious financial and policy commitments to tackle malnutrition.

Our assessments on aid using IATI data during the unfolding of the pandemic have been pioneering, and crucially, using a full year of data from 2020, we were able to set out clearly the extent to which this real-time data can be used to understand what is happening to aid spending. For the first time, actors who need data on ODA can now fully understand the value that is possible from the data that is currently published to IATI whilst understanding the limitations of what it can currently tell us. Regionally, our Africa hub contributed a range of novel analyses using near real-time IATI (International Transparency Initiative) data on how international public financing appears to be shifting following the onset of the pandemic, highlighting implications for those countries and key considerations for donors if we are to get poverty reduction back on track.

Working with Governments

At the same time, we went deeper in certain countries with analysis of their domestic budgets during the pandemic, as well as exploring the impacts of loans from international financing institutions for countries like Uganda and Kenya at a time of rising debt levels. A summary of our findings from our data landscaping work assessing countries' efforts to improve data systems that support leaving no one behind highlighted the scale of the challenge, informing discussions at the 2021 World Data Forum held in Bern, Switzerland.

In Nepal, Development Initiatives has been continuing its work with the Asia Foundation on a 'Data for Development' project. In 2021 we conducted national data landscaping in Nepal as part of this work and produced a toolkit of guidance and resources for local municipalities to understand and strengthen their own data ecosystems.

We continued our longstanding support to the Benin Government to harness their national data to implement a Leave No One Behind approach right down to subnational levels.

In Kenya and Uganda we worked closely with partners as part of the '*Inclusion Works*' programme that aims to ensure persons with disabilities have access to employment. Focussing on data in this endeavour, in 2021 we trained staff in government departments and civil society organisations on how to access and improve data that ensures persons with disabilities are counted and included.

Responding to Crisis

DI produced a varied and impactful portfolio of work to inform and strengthen humanitarian and crisis response in 2021. We contributed a range of robust and comprehensive analyses to support decision makers and those who influence them to understand the latest data on humanitarian financing. Our flagship Global Humanitarian Assistance (GHA) report was launched at the UN's Economic and Social Council Humanitarian Affair's segment alongside UN OCHA's Global Humanitarian Overview, bringing together an important discussion with high-level representatives from Global Affairs Canada, NRC, the Start Network and Kenya Red Cross on opportunities, challenges and lessons for the humanitarian system from the Covid-19 response. This was complemented by a piece of joint research with the International Rescue Committee (IRC) demonstrating how humanitarian response has failed to keep pace with the Covid-19 pandemic, setting out recommendations on how this could be improved.

We also made a significant contribution on humanitarian transparency through our support to the co-conveners of the Grand Bargain transparency workstream. As the original Grand Bargain agreement came to an end and it was uncertain whether transparency would be taken forward as a key priority, despite its vital role in improving quality funding and localisation. Through DI's efforts convening a wide range of humanitarian actors, including donors, INGOs and national and local organisations, we orchestrated a written submission strongly setting out the importance of maintaining efforts and commitments on transparency in the humanitarian system and ensuring continued improvements in humanitarian response. As a result, transparency now remains at the heart of the Grand Bargain agenda and the transparency commitments from the first agreement remain in place.

Our experts continue to serve on multiple external advisory boards and committees, including the Expert Working Group and Steering Committee of a new concept for international public financing, Global Public Investment (GPI), the organising committee of the UN World Data Forum, the technical working group of the Global Partnership for Sustainable Development Data, and Bond's Future Dialogues group on an international development system for a post-2030 world.

We also brought four new members onto our Board in 2021, who are experts from around the world on data, policy and supporting marginalised communities. Their experience and expertise will continue to enrich our Board and inform our strategic direction as we look to 2022 to implement our new strategy.

Supporting staff during the pandemic

With the continuing challenges of working under varying and ever changing Covid-19 rules across our locations, our priority in 2021 was staff wellbeing. We have a team of mental health first aiders who continued to provide an important touchpoint for staff to ensure they were aware of support available and able to access it. We conducted workshops for 'Strategies for Personal Resilience' and closed our offices for 3 days in August in addition to annual leave so that all staff were given a much-needed moment for rest and recuperation. Where possible, we enabled social events to help staff reconnect and rebuild interpersonal relationships that had been more challenging whilst working remotely fulltime. Our Bristol office also moved premises in early 2021 to enable more creative and collaborative workspaces alongside a comfortable and inviting environment that supports staff well-being at work, including on-site exercise facilities.

Investing in systems and security

Working globally, strong IT infrastructure is particularly key to helping our staff work effectively and enable relationships to thrive even when remote. In 2021 our main physical location in the UK had a full data and telecoms refresh, and we made significant improvements in our East Africa Hub, commissioning a local IT company to provide tailored and ongoing support. We also achieved Cyber Essentials accreditation through our investment in increasing our cyber security and continue to ensure staff are trained and protected against cyber-crime.

Living our values: Equality, Diversity and Inclusion

Our new 10-year strategy brought new values conceived by our staff to reflect the organisation we are and the ways of working that matter most to us; person-centred, purpose-driven and transparent. We also set out 6 foundational principles underpinning our work centred on people, simplicity, partnerships, perseverance, transformation and high performance which underpin our culture and how we work.

In line with our new values and principles, we built on our efforts towards Equality, Diversity and Inclusion (EDI) to establish strong foundations that will underpin a positive staff culture and supportive work environment. We commissioned an EDI audit and survey, using its results and recommendations to celebrate progress and create a plan that will ensure we excel as an inclusive employer. We continue to monitor and voluntarily publish our gender pay gap. While this has increased since 2020 when our gap was -5.53%, we remain below the UK's national average pay gap and we are committed to closing it. DI's mean gender pay gap in 2021 stood at 3.18% in comparison to the UK's national average pay gap of 7.9%.

It was also vital that we took efforts to ensure our pay and benefits reflect the fairness with which we want to treat every member of staff and the value they bring to the organisation. We carried out a comprehensive pay and benefits benchmarking exercise, developed a framework for our reward and remuneration strategy and agreed remuneration principles with the board. We developed a new set of pay ranges based on new career levels and positioned all our staff correctly within our new pay structure. The next phase in 2022 will see us establish criteria to support personal and professional development and a shift to agile performance management.

A range of key appointments were made in 2021 including a new role to lead our work on poverty and inequality, as well as a Chief Operating Officer and a new Director for our East Africa offices. The recruitment market remains competitive and so our reward and remuneration approach enables us to have competitive salaries and an attractive offer that will stand us in good stead moving forwards.

Financial view

A range of organisations continue to support and fund our work, primarily private philanthropic foundations, governments and multilateral organisations that are committed to global development and ending poverty. Our income in 2021 increased by £671,831 to £5,808,359 driven largely by income from our consultancy arm, DII. Our reliance on UKAID funding decreased following cuts as part of the UK government's reduction in their aid spending.

As a pandemic continued, DI saw even further reductions in travel falling from £85,321 to £45,987. We anticipate travel will increase in 2022 as the vaccine programmes begin to deliver results and the world starts to open up to foreign travel.

In 2021, as in previous years, our highest expenditure remained our staff costs and professional services. We increased our staff numbers from 80 to 93 and as a result staff costs also increased. This was also as a result of investment in staff salaries following a pay review and an extensive benchmarking exercise. Training costs were slightly higher in 2021 (£29,516) than in 2020 (£26,826). Our consultant costs were down from £1,103,580 in 2020 to £999,163 in 2021 as a result of the effect of the pandemic on the general activities of the organisation.

In the first quarter of 2021 DI also moved offices, saving in rent during a time when the offices were closed, and the re-fit was underway. As a result, our rent and rates were lower in 2021 than in previous years. However, DI has secured a lease to support the re-fit costs amounting to £60,360 and will be repaid over five years.

The income pipeline for 2022 is healthy, with staff and programmes in place to continue to strengthen our work as a trusted partner working at the global, regional, national and local levels to ensure data-driven evidence and analysis are used effectively in policy and practice to end poverty, reduce inequality and increase resilience.

Auditor

Saffery Champness LLP were appointed as auditor to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board

Harpinder Collacott
Director
4 August 2022

Development Initiatives Poverty Research Limited

Directors' responsibilities statement
For the year ended 31 December 2021

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

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Development Initiatives Poverty Research Limited

Independent auditor's report
To the members of Development Initiatives Poverty Research Limited

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Opinion

We have audited the financial statements of Development Initiatives Poverty Research Limited (the 'company') for the year ended 31 December 2021 which comprise the income statement, the statement of financial position, the statement of changes in equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the 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 directors' 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 the company'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 directors with respect to going concern are described in the relevant sections of this report.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the 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 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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' 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 company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors 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 directors 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 directors are responsible for assessing the 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 directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities:
We assessed the susceptibility of the company's financial statements to material misstatement and how fraud might occur, including through discussions with the directors, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the company by discussions with directors and by updating our understanding of the sector in which the company operates.

Laws and regulations of direct significance in the context of the company include The Companies Act 2006 and UK Tax legislation.

Audit response to risks identified
We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://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 company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Michael Strong (Senior Statutory Auditor)
For and on behalf of Saffery Champness LLP

11 August 2022

Chartered Accountants
Statutory Auditors

St Catherine's Court
Berkeley Place
Clifton
Bristol
BS8 1BQ

Development Initiatives Poverty Research Limited

Income statement
For the year ended 31 December 2021

	Notes	2021	2020
		£	£
Turnover		5,808,359	5,136,528
Operating costs		(5,635,035)	(5,141,907)
Operating surplus		173,324	(5,379)
Interest receivable and similar income	4	45,144	43,307
Interest payable and similar expenses		(38,756)	(9,575)
Surplus before taxation		179,712	28,353
Tax on surplus		(219)	(541)
Surplus for the financial year		179,493	27,812

Development Initiatives Poverty Research Limited

Statement of financial position
As at 31 December 2021

	Notes	£	2021 £	£	2020 £
Fixed assets					
Intangible assets	**5**		26,770		38,400
Tangible assets	**6**		156,335		10,229
Investments	**7**		72,000		64,800
			255,105		113,429
Current assets					
Debtors	**8**	1,416,475		691,884	
Cash at bank and in hand		1,179,130		2,146,764	
		2,595,605		2,838,648	
Creditors: amounts falling due within one year	**9**	(2,138,452)		(2,498,218)	
Net current assets			457,153		340,430
Total assets less current liabilities			712,258		453,859
Creditors: amounts falling due after more than one year	**10**		(78,906)		-
Net assets			633,352		453,859
Capital and reserves					
Total equity			633,352		453,859

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 4 August 2022 and are signed on its behalf by:

Harpinder Collacott
Director

Company Registration No. 06368740

Development Initiatives Poverty Research Limited

Statement of changes in equity
For the year ended 31 December 2021

	Profit and loss reserves
	£
Balance at 1 January 2020	426,047
Year ended 31 December 2020:	
Surplus and total comprehensive income for the year	27,812
Balance at 31 December 2020	453,859
Year ended 31 December 2021:	
Surplus and total comprehensive income for the year	179,493
Balance at 31 December 2021	633,352

1 Accounting policies

Company information

Development Initiatives Poverty Research Limited is a private company limited by guarantee incorporated in England and Wales. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the company in the event of liquidation. The registered office is 1st Floor Centre, The Quorum, Bond Street South, Bristol, BS1 3AE.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary a mounts in these financial statements are rounded to the nearest £1.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Turnover

Turnover comprises the fair value of the consideration received or receivable for the provision of services in the ordinary course of the Company's activities or grants made to the Company. Turnover is shown net of value added tax, returns, rebates and discounts.

The Company recognises revenue when:

- The Company has entitlement to the revenue, having discharged applicable restrictions on how the funds can be applied;
- Economic benefits have flowed or future economic benefits are reasonably certain to flow to the Company;
- The amount of revenue can be reliably measured.

Where a contract spans more than one reporting period, revenue for that contract is recognised in proportion to the total costs incurred to date, unless the contract assigns values for specific performance obligations.

1 Accounting policies (continued)

1.3 Intangible fixed assets - goodwill

Goodwill arising on the acquisition of an entity represents the excess of the fair value of the consideration over the fair value of the identifiable assets and liabilities acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is held in the currency of the acquired entity and revalued to the closing rate at each reporting period date. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which shall not exceed ten years if a reliable estimate of the useful life cannot be made.

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over the useful life as follows:

Asset class	Amortisation method and rate
Goodwill	20% straight line

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and equipment	20%-25% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.5 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

1.6 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

1 Accounting policies (continued)

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.7 Cash at bank and in hand

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

1 Accounting policies (continued)

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.9 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.10 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

1 Accounting policies (continued)

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.11 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1 Accounting policies (continued)

1.13 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the statement of financial position as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

1.14 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

1.15 Foreign exchange

Transactions in foreign currencies are recorded at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the closing rates at the balance sheet date. A liability is held as a foreign currency denominated liability so long as there is either a contractual obligation to do so or the funds giving rise to the liability are held in a foreign currency. Should neither apply, the liability will be converted into a Sterling denominated liability at the exchange rate actually attained. All exchange differences are taken into account in arriving at the operating result.

2 Critical accounting judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2021 Number	2020 Number
Total	93	80

Of the above employees, 7 (2020: 5) received salaries over £65,000.

4 Interest receivable and similar income

	2021 £	2020 £
Interest receivable and similar income includes the following:		
Income from shares in group undertakings	45,000	41,250

5 Intangible fixed assets

	Goodwill £
Cost	
At 1 January 2021	190,200
Additions	17,800
At 31 December 2021	208,000
Amortisation and impairment	
At 1 January 2021	151,800
Amortisation charged for the year	29,430
At 31 December 2021	181,230
Carrying amount	
At 31 December 2021	26,770
At 31 December 2020	38,400

6 Tangible fixed assets

	Plant and machinery etc
	£
Cost	
At 1 January 2021	161,866
Additions	199,432
At 31 December 2021	361,298
Depreciation and impairment	
At 1 January 2021	151,637
Depreciation charged in the year	53,326
At 31 December 2021	204,963
Carrying amount	
At 31 December 2021	156,335
At 31 December 2020	10,229

7 Fixed asset investments

	2021	2020
	£	£
Shares in group undertakings and participating interests	72,000	64,800

Movements in fixed asset investments

	Shares in subsidiaries
	£
Cost or valuation	
At 1 January 2021	64,800
Additions	7,200
At 31 December 2021	72,000
Carrying amount	
At 31 December 2021	72,000
At 31 December 2020	64,800

8 Debtors

	2021	2020
Amounts falling due within one year:	**£**	**£**
Trade debtors	13,691	311,909
Amounts owed by group undertakings	314,450	-
Other debtors	1,088,334	379,975
	1,416,475	691,884

9 Creditors: amounts falling due within one year

	Notes	2021	2020
		£	**£**
Obligations under finance leases		60,360	-
Trade creditors		85,163	22,856
Amounts owed to group undertakings		-	25,397
Corporation tax		27	391
Other taxation and social security		77,196	67,412
Accruals and deferred income		1,915,706	2,382,162
		2,138,452	2,498,218

10 Creditors: amounts falling due after more than one year

	2021	2020
	£	**£**
Obligations under finance leases	78,906	-

11 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2021	2020
	£	**£**
Total lease payments due	383,270	-

12 Related party transactions

Remuneration of key management personnel

	2021	2020
	£	£
Aggregate compensation	106,531	95,792

During the year the company provided services to its subsidiary DI International Limited totalling £696,104 (2020: £299,971), and received a sub-grant from DI International Limited of £nil (2020: 582,454). The company also continued to provide a loan to its subsidiary which is interest free and repayable on demand. At the year end the company was owed £314,450 (2020: the company owed £25,397). The company received dividends during the year from its subsidiary of £45,000 (2020: £41,250).

Development Initiatives Poverty Research America Inc. (DIPRA) is a separately established US registered charity. There is substantial overlap between the boards of DIPR and DIPRA. During the year the company received a sub-grant from DIPRA totalling £997,064 (2020: £920,647), with £396,963 being recognised in the year, and DIPRA owed the company £857,599 (2020: £286,018). DIPRA also provided services to DIPR totalling £120,223 (2020: £121,934).

In the year the company purchased the remaining 10% stake in its subsidiary DI International Limited from a director for a total consideration of £25,000.

Development Initiatives Poverty Research Limited

Management information
for the year ended 31 December 2021

Development Initiatives Poverty Research Limited

Detailed income and expenditure account
For the year ended 31 December 2021

		2021		2020
	£	£	£	£
Turnover				
Foreign, Commonwealth & Development Office		4,008		188,546
United Nations Office for Project Services (UNOPS)		821,792		733,056
Government of the Netherlands		475,989		462,459
Canadian International Development Agency		421,388		353,143
Swedish International Development Agency		-		264,045
Bill and Melinda Gates Foundation		1,001,402		858,699
Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ)		308,433		522,038
Irish Aid		173,830		30,624
DI International Limited		855,249		299,512
William and Flora Hewlett Foundation sub-awarded from DIPRA		372,146		314,364
Sightsavers		119,034		165,815
The Asia Foundation		64,618		69,865
USAID		71,747		151,839
Swiss Agency for Development and Cooperation		384,473		246,992
European Commission		-		82,980
Other income		133,379		1,293
SDG Kenya Forum		463,811		265,773
United Nations Office for Disaster Risk Reduction		-		25,862
Food and Agriculture Organisation		137,060		54,849
United Nations		-		5,822
New Venture Fund		-		38,952
		5,808,359		5,136,528
Operating costs		(5,635,035)		(5,141,907)
Operating surplus/(deficit)		173,324		(5,379)
Investment revenues				
Bank interest received	144		2,057	
Dividends receivable from group companies	45,000		41,250	
		45,144		43,307
Interest payable and similar expenses				
Hire purchase interest payable	14,462		-	
Foreign exchange gains/(losses)	24,294		9,575	
		(38,756)		(9,575)
Surplus/(deficit) before taxation		179,712		28,353

This page does not form part of the financial statements on which the auditors have reported.

Development Initiatives Poverty Research Limited

Schedule of operating costs
For the year ended 31 December 2021

	2021	2020
	£	£
Operating costs		
Wages and salaries	2,875,922	2,527,598
Social security costs	264,324	232,743
Staff recruitment costs	96,231	27,838
Staff welfare	22,176	14,256
Private health insurance	17,606	17,802
Staff training	29,516	26,826
Staff pension costs defined contribution	134,434	118,327
Other staff costs	-	4,580
Directors' remuneration	106,531	95,792
Directors' social security costs	12,506	10,964
Disbursements	182,760	69,943
Rent and rates	220,958	191,784
Cleaning	7,485	5,496
Power, light and heat	(1,554)	4,292
Premises insurance	26,058	25,338
Computer running costs	293,941	336,348
Travelling expenses	45,987	85,321
Professional subscriptions	30,483	17,181
Legal and professional fees	24,264	22,332
Accountancy	7,708	9,703
Audit fees	14,265	25,773
Charitable donations	48	-
Bank charges	5,645	3,843
Bad and doubtful debts	(9,788)	-
Advertising	3,570	2,505
Telecommunications	10,421	10,771
Office expenses	57,157	80,412
Freelance and outsourced contracts	999,163	1,103,580
Irrecoverable VAT	74,202	29,849
Sundry expenses	(21)	-
Amortisation	29,430	34,200
Depreciation	53,607	6,510
	5,635,035	5,141,907

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