

REGISTRAR OF COMPANIES

The Tony Blair Faith Foundation

Annual Report and Financial Statements

31 December 2014



Company Limited by Guarantee
Registration Number
6198959 (England and Wales)

Charity Registration Number
1123243

Contents

Reports

Reference and administrative details of the charity, its Trustees and advisers	1
Trustees' report	2
Independent auditor's report	16

Financial Statements

Statement of financial activities	18
Balance sheet	19
Principal accounting policies	20
Notes to the financial statements	22

Reference and administrative details of the charity, its Trustees and advisers

Patron	The Right Honourable Tony Blair
Trustees	Jeremy Sinclair (Chairman) Sir Michael Barber Robert Clinton Robert Coke Dame Gail Rebuck
Company secretary	Tyrolese (Secretarial) Limited
Executive Director	Angela Salt OBE (from 04/08/2015) Charlotte Keenan (to 28/02/2015)
Registered office	66 Lincoln's Inn Fields London WC2A 3LH
Correspondence	PO Box 60519 London W2 7JU
Websites	www.tonyblairfaithfoundation.org www.religionandgeopolitics.org
E-mail	info@tonyblairfaithfoundation.org
Company registration number	6198959 (England and Wales)
Charity registration number	1123243
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Bankers	Lloyds TSB Bank plc 25 Gresham Street London EC2V 7HN
Solicitors	Farrer & Co LLP 66 Lincoln's Inn Fields London WC2A 3LH

REPORT SUMMARY

The Trustees present their statutory report together with the financial statements of The Tony Blair Faith Foundation for the year to 31 December 2014.

The report has been prepared in accordance with Part 8 of the Charities Act 2011 and constitutes a directors' report for the purposes of company legislation.

The financial statements have been prepared in accordance with the accounting policies set out on pages 20 and 21 of the attached financial statements and comply with the charitable company's Memorandum and Articles of Association, applicable laws and the requirements of Statement of Recommended Practice on 'Accounting and Reporting by Charities'.

INTRODUCTION AND VISION

The Tony Blair Faith Foundation provides the practical support required to help prevent religious prejudice, conflict and extremism in order to promote open-minded and stable societies.

The Foundation was founded in 2008, based on a belief that religious ideology, like political ideology in the last century, would become a major force driving global events in the 21st century.

In our seventh year of operation the need for our work becomes ever more urgent. In countries all over the world, religious extremism and the violence that stems from it, has reached new heights. In the Middle East, a so-called caliphate has expanded in reach, drawing fighters from around the world and disseminating extreme religious propaganda. In northern Nigeria we have seen an accelerating threat from Boko Haram, with brutal attacks and kidnappings of young people destabilising a whole region – and neighbouring countries. These conflicts are dominating headlines – but less well known about are the conflicts stemming from religious extremism that cause immense harm to communities in nearly every continent.

We believe the Foundation is making a tangible difference, changing the way individuals understand and interact with the world around them. The way we operate can be categorised in three ways:

1. Global Insight

We support the international community in better understanding the long-term challenge to uproot the ideology of religious extremists, not simply disrupt their actions. As a Foundation we have begun providing global insight, through our online resource, Religion & Geopolitics – found at religionandgeopolitics.org

2. Practical Support

Practical projects remain central to our work. Our education project Face to Faith continues to provide young people with the crucial skills of dialogue and critical thinking. In 2014 we agreed new partnerships to enable the programme to develop in key areas and among vulnerable communities.

In Nigeria we worked with religious and community leaders, empowering them to reject extremist narratives and build lasting narratives to prevent conflict.

In Sierra Leone our Faiths Act project continued to enable religious leaders and Christian and Muslim leaders to disseminate life-saving anti-malaria messaging, reaching a third of the country's population. We paused the work due to the Ebola outbreak, but our network worked with key government and international agencies in the fight against the disease.

3. Systemic Change

Our focus during 2014 was to continue to ensure the sustainability of the organisation and its work. As an organisation we measure our success by how much impact we achieve on the ground, underpinned by a strong organisational structure and a solid financial footing to support new work in the future. Through our practical support and insight we focus on advocating for a coordinated international response to combat extremism.

We work with the United Nations Counter-Terrorism Executive Directorate, discussing how education can play a role in countering extremism. The Foundation is also working with the first ever public/private global counter extremism initiative – the Global Community Engagement and Resilience Fund (GCERF) to develop practical ideas and deliver them where they are needed. We were involved in the establishment of the fund and the Foundation continues to advise and lead the representation of third sector organisations through our seat on GCERF's board and through close engagement with GCERF's leadership.

CHARITABLE OBJECTIVES

The Trustees confirm that they have referred to the direction contained in the Charity Commission's general guidance on public benefit when reviewing the charity's work this year and in planning future activities. The Trustees have also had regard to all relevant supplementary guidance. The Trustees agree that the Foundation's aims are demonstrably for the public benefit in the following areas:

- educational;
- designed to increase understanding of religious extremism and how it may be countered;
- available free to the public, for example via its website.

The main users of the Foundation's services are members of the general public in the UK and globally; school children; policy makers; teachers; governments; religious leaders; international institutions; and the media.

OUR APPROACH

The Foundation works to provide the practical support required to help prevent religious prejudice, conflict and extremism in order to promote open-minded and stable societies.

We educate future generations about the role of religion in the world, its impact and how it can be managed positively in the local, national and international context. Our education programme empowers young people with the knowledge and skills to understand religion, opening their minds to respect and not fear difference, and to resist extremist voices. We ensure young people do not inherit the grudges of the past and provide them with the knowledge and skills to secure peace in the future.

The Foundation provides current decision makers with an analysis of the complexity of religion's impact in the world providing the support to help prevent religious prejudice, conflict and extremism in the present.

We are not a religious organisation – the Foundation works with all those of faith, and none, committed to helping us fulfil our mission. We generate new ideas and share resources so that they can have greater impact on the ground. An example of this is our education programme's integration into the Italian curriculum.

WHERE WE WORK

In 2014, the Foundation worked in over twenty countries around the world, including: Canada, China, Egypt, Hong Kong, India, Indonesia, Israel, Italy, Jordan, Kosovo, Lebanon, Mexico, Nigeria, Pakistan, the Palestinian Territories, Philippines, Sierra Leone, Singapore, the United Kingdom, Ukraine, the United Arab Emirates, and the United States of America.

In 2014 we worked to sustain and consolidate the impact and delivery of our programmes in these countries, with a particular emphasis on those that were affected by religious conflict, or where societies were in the process of rebuilding, post-conflict. We began scoping new potential projects in Kenya, where we are seeking to work with leaders of different religions to focus on building resilience to extremism within communities. In recognition of the tremendous need within refugee camps to encourage dialogue and understanding, we are working in Syrian refugee camps where students are being taught elements of the Face to Faith dialogue module. It is expected that these students will move onto videoconference dialogue, initially with students from the other camps, before expanding their reach to dialogue with others from around the globe.

STRATEGIC REVIEW

In 2014 we undertook a strategic review of all of our work. The world has changed dramatically in the seven years since the Foundation was launched. The Foundation's Executive Team, supported by Board members, conducted a thorough examination of all our programmes and worked to ensure we maintain both the ongoing growth of the Foundation and improved impact on the ground.

EVALUATING IMPACT

As part of the commitment to making sure we are working to fulfil our mission, the Trustees ensure our work is monitored and evaluated. Demonstrating our impact on the ground is crucial to our own work and also means we retain the confidence of our partner institutions, it is also critical for funders and for the benefit of the communities in the countries we work in.

ACTIVITIES AND ACHIEVEMENTS:

GLOBAL INSIGHT: Religion & Geopolitics online resource (Faith and Globalisation)

During 2014, we provided practical knowledge in local, national, regional and international contexts, helping decision makers, opinion formers and thought leaders engage more effectively in religions' intersection with politics.

We believe that a more informed scrutiny of the religious dimension of conflict will contribute to more informed decisions and better strategies in response to the challenges posed by religious conflict and extremism.

Our online resource Religion & Geopolitics launched in beta phase in June 2014, with the goal of providing detailed knowledge and analysis on religion and conflict. Religion & Geopolitics is fast becoming an invaluable go-to website for those interacting with this issue in their work. Visitors to the site include those with political, policy and media backgrounds, as well as those studying and teaching.

The resource serves as a platform for leading global experts to provide compelling, informative and timely data, analysis and commentary on the interaction of religion and conflict across the world. It explores current conflicts and their various components comprehensively and succinctly, without ever simplifying the situation.

The content on the site focuses on the key players and groups, their narratives, grievances and justifications, and on the regional and international aspects of the particular conflict. These are explained through a series of situation reports, related commentaries, short and concise backgrounders, and subject-specific interviews with leading experts.

The data section allows users to analyse an abundance of data on religion, conflict and socio-economic issues from multiple sources. The data is cross-national and globally comparable. It underpins the approach of the whole site, which is to explore some of the underlying factors that may have an influence on conflict situations around the world.

Achievements and examples of activity:

In the first six months, Religion & Geopolitics reached our annual target for visitors and has received citations and positive feedback from its diverse users, including senior journalists covering Salafi-jihadi inspired violence, US senators and diplomats working on policy recommendations.

Speed and accuracy are our main focus; when a game-changing event happens on the ground we aim to be informing the response to these events within hours. As an

illustration, in November 2014 an audio recording in Arabic of ISIS leader Abu-Bakr al-Baghdadi was released by the group on social media networks. Within a matter of hours Religion & Geopolitics had identified nine key points that revealed the strategy and objectives of ISIS, including subtext, religious significance of the language and the effect that Muslim scholarly criticisms are having.

Our backgrounder, simply titled "What is ISIS?" was viewed by 45,000 people in 2014.

GLOBAL INSIGHT: Religion and Conflict: Responding to the Challenges

In 2014 we published *Religion and Conflict: Responding to the Challenges*, the first volume in our Global Perspectives Series. The ideas and experiences that are set out in this collection of essays aim to provide deeper understanding for policy-makers as they attempt to navigate the complexity of religion, conflict and extremism. For governments and the international community, this means engaging with, and developing, long-term strategies in addition to short-term responses: policies and programmes that are not undermined by changes of government or immediate distractions and which have sustained funding. International and regional collaboration is required to build resilience amongst the next generation in order to ensure these narratives are countered indigenously, as well as within broader global contexts.

PRACTICAL SUPPORT: Working with current and future leaders (Faith and Globalisation)

To prepare future leaders, we develop and support an international network of higher education institutions committed to teaching courses in the areas of faith, globalisation and religious conflict.

Achievements and activities:

In keeping with our philosophy of handing over our programmes for adoption, we have also developed a range of resources for Universities to support their teaching of faith and globalisation courses. These are freely available on our website and act as a guide for academics developing bespoke faith and globalisation courses, as well as complementing existing ones.

We continue to encourage countries to explore the impact of religion on their communities and societies. In September 2014, Tony Blair participated in a roundtable in Singapore with Professor Kishore Mahbubani of the Lee Kwan Yew Business School. The purpose was to bring together policy makers, diplomats, academics and business leaders to discuss religious extremism in the region, with a view to determining how the Foundation could assist in building resilience.

In response to the realities facing China around diversity, culture and beliefs, Tony Blair hosted a roundtable event at Peking University in May 2014. The purpose was to discuss current security threats in Western China with senior professors from the University. He led a conversation about the influence of religions in the country and their impact on Chinese society, culture and security, and the role of education in teaching the next generation about dialogue, tolerance and respect.

During 2014, we also embarked on a series of policy breakfasts in London and New York. The events provided an opportunity for leading thinkers to discuss a range of areas relating to religious conflict and the spread of extremist narratives. Guest speakers and participants were drawn from the fields of academia, media, government, diplomacy and the private sector.

Nigeria: In February 2014, we ran, in conjunction with Coventry Cathedral and Lambeth Palace, a training course for Nigerian religious leaders on conflict resolution. The aim was to give them the opportunity to develop empathy for each other's positions, and to empower them with practical tools to counter extremist narratives within their communities. Participants came from Muslim and Christian communities in some of the most challenging areas of the country. The course focused on the theological aspect of reconciliation, strengthening multi-faith relationships and building the skills to reject extremist narratives.

It was a powerful two weeks, providing participants with time away from their stressful local environments to determine how they could work together to counter hate speech. Since returning to Nigeria, our participants have reached 24,000 people of all ages but with a particular focus on campus and local communities.

They have achieved this by organising activities such as workshops, seminars, step-down training, an employment training programme, a water development project and by speaking at major rallies. In addition, our participants have reached millions directly or indirectly through TV, radio and online and print outlets. We continue to support the participants as they carry out practical activities in a highly charged and dangerous environment. Our Religion & Geopolitics online resource has a particular focus on Boko Haram, and is therefore useful to those trying to respond to extremism on the ground.

PRACTICAL SUPPORT: Face to Faith Global Schools Programme

Our schools programme, Face to Faith, continues to be active in over 20 countries, including in some of the world's most challenging areas. The programme, designed for 12-17 year olds, provides young people with the knowledge and skills to understand other religious and cultural perspectives and to resist extremist voices. It facilitates interactions between students of different cultures and beliefs that have lasting attitudinal change and emotional resonance. Cumulatively, 130,000 students have now been through Face to Faith, with 1,400 schools registered and over 1,500 videoconferences facilitated since launch.

Activities and achievements:

Evaluation project: In order to further support our advocacy of the critical importance of this kind of education, Face to Faith started developing an evaluation project with a team from Exeter University. The project encompasses substantial international research to examine the impact of the programme on students around the world – establishing the extent to which Face to Faith helps them to become more open minded towards other people. The key focus of the research will be to explore the impact of the Face to Faith lessons and dialogue experiences; establishing the extent to which they help students develop a more open-minded approach to others.

Italy: In Italy, we have been supporting the Italian Ministry of Education, Universities and Research to implement Face to Faith in Italian public schools and are supporting the development of their Rete Dialogue Network, which seeks to embed a dialogical approach as fundamental for all schools in Italy.

Jordan: In recognition of the tremendous need within refugee camps to encourage dialogue and understanding, we are working in Syrian refugee camps in Jordan where students are already being taught elements of the Face to Faith dialogue module. It is expected that these students will move onto videoconference dialogue, initially with students from the other camps, before expanding their reach to dialogue with others from around the globe.

Palestinian Authority: In July 2014 we signed a new "Memorandum of Understanding" with the Palestinian Ministry of Education. This enabled us to take Face to Faith into schools across the Territories, equipping young Palestinians with life-changing skills and experiences. Our aim is to help students from a number of schools engage in dialogue with their international peers by late 2016.

UNRWA: We have also started work in a number of schools controlled by the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA), and we look forward to continuing to partner with UNRWA in this field.

Resource development: 2014 saw a new way for young people to interact through our education programme – "Team Blogging" provides an alternative way for students to put the dialogue skills that they have learned in class into practice. It is a four week online project that allows students to form a team and dialogue through written blog posts with two or three other classes from different cultures, faiths and beliefs.

Endorsements: Face to Faith continues to win plaudits from key experts. The programme has recently received the prestigious endorsement of the National Council for Social Studies in the USA. The NCSS is the largest association in the US devoted solely to social studies education. It engages and supports educators in strengthening and advocating social studies.

PRACTICAL SUPPORT: Demonstrating how religious networks can achieve community cohesion – Faiths Act

Faiths Act Sierra Leone

Our Faiths Act programme works to bring different faith communities together to reduce religious tension by increasing dialogue and understanding. We identify a common and urgent challenge around which different faith communities can work together. Through a cascade model, we train faith leaders, who in turn work together to train faith community volunteers, who then visit households with life saving messages. Our pilot programme in Sierra Leone tackles malaria, a huge danger to the health of children under five and pregnant women.

Achievements and activity:

Two million people reached: 2014 saw the programme achieve a major milestone with two million people reached through household visits by Muslim and Christian volunteers.

Ebola: The model can be applied to a wide range of diseases and other health prevention measures. 2014 has seen Sierra Leone face a huge challenge to stop the spread of Ebola. We worked closely with the Government's Health Education Unit and faith leaders to develop and disseminate key health messages to help the efforts to halt and reverse the disease in the country.

Replication: The Faiths Act model can be adapted and replicated in countries where there are important issues relating to community cohesion and engagement that need to be addressed. In Kenya, we have started to work with partners in the sensitive coastal region to identify areas of need. As part of the process, in November 2014 we held a roundtable with health representatives, faith leaders and NGO partners in Mombasa to consider the practicalities of replicating Faiths Act in Kenya.

FUTURE PLANS

2015 will see the Foundation consolidate some of our existing programmes and further develop new pieces of work. We will continue to work alongside and raise important issues with leaders, policy makers, governments, international organisations and the media. The Foundation will have an influential voice at discussions where people gather to decide responses to the extremism we see destroying communities around the world.

Our online resource Religion & Geopolitics continues to expand, with more people reading our analysis and signing up for our daily news briefs. We are working with a number of mainstream media outlets to ensure our resource reaches more people, especially amongst key audience groups. We will commission expert research to further advance thinking on extremist groups. We also plan to hold further policy discussion events that will include expert panels. These events should attract high profile speakers and enhance the Foundation's reputation as a forum for policy makers.

The Foundation works to provide new thinking on important issues. The second volume in our Global Perspectives Series will focus on education and will be published in late 2015. The Foundation is researching detailed policy documents on education and other associated issues, and will shortly produce a literature review. In 2015 we also plan to hold two high-level / public policy intensive training courses for diplomats and government officials from around the world. The courses will be held in Europe and North America.

For our schools programme we will focus on evaluating effectively; working in the priority areas identified in 2014; and making resources available to the public for no cost, to ensure as many young people as possible are exposed to the values that Face to Faith supports. The Essentials of Dialogue is an indispensable part of Face to Faith, which is why it is the only compulsory module and will be made available as a free download resource later in 2015. Students take part in lessons that explore vital issues such as understanding the faiths and beliefs of others, the facets of identity, respectful dialogue and the requirements

of global citizenship. The lessons also use activities to introduce students to the core concept of respectful dialogue.

In Sierra Leone our Faiths Act project will continue to work with government and international agencies in the fight against Ebola. We are also confident that our work to disseminate life-saving anti-malaria messaging will restart later this year.

In the Middle East we are looking to partner with a prominent seminary to help in the training of future leaders.

We will continue to provide frontline practical support to those who are countering extremism on the ground by building resilience to it within communities. Based on the success of our 2014 workshop with Nigerian religious leaders we plan to deliver a further workshop in support of activists from five selected University campuses from across Northern Nigeria during 2015. The Foundation is also working with partners in the coastal region of Kenya to identify areas of need for similar projects.

GOVERNANCE, STRUCTURE AND MANAGEMENT

Governance

The Foundation operates as a company limited by guarantee, under the terms of its Memorandum and Articles dated 2 April 2007. The Trustees, as charity trustees, have control of the Foundation and its property and funds.

The Trustees have the power to establish a Finance, Audit & Risk Committee and a Nominations Committee. Given their small number they have decided to remain directly responsible for ensuring good governance and the safe application of the charity's assets. As such, the Committees have not needed to be convened.

The following Trustees served throughout the year:

Trustees

Jeremy Sinclair (Chairman)
Sir Michael Barber
Robert Clinton
Robert Coke
Dame Gail Rebuck

Patron's role

The Patron assists, for the benefit of the Foundation, the development and fulfilment of its aims and objectives. The Patron also generally promotes the Foundation and its activities, and supports the Foundation in generating funding. The Patron undertakes his role on a pro-bono basis.

The Trustees and Patron have agreed a memorandum to confirm the regulations governing the relationship between them. The Trustees would like to record their thanks to the Patron for his ongoing support.

Religious Advisory Council

The Trustees established an international Religious Advisory Council comprising individuals at senior levels in each of the six main faiths with which the Foundation works, who give advice and help on the Foundation's work and plans. Members are drawn from many parts of the world, in order to present a range of perspectives from within each of the faiths and a variety of social, political and geographical contexts. The Advisory Council members have no responsibilities either individually or collectively for governance of the Foundation, or for operational performance.

Religious Advisory Council Members

- Dr Ismail Khudr Al-Shatti, Advisor in Diwan of HH the Prime Minister of Kuwait and former President of the Gulf Institute for Futures and Strategic Studies
- The Right Reverend and Right Honourable Richard Chartres, Lord Bishop of London
- The Reverend David Coffey OBE, Global Ambassador BMS World Mission, Past President of the Baptist World Alliance
- The Reverend Joel Edwards, Director of Micah Challenge International and former General Director of the Evangelical Alliance UK
- Professor Jagtar Singh Grewal, former Chairman of the India Institute of Advanced Study and former Vice-Chancellor of Guru Nanak Dev University
- Roshi Joan Halifax, Abbot and Headteacher of the Upaya Zen Center
- Most Reverend Josiah Idowu-Fearon, Bishop of Kaduna and Secretary General of the Anglican Communion
- Imam Umer Ahmed Ilyasi, Chief Imam of the All India Organization of Imams of Mosques
- Archbishop Diarmuid Martin, Roman Catholic Archbishop of Dublin
- Anantanand Rambachan, Professor of Religion, Philosophy and Asian Studies at St Olaf College, Minnesota
- Rabbi David Rosen, International Director of Interreligious Affairs of the American Jewish Committee
- Rabbi Lord Jonathan Sacks, former Chief Rabbi of the United Hebrew Congregations of the Commonwealth
- HH Pujya Swami Chidanand Saraswatiji, President and Spiritual Head of Parmarth Niketan Ashram, Rishikesh
- Bhai Sahib Bhai Mohinder Singh, Chairman, Guru Nanak Nishkam Sewak Jatha
- The Reverend Dr Rick Warren, Founding and Senior Pastor of Saddleback Church and Founder of the P.E.A.C.E Coalition

Statement of Trustees' responsibilities

The Trustees (who are also directors of the Foundation for the purposes of company law) are responsible for preparing the Trustees' report and 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 Statement of Recommended Practice (Accounting and Reporting by Charities) (the Charities' SORP);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Each of the Trustees confirms that:

- so far as the Trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustee has taken all the steps that he ought to have taken as a Trustee in order to make himself aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

The Trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Structure and management reporting

Meetings of the Trustees take place quarterly informed as necessary by recommendations from the Executive Director.

An Executive Director is appointed by the Trustees to manage the day to day operations of the Foundation and to ensure the overall implementation of the organisational strategy

which is agreed by the Trustees. There is regular communication between the Executive Director and the Trustees.

Working with other organisations

The Foundation works with a number of other organisations - through formal contracts and through informal collaboration - in the UK and beyond to help it achieve its goals and pursue its charitable objectives. This from time to time involves the Foundation acting as a donor, a partner, or a grant recipient.

Risk management

The Trustees have reviewed the Foundation's risk management strategy. The major risks identified by the Trustees are:

- Financial: material reduction in the value of cash assets;
- Reputational: damage arising from the actions of the Foundation, its employees or third parties;
- Infrastructural: collapse of information systems or processes;
- Regulatory: non-compliance with relevant regulations; and
- Operational: safety of staff and contractors.

The Trustees have determined the major risks to which the Foundation is exposed, the potential impact if an individual risk materialises, and what action is to be taken by whom in order to reduce each risk to a level which the Trustees consider to be acceptable.

RELEVANT POLICIES

Volunteers

All members of the International Religious Advisory Council serve in a voluntary capacity, and the Trustees would like to place on record their gratitude for the significant contribution of invaluable expertise and time from members of the Council to assist and guide the Foundation in its work.

The Patron and the Trustees also undertake all their duties in a voluntary capacity.

Partnership policy

As part of its on-going research into potential partners, the Foundation welcomes information from organisations which share its vision and which fall within the operational priorities described on its website from time to time. The Foundation endeavours to respond to all inquiries regarding potential partnership but given the Trustees' desire to focus resources on charitable activities rather than administration costs, the Foundation

will not always be able to acknowledge receipt of all information received within a specific timescale.

Investment policy

The investment strategy is set by the Trustees and takes into account income requirements, the investment risk profile and future expenditure commitments. The Foundation's investment policy currently is to hold cash balances on term deposits with UK banks.

The Foundation's investment policy is considered by the Trustees at regular intervals. The Trustees are satisfied with the performance of the investments and that their investment objectives are being met.

FINANCIAL REVIEW

Financial report for the year

A summary of the incoming and outgoing resources for the period can be found on page 18.

Overall income for the year to 31 December 2014 increased to £2,971,000 (eight month period to 31 December 2013 - £2,621,000). Restricted income for the year to 31 December 2014 accounted for 63% (£1,876,000) of the total income raised. During the year, the Foundation raised unrestricted funds of £1,095,000 to contribute towards core and project costs. Other categories of income include interest receivable and gifts in kind.

Total resources expended increased during the year to 31 December 2014 to £2,606,000 (eight month period to 31 December 2013 - £1,722,000) of which 86% (£2,252,000) related to the Foundation's charitable activities. Other resources expended include costs of generating voluntary income and governance costs.

Reserves policy

The Foundation carries out a diverse range of activities, some of which comprise short term and externally funded projects, whilst others comprise long term projects requiring significant on-going financial commitment and investment.

The Trustees have examined the requirement for free reserves i.e. those unrestricted funds not invested in tangible fixed assets, designated for specific purposes or otherwise committed. The Trustees consider that, given the nature of the charity's work, the level of free reserves should be equivalent to 6 months of core expenditure to meet future costs of the Foundation – core expenditure being salaries and premises costs.

The Trustees are of the opinion that this provides sufficient flexibility to cover temporary shortfalls in incoming resources due to the timing differences in income flows, adequate working capital to cover core costs, and will allow the charity to cope and respond to unforeseen emergencies whilst specific action plans are implemented.

Financial position

The Foundation's balance sheet shows total funds of £2,751,000 (31 December 2013 - £2,386,000), of which £1,285,000 were restricted at 31 December 2014 (31 December 2013 - £785,000). Unrestricted funds were £1,466,000 at 31 December 2014 (31 December 2013 - £1,601,000).

These funds are represented by tangible fixed assets with a net book value of £63,000 (31 December 2013 - £22,000) and free reserves of £1,403,000 (31 December 2013 - £1,579,000).

The Trustees acknowledge that the level of free reserves held is in excess of that set out in the reserves policy above. However, the excess of reserves at the end of the financial year 2014 represents funds raised in advance which are earmarked by the Trustees for specific charitable programmes, and which have now been spent or are committed to be spent on the planned activities of the Foundation during 2015 as outlined in its future plans.

The charity's assets

Acquisitions and disposals of fixed assets during the year are recorded in the notes to the financial statements.

Approved by the Trustees and signed on their behalf:



Jeremy Sinclair, Chair of Trustees

Approved by the Trustees on

24.09.15

Independent auditor's report to the members of The Tony Blair Faith Foundation

We have audited the financial statements of The Tony Blair Faith Foundation for the year ended 31 December 2014 which comprise the statement of financial activities, the balance sheet, the principal accounting policies and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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.

Respective responsibilities of Trustees and auditor

The Trustees are also the directors of the charitable company for the purposes of company law. As explained more fully in the Statement of Trustees' Responsibilities set out in the Trustees' Report, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2014 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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

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

Buzzacott LLP

Catherine Biscoe, Senior Statutory Auditor
for and on behalf of Buzzacott LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL

25 September 2015

Statement of financial activities Year to 31 December 2014

		Unrestricted funds £'000	Restricted funds £'000	Year ended 31 December 2014 Total funds £'000	Eight month period to 31 December 2013 Total funds £'000
	Notes				
Income and expenditure					
Incoming resources					
Incoming resources from generated funds					
. Voluntary income	1	1,089	1,876	2,965	2,462
. Charitable activities	2	-	-	-	156
. Interest receivable	3	6	-	6	3
Total incoming resources		1,095	1,876	2,971	2,621
Resources expended					
Costs of generating funds					
. Costs of generating voluntary income	4	(231)	-	(231)	(153)
Charitable activities					
. Faiths Act: multi-faith action on Millennium Development Goals	5	(277)	(181)	(458)	(343)
. Face to Faith	5	(21)	(713)	(734)	(493)
. Faith & Globalisation Initiative	5	(217)	(389)	(606)	(468)
. Intercultural Engagement	5	(361)	(93)	(454)	(206)
Governance costs	8	(123)	-	(123)	(59)
Total resources expended		(1,230)	(1,376)	(2,606)	(1,722)
Net movement in funds (net income (expenditure))	9	(135)	500	365	899
Fund balances brought forward at 1 January 2014		1,601	785	2,386	1,487
Fund balances carried forward at 31 December 2014		1,466	1,285	2,751	2,386

There is no difference between the net movement in funds stated above, and the historical cost equivalent.

All of the charitable company's activities derived from continuing operations during the above two financial periods.

The charitable company has no recognised gains and losses other than those shown above and therefore no separate statement of total recognised gains and losses has been prepared.

Balance sheet As at 31 December 2014

	Notes	2014 £'000	2014 £'000	2013 £'000	2013 £'000
Fixed assets					
Tangible assets	13		63		22
Current assets					
Debtors due after one year	14	338		263	
Debtors due within one year	14	416		740	
Short term deposits		400		1,010	
Cash at bank and in hand		1,761		523	
		<u>2,915</u>		<u>2,536</u>	
Creditors: amounts falling due within one year	15	<u>(227)</u>		<u>(172)</u>	
Net current assets			<u>2,688</u>		<u>2,364</u>
Total net assets			<u>2,751</u>		<u>2,386</u>
Represented by:					
Funds and reserves					
Income funds:					
Restricted funds	16		1,285		785
Unrestricted funds					
General fund			<u>1,466</u>		<u>1,601</u>
			<u>2,751</u>		<u>2,386</u>

Approved by the Trustees and signed on their behalf by:



JEREMY SINCLAIR

Approved on

24.09.15

Companies House registration number – 06198959 (England and Wales)

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with the requirements of the Companies Act 2006. Applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2005) have been followed in these financial statements.

Incoming resources

Incoming resources are recognised in the period in which the charity is entitled to receipt and the amount can be measured and collected with reasonable certainty. Income is deferred only when the charity has to fulfil conditions before becoming entitled to it or where the donor or funder has specified that the income is to be expended in a future accounting period. Gifts of goods and services in kind are accounted for where the goods or services would have been acquired by other means if not provided free of charge. The amount included in both incoming resources and resources expended in respect of these gifts in kind is an estimate of the amounts which would have been paid by the charity.

Resources expended and the basis of apportioning costs

Expenditure is included in the statement of financial activities when incurred and includes attributable VAT which cannot be recovered.

Resources expended comprise the following:

- a. The costs of generating funds include the salaries, direct costs and overheads associated with generating donated income.
- b. The costs of charitable activities comprise expenditure on the Foundation's primary charitable purposes as described in the Trustees' report. Such costs include associated salaries, direct costs, grants and overheads.
- c. Governance costs are the costs associated with the governance arrangements of the Foundation that relate to the general running of the charity as opposed to those costs associated with fundraising or charitable activity. Included within this category are costs associated with the strategic as opposed to day to day management of the charity's activities.

The majority of costs are directly attributed to specific charity activities. Staff costs are apportioned to the expenditure headings listed above on the basis of time spent. Other non-directly attributable costs are allocated on the basis of apportioned staff time.

Leased assets

Rentals applicable to operating leases under which substantially all the benefits and risks of ownership remain with the lessor are charged on a straight-line basis over the lease term.

Tangible fixed assets

Tangible fixed assets costing in excess of £500 are capitalised and depreciated at the following annual rates on a straight line basis in order to write them off over their estimated useful lives:

Office improvements	3 years
Fixtures and fittings	5 years
IT and telecommunications equipment	3 years

Fund accounting

Restricted funds comprise monies raised for, or their use restricted to, a specific purpose, or contributions subject to donor imposed conditions. Unrestricted funds represent those monies which are freely available for application towards delivering any charitable purpose that falls within the charity's objects.

Cash flow

The financial statements do not include a cash flow statement because the charity, as a small reporting entity, is exempt from the requirement to prepare such a statement under Financial Reporting Standard 1 "Cash flow statements".

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the net movement in funds.

Pension costs

The Foundation provides a stakeholder pension scheme for its employees. The assets of the stakeholder scheme are held separately and are independently administered funds. The Foundation makes no contribution to the stakeholder pension scheme in addition to amounts that may be paid by its employees

1 Voluntary income

	Unrestricted funds £'000	Restricted funds £'000	Year ended 31 December 2014 Total funds £'000	Eight month period to 31 December 2013 Total funds £'000
. Donations	1,010	1,876	2,886	2,459
. Gifts in kind	79	-	79	3
Total	1,089	1,876	2,965	2,462

2 Charitable activities

	Unrestricted funds £'000	Restricted funds £'000	Year ended 31 December 2014 Total funds £'000	Eight month period to 31 December 2013 Total funds £'000
. Income charged for programme activities	-	-	-	156

3 Interest receivable

	Unrestricted funds £'000	Restricted funds £'000	Year ended 31 December 2014 Total funds £'000	Eight month period to 31 December 2013 Total funds £'000
. Bank interest	6	-	6	3

4 Cost of generating funds

	Direct costs £'000	Support costs £'000	Year ended 31 December 2014 Total funds £'000	Eight month period to 31 December 2013 Total funds £'000
Cost of generating voluntary income				
. Staff costs	174	-	174	92
. Premises costs	-	12	12	8
. Other costs	20	25	45	53
Total	194	37	231	153

5 Charitable activities

	Activities undertaken directly £'000	Support costs £'000	Year ended 31 December 2014 Total funds £'000	Eight month period to 31 December 2013 Total funds £'000
Faiths Act: multi-faith action on Millennium Development Goals				
. Staff costs	193	-	193	138
. Premises costs	-	14	14	13
. Other costs	223	28	251	192
	416	42	458	343
Face to Faith				
. Staff costs	533	-	533	380
. Premises costs	-	38	38	34
. Other costs	89	74	163	79
	622	112	734	493
Faith and Globalisation Initiative				
. Staff costs	470	-	470	244
. Premises costs	-	33	33	22
. Other costs	37	66	103	199
. Grants (note 6)	-	-	-	3
	507	99	606	468
Intercultural engagement				
. Staff costs	282	-	282	163
. Premises costs	-	20	20	14
. Other costs	113	39	152	29
	395	59	454	206
Total	1,940	312	2,252	1,510

Other direct costs comprise expenditure incurred in delivering the Foundation's charitable programmes and include the cost of intercultural engagement events, stakeholder communications, conferences, public events and campaigns.

6 Grants payable

Grants payable to institutions during the year comprised the following:

	Year ended 31 December 2014 Total funds £'000	Eight month period to 31 December 2013 Total funds £'000
Faith & Globalisation Initiative		
.Others	-	3
	-	3

7 Support costs

The following costs have been allocated based on staff time attributable to each activity:

	Year ended 31 December 2014 Total funds £'000	Eight month period to 31 December 2013 Total funds £'000
Staff costs	-	24
Premises costs	124	95
Other costs	246	181
	370	300

Other costs include legal and professional costs of £24,000 (eight month period ended 31 December 2013 - £6,000), communications costs of £48,000 (eight month period ended 31 December 2013 - £45,000), operating costs of £130,000 (eight month period ended 31 December 2013 - £95,000) and other administrative expenses of £44,000 (eight month period ended 31 December 2013 - £35,000).

8 Governance costs

	Direct costs £000	Support costs (note 7) £000	Year ended 31 December 2014 Total funds £'000	Eight month period to 31 December 2013 Total funds £'000
Auditor's remuneration	17	-	17	11
Other governance costs	85	21	106	48
	102	21	123	59

8 Governance costs (continued)

	Year ended 31 December 2014 Total funds £'000	Eight month period to 31 December 2013 Total funds £'000
Other governance costs comprise :		
Staff costs	85	39
Premises costs	7	4
Other costs	14	4
	106	47

9 Net movement in funds (net income (expenditure))

This is stated after charging:

	Year ended 31 December 2014 Total funds £'000	Eight month period to 31 December 2013 Total funds £'000
Auditor's remuneration		
. Statutory audit services	17	11
Operating lease rentals	60	41
Depreciation	44	34

10 Employees and staff costs

Total staff costs during the period were as follows:

	Year ended 31 December 2014 Total funds £'000	Eight month period to 31 December 2013 Total funds £'000
Employees		
. Wages and salaries	1,496	897
. Social security costs	168	101
	1,664	998
Subcontractor costs and related charges	73	58
	1,737	1,056

Subcontracted consultancy and administrative support costs of £73,000 (eight month period to 31 December 2013: £58,000) incurred during the period by the Foundation in respect to its charitable activities are included in staff costs.

10 Employees and staff costs (continued)

The average number of employees during the period, calculated on an average headcount basis, analysed by function, was as follows:

	Year ended 31 December 2014 Total funds No	Eight month period to 31 December 2013 Total funds No
Generating funds	3.0	2.5
Charitable activities		
. Faiths Act: multi-faith action on Millennium Development Goals	3.4	3.8
. Face to Faith	9.1	10.1
. Faith and Globalisation Initiative	7.9	6.6
. Intercultural Engagement	4.7	4.1
Governance of the charity	1.4	1.0
	29.5	28.1

At 31 December 2014 the Foundation had 31 (eight month period ended 31 December 2013 - 27) employees.

The number of employees who earned £60,000 or more (including taxable benefits but excluding employer pension contributions) during the year was as follows:

	Year ended 31 December 2014 Total funds No	Eight month period to 31 December 2013 Total funds No
£60,001 - £70,000	-	2
£70,001 - £80,000	1	-
£80,001 - £90,000	2	-
£90,001 - £100,000	1	1
£120,001 - £130,000	2	-

11 Trustees' remuneration

None of the Trustees received any remuneration in respect of their services or reimbursement of out of pocket expenses during the year or during the eight month period ended 31 December 2013.

12 Taxation

The Foundation is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

12 Taxation (continued)

The charity is unable to reclaim VAT suffered on expenditure. Irrecoverable VAT suffered during the year amounted to £327,349 (eight month period ended 31 December 2013 - £121,000).

13 Tangible fixed assets

	Office improve- ments £'000	IT and telecommu- nications equipment £'000	Total £'000
Cost or valuation			
At 1 January 2014	39	183	222
Disposals	-	(165)	(165)
Additions	-	85	85
At 31 December 2014	39	103	142
Depreciation			
At 1 January 2014	22	178	200
Disposals	-	(165)	(165)
Charge for period	17	27	44
At 31 December 2014	39	40	79
Net book values			
At 31 December 2014	-	63	63
At 31 December 2013	17	5	22

14 Debtors

	2014 Total funds £'000	2013 Total funds £'000
Due after one year		
Accrued income	338	263

This relates to donations that have been agreed by funders, that will be received more than one year after the balance sheet date.

	2014 Total funds £'000	2013 Total funds £'000
Due within one year		
Prepayments and accrued income	297	395
Rent deposit – premises	34	34
Other debtors	85	311
	416	740

15 Creditors: amounts falling due within one year

	2014 Total funds £'000	2013 Total funds £'000
Expense creditors	94	47
Accruals and deferred income	133	125
	227	172

16 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trusts to be applied for specific purposes.

Fund balances held at 31 December 2014 comprise:

	At 1 January 2014 £'000	Incoming resources £'000	Resources expended £'000	At 31 December 2014 £'000
Face to Faith Restricted Fund	263	98	(121)	240
Tony Blair Faith Foundation-US	-	1,176	(881)	295
Faith and Globalisation Initiative Restricted Fund	283	(18)	(100)	165
Faiths Act: Millennium Development Goals – Sierra Leone Project	147	558	(181)	524
Nigeria Restricted Fund	92	62	(93)	61
	785	1,876	(1,376)	1,285

Fund Name	Restricted use of Fund
Face to Faith Restricted Fund	To support the wider global development of the Face to Faith schools programme, including independent evaluation.
Tony Blair Faith Foundation-US	To support the global charitable and educational activities of the Face to Faith schools programme and the Faith and Globalisation Initiative.
Faith and Globalisation Initiative Restricted Fund	To support the global development of the Faith and Globalisation Initiative university programme.
Faiths Act: Millennium Development Goals – Sierra Leone Project	To support the Faiths Act programme in Sierra Leone which brings religious leaders together to deliver life saving malaria prevention messages to their congregations and communities.
Nigeria Restricted Fund	To support and strengthen intercultural dialogue activities in Nigeria.

17 Analysis of net assets between funds

	General fund £'000	Restricted funds £'000	2014 Total £'000
Fund balances at 31 December 2014			
Are represented by:			
Tangible fixed assets	63	-	63
Net current assets	1,403	1,285	2,688
Total net assets	1,466	1,285	2,751

18 Leasing commitments**Operating leases**

At 31 December 2014 the Foundation had annual commitments under non-cancellable operating leases (in respect to land and buildings) as follows:

	Total funds £'000	Total funds £'000
Operating leases which expire :		
Within one year	92	-
Within two to five years	-	92

Following the year end the charitable company entered a new property lease for 8.5 years

19 Liability of members

The charity is constituted as a company limited by guarantee. In the event of the charity being wound up members are required to contribute an amount not exceeding £10.

20 Connected charity

The Tony Blair Faith Foundation-US is an independent charitable non-stock corporation governed by its Board of Directors. The mission of the Tony Blair Faith Foundation-US is to provide the practical support required to help prevent religious prejudice, conflict and extremism.

Grants of £1,176,000 (eight month period ended 31 December 2013 - £516,000) were received by the Foundation from the US charity. The grants received were restricted and details are included in note 16.