

Charity number: 1132422

**REGISTRAR OF COMPANIES**

**The Tony Blair Governance  
Initiative**

**Annual report and financial  
statements**

For the year ended 28 February 2018

Company Limited by Guarantee Registration Number  
6779669 (England and Wales)

Charity Registration Number 1132422

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

<b>Patron</b>	Rt. Hon. Tony Blair
<b>Trustees</b>	Elizabeth Ann Lloyd Stephen Richard Lewin Rt. Hon. Hilary Armstrong 'Tunde Olanrewaju
<b>Company secretary</b>	Broadway Secretaries Limited
<b>Chief Executive</b>	Elizabeth Smith
<b>Registered office</b>	50 Broadway London SW1H 0BL
<b>Correspondence</b>	PO Box 60519 London W2 7JU
<b>Website</b>	<a href="http://www.africagovernance.org">www.africagovernance.org</a>
<b>E-mail</b>	<a href="mailto:enquiries@tb-agi.org">enquiries@tb-agi.org</a>
<b>Company registration number</b>	6779669 (England and Wales)
<b>Charity registration number</b>	1132422
<b>Auditor</b>	Buzzacott LLP 130 Wood Street London EC2V 6DL
<b>Bankers</b>	Lloyds Bank Plc High Holborn Branch PO BOX 1000 BX1 1LT
<b>Solicitors</b>	Bircham Dyson Bell LLP 50 Broadway London SW1H 0BL

## **The Tony Blair Governance Initiative**

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### **Trustees' Report – Year ended 28 February 2018**

The Trustees present their report together with the financial statements of the Tony Blair Governance Initiative (which is known as the Africa Governance Initiative or "AGI") for the year ended 28 February 2018. As recorded in the post-balance sheet event note for the 2016/17 Annual Report, the charity is preparing to wind down and cease operations. This is referred to in greater detail below.

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

The financial statements have been prepared in accordance with the accounting policies set out therein and comply with the charitable company's memorandum and articles of association, applicable laws, UK Accounting Standards and the requirements of Accounting and Reporting by Charities Statement of Recommended Practice applicable to Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

### **INTRODUCTION**

This report describes AGI's work in 2017/18 and the changes which were implemented in terms of how we supported delivery of our programmes following the transfer of staff and programmes in March 2017, to the Tony Blair Institute for Global Change (TBIGC). It also describes the Charity's plans to close and transfer any remaining assets to the Institute, by Q2/3 of 2018.

#### **AGI'S CHARITABLE OBJECTS:**

1. To promote and advance the efficient public administration of government and public services for the public benefit with a view to relieving poverty by improving the skills and capacities of individuals within government and public services, and the systems and processes of government and public services.
2. To promote sustainable development with a view to relieving poverty, by the improvement of conditions of life in communities facing poverty and social disadvantage, and the creation of sustainable means of achieving economic growth and regeneration.
3. To advance the education of the public about good governance and sustainable development.

AGI's existing governance programmes along with the staff who run them, transferred as of 1 March 2017 into TBIGC, a not for profit company limited by guarantee. Trustees made the decision, having considered a number of options, taking into account the best interests of the staff and programmes, and the delivery of the charitable objects for which AGI was established. This decision took into account legal and regulatory advice.

This has meant that while the core aims of the charity remain unchanged, its activities have altered over this reporting period. In 2017/18 AGI has shifted to using its existing reserves to fund and monitor those programmes which it established and which are now delivered, in line with its charitable objects, through the TBIGC, before AGI closes which is expected by Q2/3 2018.

### **ACTIVITIES AND ACHIEVEMENTS**

In previous Annual Reports we set out the case for AGI's focus on effective governance – the ability of governments to turn vision into action and outcomes. Throughout this reporting period, the organisation has continued to focus on this central aim, albeit through a different operating model. For each of the programmes which the charity supported during this reporting period, grant funding was used by TBIGC to support their in-country teams to work alongside partner governments to develop systems and solutions that work for their specific circumstances and ultimately improve the lives of their citizens. All of the programmes funded by the Charity had been previously established by AGI, according to criteria agreed by Trustees. These included working in the world's poorest countries, or those with deep pockets of absolute poverty; working in countries where governments are committed to reducing poverty through reform and where there was strong demand for our support; and working where interventions would complement existing development and technical assistance and be carried out in a politically neutral manner.

During the period 2017/18 AGI supported programmes in 7 countries across East and West Africa, namely: Ethiopia, Guinea, Kenya, Liberia, Mozambique, Nigeria and Sierra Leone, working across a range of sectors, including agriculture, private sector development, education, health and energy and supporting central government functions e.g. Ministries of Finance.

For each of the programmes funded by the charity during the period, Trustees closely monitored their delivery against their core aims which are increasing the capacity of government to deliver development programmes, reduce poverty and improve living standards. There was a robust system of programme reporting to Trustees, including regular reports on key achievements and spending. In addition, the Executive Director with responsibility for the projects at TBIGC attended regular meetings with Trustees to give updates and answer questions. During the reporting period, AGI awarded £1,727,000 of grant funding to Institute for Global Change in support of projects across East and West Africa.

In addition, the charity took necessary steps towards closure, including divesting itself of office space, closing other contracts relating to running the organisation and making arrangements for all other liabilities to be met.

### **ORGANISATIONAL DEVELOPMENT AND FUTURE PLANS**

Following the transfer of governance programmes along with the staff who run them to TBIGC, in 2017/18 AGI has focused on using existing reserves to fund and monitor these programmes, in line with its charitable objects, before it is wound up, expected by Q2/3 2018. As such, there has been no fundraising during this period.

### **PUBLIC BENEFIT**

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's objectives and aims and in planning future activities.

The Trustees consider that TBIGC's aims are pursued demonstrably for public benefit and the activities funded by AGI have been in line with the charity's objects.

The ultimate beneficiaries of the charity's work have been the public in Ethiopia, Guinea, Kenya, Liberia, Mozambique, Nigeria and Sierra Leone. Further, the Trustees believe there is a benefit to the public in the UK, and internationally, from poverty reduction in Africa and the development of more effective strategies and approaches to capacity development and effective governance.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governance**

The Tony Blair Governance Initiative is a company limited by guarantee (Company No 6779669), and operates under the terms of its Memorandum and Articles dated 23 December 2008. It was registered with the Charity Commission (No 1132422) on 3 November 2009. The Trustees have control of the charity and its property and funds.

Trustees are appointed by an Ordinary Resolution or by a simple majority of all the members entitled to attend and vote at any meeting of the members. The full Board of Trustees as of 28 February 2018 and throughout the preceding period were:

Elizabeth Ann-Lloyd <i>Appointed 20 February 2009</i>
Stephen Richard Lewin <i>Appointed 20 February 2009</i>
Rt. Hon. Hilary Armstrong <i>Appointed 20 February 2009</i>
'Tunde Olanrewaju <i>Appointed 30 October 2012</i>

**Patron's role**

AGI is grateful for the support of its Patron the Rt. Hon. Tony Blair. The Patron has in the past assisted, for the benefit of the Africa Governance Initiative, the development and fulfilment of the aims of the charity, in particular through his role mentoring AGI partner governments in Africa. This mentorship has continued under the new arrangements for programmes to be delivered by the Institute for Global Change. However, the Patron has not directed the charity's activities and the Trustees and the Patron have agreed a memorandum to confirm the regulations governing the relationship between AGI and the Patron.

The Patron undertakes his role on a *pro bono* basis.

## **The Tony Blair Governance Initiative**

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### **Statement of Trustees' responsibilities**

The Trustees (who are also directors of The Tony Blair Governance Initiative 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 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 Accounting and Reporting by Charities' Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS102);
- 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/she ought to have taken as a Trustee in order to make himself/herself 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 corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

### **Chief Executive Officer and Management structure**

A CEO is appointed by the Trustees to manage the day-to-day operations of the charity and ensure the overall implementation of the organisational strategy which is agreed by the Trustees. During the period while the Charity employed no staff, a part-time CEO and Grant Manager was appointed on a consultancy basis, to oversee the process of allocating and monitoring the grant to TBIGC and to make the necessary arrangements to close the charity. The CEO was assisted by a small administrative team, who supported the operations. There was regular communication between the CEO and the Trustees.

The key management personnel of the charity are the Trustees (2017: Trustees and the Senior Management Team). Trustees are not remunerated. The remuneration of the Senior Management Team was set by the biannual salary review. Following the last biannual review in 2014, a set of further adjustments were made by the Board in 2016. The salaries were set at a reasonable rate, compared with other NGOs.

Meetings of the Board of Trustees over the period were held approximately bi-monthly, informed by recommendations from the CEO and in order to make decisions about the issuing and use of the grant payments (for which detailed reports were submitted to the Board by TBIGC). During the period the Trustees met 5 times.

All trustees are given an induction programme and are offered opportunities for appropriate training.

### **Risk Management**

The organisation has maintained a risk register which is reported on at least quarterly. The major risks are highlighted to the Board of Trustees at each meeting, and can be categorised as follows:

#### *Sustainable delivery*

AGI has worked in low-capacity, political environments which present an ongoing challenge of building sustainable capacity with partner governments that will significantly outlast the Charity's involvement. To maximise AGI's impact in pursuing its charitable aims, the Board asked that sustainable approaches to developing institutional capacity in the projects be prioritised and demonstrated by TBIGC. Through regular reporting meetings to monitor and assess progress with delivery in each project, Trustees were able to get assurance on the extent to which this was happening and understand how the TBIGC was actively managing the risk.

#### *Financial*

As the decision had been taken to wind-down the Charity in 2018, the Board put in place rigorous processes for identifying known and potential liabilities relating to closure, ensuring adequate funds were put aside from existing reserves to meet these (with appropriate contingencies), while ensuring remaining funds were appropriately used by TBIGC to deliver programmes within the agreed parameters.

To ensure that Grant Funding was used appropriately, and in line with the Deed of Grant and AGI's charitable aims, requests for funds by TBIGC were considered in arrears, along with supporting delivery reports and documentation. An independent audit of TBIGC's request for grants is in progress, as an additional check.

#### *Reputational*

AGI funds work in countries whose trajectory towards socio-economic and political development is not always straight or predictable. Moreover, we recognise the high profile of our Patron and the associated attention paid to the charity. As such there is a risk of damage arising from the actions of the charity, the actions of partner governments, or partner organisations. The Trustees regularly held discussions about, and requested reports relating to, the political and economic factors which could affect projects to determine appropriate interventions or restrictions on activities accordingly.

## **The Tony Blair Governance Initiative**

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### *Compliance*

AGI has worked over the years across a number of geographies in complex environments, and as such has developed robust systems to ensure compliance with our charitable objects and other relevant laws and regulations, including e.g. the Bribery Act and avoiding any perceived or real conflict of interest.

Overall, the Trustees have determined the major risks to which the charity is exposed, the potential impact if an individual risk materialises, and what action is to be taken in order to reduce such risks to a level which the Trustees consider to be acceptable. The Trustees are satisfied that where risks have been identified, the appropriate mitigating actions are in place and that steps are taken to manage impact. The charity remained committed to implementing and maintaining best practice with regard to risk management.

As noted, AGI underwent a period of considerable change in beginning to make arrangements towards closure. Legal, regulatory and financial advice was sought throughout.

### **Investment policy**

The charity's investment policy is to hold cash balances in interest bearing accounts with UK and African banks. During the period the charity received a small amount of interest.

The investment strategy is set and periodically reviewed by the Trustees and takes into account income requirements, the investment risk profile and future expenditure commitments. Given the significant structural changes AGI was undergoing and the move towards closure, the Trustees agreed that the cash balances of AGI should be held in highly liquid accounts.

### **Reserves policy**

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 situation of the charity at the period end, and future closure, no reserves are needed.

### **Financial review**

#### *Results for the year*

A summary of the income and expenditure for the year can be found below.

Overall income for year was £1,901k, a decrease of £4,811k (72%) from 2017 (£6,712k). Total expenditure decreased by £6,837k to £1,932k; of this total, £1,932k related to AGI's charitable activities (£8,388k: 2017). The decrease in income and expenditure was due to AGI winding down its activities as it prepares for its cessation in 2018.

### **Going Concern**

The Board of Trustees has assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The Trustees have made this assessment taking into account the transfer of the charity's staff and activities to the Tony Blair Institute for Global Change from 1 March 2017 and their intention to transfer the charity's remaining funds and cease activities during 2018.

Having reviewed the financial position of the charity at the date of approval of these financial statements and the plans for the transfer and closure described above, the Board of Trustees is satisfied that the charity will remain able to pay its debts as they fall due up to the date it is wound up. As the Trustees' intention is to wind up the charity within 12 months of the date of approval of these financial statements, the financial statements have been prepared on a basis other than a going concern basis. No adjustments were required upon adoption of a basis other than a going concern basis.

**The Tony Blair Governance Initiative**

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**Financial position**

The charity's balance sheet shows total funds of £nil (2017: £45k, all of which were unrestricted).

**Approved by the Trustees and signed on their behalf by:**

Trustee:  \_\_\_\_\_

~~Elizabeth Ann Lloyd~~

*Stephen Richard Lewis*

*8 August 2018*

**Independent auditor's report to the members of The Tony Blair Governance Initiative**

For the year ended 28 February 2018

**Opinion**

We have audited the financial statements of The Tony Blair Governance Initiative (the 'charitable company') for the year ended 28 February 2018 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- ◆ give a true and fair view of the state of the charitable company's affairs as at 28 February 2018 and of 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.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

We draw attention to note 1 in the financial statements, which indicates that the Board of Trustees has prepared the financial statements on a basis other than a going concern basis. This is due to the trustees intending to dissolve the charity, after the transfer of all remaining funds to the Tony Blair Institute for Global Change. There were no adjustments that were required upon adoption of a basis other than going concern. Our opinion is not modified in respect of this matter.

**Other information**

The trustees 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.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the

**Independent auditor's report to the members of The Tony Blair Governance Initiative**

For the year ended 28 February 2018

**Other information** (continued)

work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- ◆ the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- ◆ the trustees' report has been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

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

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

**Responsibilities of trustees**

As explained more fully in the statement of trustees' responsibilities, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

**Independent auditor's report to the members of The Tony Blair Governance Initiative**

For the year ended 28 February 2018

**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.

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

**Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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.



Edward Finch (Senior Statutory Auditor)  
For and on behalf of Buzzacott LLP, Statutory Auditor  
130 Wood Street  
London  
EC2V 6DL

8/10/18

**Statement of financial activities**

For the year ended 28 February 2018

		Unrestricted funds £000	Restricted funds £000	Year to 28 February 2018 £000	14 months to 28 February 2017 Total funds £000
	Notes				
<b>Income and expenditure</b>					
<b>Income from:</b>					
Donations and grants		1,572	318	1,890	5,165
Charitable activities		—	—	—	1,464
Interest receivable		8	—	8	5
Other income		3	—	3	78
<b>Total income</b>	2	<b>1,583</b>	<b>318</b>	<b>1,901</b>	<b>6,712</b>
<b>Expenditure on:</b>					
Raising funds	3	—	—	—	381
Charitable activities					
Enhancing governance projects		1,217	—	1,217	7,254
New and emerging projects		79	318	397	731
Insight, learning and knowledge sharing projects		318	—	318	403
<b>Total expenditure</b>	4	<b>1,614</b>	<b>318</b>	<b>1,932</b>	<b>8,769</b>
Unrealised foreign exchange loss/(gain)		14	—	14	(227)
<b>Net expenditure and net movement in funds for the year</b>		<b>(45)</b>	<b>—</b>	<b>(45)</b>	<b>(1,830)</b>
<b>Reconciliation of funds</b>					
<b>Fund Balances brought forward at 1 March 2017</b>		45	—	45	1,875
<b>Fund Balances carried forward at 28 February 2018</b>		<b>—</b>	<b>—</b>	<b>—</b>	<b>45</b>

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

On 1 March 2017, the staff and activities of AGI were transferred to the Tony Blair Institute for Global Change, as set out in note 20.

All expenditure on raising funds in 2017 was unrestricted.

The Tony Blair Governance Initiative

**Balance sheet**

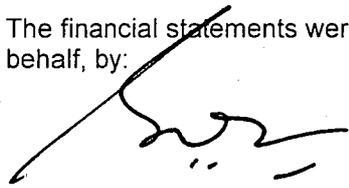
As at 28 February 2018

	Notes	Year to 28 February 2018		14 months to 28 February 2017	
		£000	£000	£000	£000
<b>Fixed assets</b>					
Tangible assets	10		—		145
<b>Current assets</b>					
Debtors	11	5		1,366	
Cash at bank and in hand		705		1,103	
		<u>710</u>		<u>2,469</u>	
Creditors: amounts falling due within one year	12	(710)		(2,569)	
<b>Net current liabilities</b>			—		(100)
<b>Total net assets</b>			<u>—</u>		<u>45</u>
<b>Income funds:</b>					
- Restricted funds			—		—
- Unrestricted funds:					
- General funds			—		45
<b>Total charitable funds</b>	14		<u>—</u>		<u>45</u>

Company registration number : 06779669

The Trustees acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements were approved by the Trustees on 8<sup>th</sup> August 2018 and signed on their behalf, by:

  
~~Elizabeth Ann Lloyd~~  
 Trustee

Stephen Richard Lenn

The notes on pages 17 to 29 form part of these financial statements.

**Statement of cash flows**

For the year ended 28 February 2018

	Year to 28 February 2018	14 months to 28 February 2017
Note	£'000	£'000
<b>Cash flow from operating activities:</b>		
Net cash used in operating activities	(406)	(4,582)
<b>Cash flow from investing activities</b>		
Dividends, interest and rents from investments	8	5
Purchase of fixed assets	—	(10)
<b>Net cash provided by (used in) investing activities</b>	<b>8</b>	<b>(5)</b>
<b>Change in cash and cash equivalents in the year</b>	<b>(398)</b>	<b>(4,587)</b>
Cash and cash equivalents at 1 March 2017	1,103	5,690
<b>Cash and cash equivalents at 28 February 2018</b>	<b>705</b>	<b>1,103</b>
<b>A Reconciliation of net income to net cash flow from operating activities</b>		
	Year to 28 February 2018	14 months to 28 February 2017
	£'000	£'000
<b>Net expenditure for the year (as per the Statement of financial activities)</b>	<b>(45)</b>	<b>(1,830)</b>
<b>Adjustments for:</b>		
Depreciation charges	2	146
Loss on disposal of fixed assets	143	17
Dividend, interest and rents from investments	(8)	(5)
Decrease/(increase) in debtors	1,361	(91)
Decrease in creditors	(1,859)	(2,819)
<b>Net cash used in operating activities</b>	<b>(406)</b>	<b>(4,582)</b>
<b>B Analysis of cash and cash equivalents</b>		
	Year to 28 February 2018	14 months to 28 February 2017
	£'000	£'000
Cash at bank and in hand	705	1,103
<b>Total cash and cash equivalents</b>	<b>705</b>	<b>1,103</b>

**Notes to the financial statements**

For the year ended 28 February 2018

**1. Accounting policies**

**1.1 Basis of preparation of financial statements**

These financial statements have been prepared for the year to 28 February 2018 with comparative information provided in respect to the 14 months to 28 February 2017.

The financial statements have been prepared in accordance with the requirements of the Companies Act 2006 and under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these financial statements.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (Charities SORP FRS 102) issued on 16 July 2014, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The charity constitutes a public benefit entity as defined by FRS 102.

The financial statements are presented in sterling and are rounded to the nearest thousand pounds.

**1.2 Income**

Income is recognised in the period in which the charity is entitled to receipt and the amount can be measured 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 income and expenditure in respect of these gifts in kind is an estimate of the amounts which would have been paid by the charity.

**Notes to the financial statements**

For the year ended 28 February 2018

**1. Accounting policies (continued)**

**1.3 Expenditure and the basis of apportioning costs**

Expenditure is included in the statement of financial activities when incurred.

Expenditure comprises the following:

- a. The costs of raising funds include the salaries, direct costs and overheads associated with generating donated income.
- b. The costs of charitable activities comprise expenditure on the charity's primary charitable purposes as described in the Trustees' report. Such costs include associated salaries, direct costs and overheads.
- c. Support costs represent indirect charitable expenditure. In order to carry out the primary purposes of the charity it is necessary to provide support in the form of personnel development, financial procedures, provision of office services and equipment and a suitable working environment.

The majority of costs are directly attributable to specific charitable activities. Staff costs to 28 February 2017 were apportioned to the expenditure headings listed above on the basis of time spent. Other non-directly attributable costs to 28 February 2017 were allocated on the basis of apportioned staff time.

For the year ended 28 February 2018, as there are no staff costs during the year, support costs have been apportioned on the basis of grant expenditure.

All expenditure is stated exclusive of irrecoverable VAT.

**1.4 Tangible fixed assets**

All tangible fixed assets costing more than £1,200 are capitalised and depreciated at the following annual rates in order to write them off over their estimated useful lives:

Computer Equipment	3 years
Plant & Machinery	5 years
Motor Vehicles	5 years

**1.5 Debtors**

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

**Notes to the financial statements**

For the year ended 28 February 2018

**1. Accounting policies (continued)**

**1.6 Cash at bank and in hand**

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition.

**1.7 Creditors and provisions**

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

**1.8 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 are monies raised for general charitable purposes as established by the Trustees which are not subject to donor imposed conditions.

**1.9 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.

**1.10 Assessment of going concern**

The Board of Trustees has assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The trustees have made this assessment taking into account the transfer of the charity's staff and activities to the Tony Blair Institute for Global Change from 1 March 2017 and the transfer of the charity's remaining funds and cessation of activities during 2018.

Having reviewed the financial position of the charity at the date of approval of these financial statements and the transfer and closure described above, the Board of Trustees is satisfied that the charity will remain able to pay its debts as they fall due up to the date it is wound up. However, the Trustees have prepared the financial statements on a basis other than a going concern basis. No adjustments were required to these financial statements upon adoption of a basis other than going concern.

**Notes to the financial statements**

For the year ended 28 February 2018

**1. Accounting policies** (continued)

**1.11 Critical accounting estimates and areas of judgement**

Preparation of the financial statements requires the trustees and management to make significant judgements and estimates.

The items in the accounts where these judgements and estimates have been made include:

- ◆ estimating the recognition date of grant income;
- ◆ estimating the useful economic life of tangible fixed assets.

**1.12 Leased assets**

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

**1.13 Pension contributions**

Contributions in respect of the charity's defined contribution pension scheme are charged to the statement of financial activities when they are payable to the scheme. The charity's contributions are restricted to the contributions disclosed in note 19. There were no outstanding contributions at the period end (2017 - none). The charity has no liability beyond making its contributions and paying across the deductions for the employees' contributions.

**Notes to the financial statements**

For the year ended 28 February 2018

**2. Donations and other income**

	Unrestricted funds 2018 £'000	Restricted funds 2018 £'000	Year to 28 February 2018 £'000
Grants	1,572	318	1,890
Donations	—	—	—
Charitable activities	—	—	—
Interest receivable	8	—	8
Other income	3	—	3
	<u>1,583</u>	<u>318</u>	<u>1,901</u>

	Unrestricted funds 2017 £'000	Restricted funds 2017 £'000	Period to 28 February 2017 £'000
Grants	3,296	1,267	4,563
Donations	602	—	602
Charitable activities	—	1,464	1,464
Interest receivable	5	—	5
Other income	78	—	78
	<u>3,981</u>	<u>2,731</u>	<u>6,712</u>

**3. Raising funds**

	Direct costs 2018 £'000	Support costs 2018 £'000	Year to 28 February 2018 £'000	14 months to 28 February 2017 £'000
Cost of generating funds				
Staff costs	—	—	—	208
Premises costs	—	—	—	25
Operational costs	—	—	—	148
	<u>—</u>	<u>—</u>	<u>—</u>	
2017	<u>377</u>	<u>4</u>		<u>381</u>

**Notes to the financial statements**

For the year ended 28 February 2018

**4. Charitable activities**

	Grants awarded £'000	Direct costs £000	Support costs (note 5) £000	Year to 28 February 2018 Total funds £'000	14 months to 28 February 2017 Total funds £'000
Enhancing governance projects	1,024	131	62	1,217	7,254
New and emerging projects	393	4	—	397	731
Insight, learning and knowledge sharing projects	310	—	8	318	403
	<u>1,727</u>	<u>135</u>	<u>70</u>	<u>1,932</u>	
2017	<u>—</u>	<u>8,301</u>	<u>87</u>		<u>8,388</u>

Note that due to changes in activities of AGI, comparative figures by country have not been given. These are in the Annual Report and Financial Statements for the period ended 28 February 2017, available on request from enquiries@tbi-agi.org.

All of the grants were payable to the Tony Blair Institute for Global Change.

**5. Support costs**

	Year to 28 February 2018 £'000	14 months to 28 February 2017 £'000
Staff costs	—	45
Premises costs	70	4
Operational costs	—	42
	<u>70</u>	<u>91</u>

**6. Governance costs**

	Year to 28 February 2018 £'000	14 months to 28 February 2017 £'000
Auditor's remuneration	47	23
Consulting fees and staff costs	55	30
	<u>102</u>	<u>53</u>

**Notes to the financial statements**

For the year ended 28 February 2018

**7. Net movement in funds / net expenditure**

	Year to 28 February 2018 £'000	14 months to 28 February 2017 £'000
Staff costs	—	4,232
Auditor's remuneration		
- Statutory audit	13	23
- Assurance services other than audit	3	—
- Other financial services	31	—
Lease payments	—	93
Depreciation	2	159

**8. Employees and staff costs**

Staff costs during the period to 28 February 2017 were as follows:

	14 months to 28 February 2017 £'000
Employees	
Wages and salaries	3,596
Social security costs	156
Other employment costs	336
	<hr/> 4,088
Secondees, Consultants and Sub-contractors	144
Total employment costs	<hr/> 4,232 <hr/>

No staff have been employed by the charity since 1 March 2017.

**Notes to the financial statements**

For the year ended 28 February 2018

**8. Employees and staff costs (continued)**

Staff costs analysed by activity were as follows:

	14 months to 28 February 2017 £'000
Costs of raising funds	208
Charitable activities:	
· Rwanda	579
· Sierra Leone	835
· Liberia	676
· Guinea	199
· Power Africa	550
· Nigeria	92
· Ethiopia	499
· Insight, learning and knowledge sharing	236
· New and emerging projects	328
Governance of the charity	30
	<u>4,232</u>

The average number of staff during the period to 28 February 2017, calculated on a headcount basis, analysed by function, was as follows:

	Employees Number	Secondees/ Sub- contractors Number	Total Number
Raising funds	2.4	-	2.4
Charitable activities:			
Rwanda	8.3	-	8.3
Sierra Leone	11.2	1.0	12.2
Liberia	9.7	0.6	10.3
Guinea	2.9	-	2.9
Power Africa	8.4	-	8.4
Nigeria	1.4	-	1.4
Ethiopia	6.8	-	6.8
Insight, learning and knowledge sharing	3.8	-	3.8
New and emerging projects	4.6	-	4.6
Governance of the charity	0.4	-	0.4
Total	<u>59.9</u>	<u>1.6</u>	<u>61.5</u>

**Notes to the financial statements**

For the year ended 28 February 2018

**8. Employees and staff costs (continued)**

As of 28 February 2018 AGI had no employees, secondees or sub-contractors. As of 28 February 2017, AGI had 60 employees and 1 secondee.

During the period ended 28 February 2017, there was one employee who earned between £100,000 - £109,999 per annum, four who earned between £80,000 - £89,999, six who earned between £70,000 - £79,999 and six employees who earned between £60,000 - £69,999 (including taxable benefits but excluding employer pension contributions).

If the earnings for the period ended 28 February 2017 were prorated over twelve months the comparable disclosure would be: There was one employee who earned between £80,000 - £89,999, three who earned between £70,000 -£79,999, and eight who earned between £60,000 - £69,999.

During the year ended 28 February 2018, the charity has been winding down and no staff have been employed. The key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis comprised the trustees only.

None of the trustees received any remuneration in respect of their services during the periods ended 28 February 2018 and 28 February 2017. No trustee was reimbursed in the period (2017: nil).

The key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis comprised the trustees (2017: the trustees and the senior management team). The total remuneration (including taxable benefits and employer's pension contributions) of the key management personnel for the period was £nil (2017: £290k).

**9. Taxation**

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

On the 23 May 2016 the charity registered for VAT and from that date is able to reclaim VAT. Irrecoverable VAT suffered during the period amounted to £53,000 (2017: £107k).

**Notes to the financial statements**

For the year ended 28 February 2018

**10. Tangible fixed assets**

Cost	Computer Equipment £'000	Plant & Machinery £'000	Motor Vehicles £'000	Total £'000
At 1 March 2017	84	200	100	384
Transfer to the Tony Blair Institute for Global Change	(84)	(181)	(100)	(365)
Disposals	—	(19)	—	(19)
At 28 February 2018	—	—	—	—
<b>Depreciation</b>				
At 1 March 2017	49	141	49	239
Transfer to the Tony Blair Institute for Global Change	(49)	(131)	(49)	(229)
Charge for the period	—	2	—	2
Disposals	—	(12)	—	(12)
At 28 February 2018	—	—	—	—
<b>Net book value</b>				
At 28 February 2018	—	—	—	—
At 28 February 2017	35	59	51	145

**11. Debtors**

	Year to 28 February 2018 £'000	14 months to 28 February 2017 £'000
<b>Due with one year</b>		
Debtors	—	150
Prepayments	—	152
Accrued income	—	996
Other taxation	5	—
Other debtor	—	68
	<b>5</b>	<b>1,366</b>

**Notes to the financial statements**

For the year ended 28 February 2018

**12. Creditors: Amounts falling due within one year**

	Year to 28 February 2018 £'000	14 months to 28 February 2017 £'000
Trade creditors	—	352
Accruals	—	263
Other creditors	710	52
Deferred Income	—	1,902
	<u>710</u>	<u>2,569</u>

	Year to 28 February 2018 £'000	14 months to 28 February 2017 £'000
Deferred income at 1 March 2017	1,902	5,012
Resources deferred during the year	—	259
Amounts released from previous years	(1,902)	(3,369)
Deferred income at 28 February 2018	<u>—</u>	<u>1,902</u>

Other creditors include provision for all committed costs to close the charity and a further £100,000 payable to TBIGC as a grant once all other liabilities have been settled. Should any unforeseen amounts become due, these will be met from this amount and the remainder paid to TBIGC.

**13. Restricted funds**

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

	At 1 March 2017 £'000	Income £'000	Expenditure £'000	At 28 February 2018 £'000
New and Emerging Projects	—	318	(318)	—
	<u>—</u>	<u>318</u>	<u>(318)</u>	<u>—</u>

**Notes to the financial statements**

For the year ended 28 February 2018

**14. Analysis of net assets between funds**

	Restricted funds	Unrestricted funds	At 28 February 2018 Total funds £'000	At 28 February 2017 Total funds £'000
	£'000	£'000	£'000	£'000
Fund balances at 28 February 2018 are represented by :				
Tangible fixed assets	—	—	—	145
Net current liabilities	—	—	—	(100)
	—	—	—	45

**15. Operating leases**

The total amount of future minimum lease payments under non-cancellable operating leases in respect to land and buildings is as follows.

	Year to 28 February 2018 £'000	14 months to 28 February 2017 £'000
Not later than one year:	—	50
	—	50

**16. Connected entities**

*The Tony Blair Governance Initiative – US*

The Tony Blair Governance Initiative - US is an independent charitable entity governed by an independent Board of Trustees. Its mission and objectives are similar to those of the charity.

During the year the charity received £nil (2017: £497,113) from The Tony Blair Governance Initiative - US.

*The Tony Blair Institute for Global Change*

During the year, AGI made grants to the Tony Blair Institute for Global Change of £1,727,000 (2017: £nil) to undertake the activities previously run by the charity. As of 28 February 2018, £685,000 (2017: £nil) was due to be paid to the Tony Blair Institute for Global Change.

The charity also raised invoices totalling £607,120 to the Tony Blair Institute for Global Change in respect of costs incurred on its behalf. As of 28 February 2018, no amounts were due.

**Notes to the financial statements**

For the year ended 28 February 2018

**17. AGI Patron**

AGI is grateful for the support of its Patron the Rt. Hon. Tony Blair. The Patron assisted, for the benefit of the Africa Governance Initiative, the development and fulfilment of the aims of the charity, in particular through his role mentoring AGI partner governments in Africa. The Patron also generally promoted the charity and its activities, taking a significant role in fundraising for the charity. The Patron did not direct the charity's activities and the Trustees and the Patron agreed a memorandum to confirm the regulations governing the relationship between AGI and the Patron. The Patron undertook his role on a pro-bono basis.

**18. 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 £1.

**19. Pension costs**

The charity operated a defined contribution scheme on behalf of its employees. The assets are held in separately administered funds. There were no pension contributions payable by the charity to the scheme during the year ended 28 February 2018 (2017: £52k).

**20. Post balance sheet event**

Trustees took the decision to transfer AGI's operations to the Tony Blair Governance Initiative for Global Change as of 1 March 2017, independently and following considerable deliberation, which took into account the best interests of the staff and programmes and the charitable objectives for which AGI was established. In doing so they sought legal and regulatory advice, including through section 110 of the Charity's Act 2011.

It is intended that the Charity will be dissolved during 2018 and any remaining funds held by the charity will be transferred to the Tony Blair Institute for Global Change.