



IMPUNITY WATCH
FOUNDATION

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ANNUAL FINANCIAL REPORT 2012

impunity 
watch

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Director's report

WHO WE ARE

Impunity Watch was conceived in 2004 as a project of the Dutch development organisation, Solidaridad and was developed with an international group of experts, researchers and activists working in the field of human rights and transitional justice. On 28 January 2008, Impunity Watch was registered as an independent Foundation (Stichting) in the Netherlands. The Dutch Treasury considers Impunity Watch an ANBI (Algemeen Nut Beoogende Instelling), which means that it is exempt from paying tax on income.

Between 2008 and 2011, Impunity Watch received support from the Dutch organisations, Hivos, Cordaid and Solidaridad in order to develop its methodology, project approach, technical capacity and institutional structure, and to implement programmes in Guatemala and Serbia. In 2009, with these fully established, we began to expand our work in terms of geographical reach, topical focus and outreach. In 2010, IW obtained a two-year grant from the Oak Foundation to cover IW's international 'Perspectives Programme'. Also in 2010, another Country Programme was introduced in Burundi based upon an in-depth feasibility study and beginning with an integrated set of activities designed to establish the organisation. Official government accreditation for the Programme was gained in 2011. Since 2011, IW is part of the MFS2 alliance, 'Communities of Change'. This enables IW to further consolidate its Country Programmes in Guatemala and Burundi. After completion of the research in Serbia and due in part to funding restrictions, Impunity Watch took the decision to close its Serbia Programme as of June 2011. Together with a comparative research programme, IW hopes to further its goal of becoming an important source of systematised information on impunity and a valuable resource for activists, policymakers and relevant professionals, assisting their continuous efforts to combat impunity the world over.

WHAT WE DO

Impunity Watch (IW) promotes accountability for atrocities in countries emerging from a violent past. We conduct periodic and sustained research into the root causes of impunity and obstacles to its reduction that includes the voices of affected communities, targeting those countries where exclusion and marginalisation leave particular groups more susceptible to its effects. Impunity Watch believes that dealing with atrocities is an essential part of conflict resolution, peacebuilding, democratisation, establishing the rule of law and protecting basic human rights.

Using an in-house designed Research Instrument, we produce research-based policy advice on processes intended to encourage truth, justice, reparations and the non-recurrence of violence to convince relevant stakeholders to develop and implement more effective policy. We target influential stakeholders engaged with the countries where we maintain a long-term presence and simultaneously utilise comparative research from multiple contexts to influence international policy on key themes. We work closely with civil society organisations to increase their influence on the creation and implementation of these policies.

IW was founded to uncover and address the obstacles that obstruct many post-conflict societies from dealing with impunity and to highlight the challenges facing transitional justice mechanisms in this regard. We consider that unless the root causes of violence are addressed and a culture is developed wherein human rights and the rule of law are protected as the norm, impunity will remain and violence will be repeated. Such recurrence of violence often reflects weaknesses in state institutions and will have grave consequences for groups historically more vulnerable to the failure of the state to realise its international obligations.



Our conviction is that genuine societal transformation after armed conflict must transcend a narrow focus on particular mechanisms alone and eschew one-size-fits-all approaches, and instead facilitate genuine local involvement, which is vital to any process for tackling impunity. Our research and interconnected projects therefore employ a bottom-up rationale, prioritising grassroots insight to create practical and targeted policies that genuinely respond to local needs and concerns. In order to further strengthen and inform this home-grown insight, we introduce comparative experiences from other contexts.

Throughout, we seek to sustain the positive impact of our research by conducting stakeholder consultations on the findings, supporting advocacy efforts for the uptake of policy recommendations, monitoring state compliance with legal obligations and empowering and strengthening the role of local civil society in the combat of impunity.

Country Programmes

On the basis of a comprehensive feasibility study, we select countries in which to implement long-term programmes developed around our Research Instrument. The in-country programmes encompass a consistent project cycle involving periodic research and monitoring into the causes and operation of impunity for conflict-era crimes with particular focus on victims' needs and expectations. Working with local partners, our research examines impunity in key areas spanning institutional, legal, social, cultural and political issues, engaging victims, state officials, international actors and other important stakeholders. We produce targeted policy advice grounded in the research findings that provides the substance for country-level advocacy, lobby efforts and inclusive strategies to combat impunity, as well as the basis for monitoring state compliance with international obligations. At the same time, the research findings provide the basis upon which we provide support to victims and affected communities in claiming their rights to justice. We currently run country programmes in Guatemala and Burundi.

Perspectives Programmes

The 'Perspectives Programme' connects local efforts to deal with impunity in multiple post-conflict settings with critical international debates on important post-conflict processes through comparative research into key thematic areas. Typically involving research in at least three countries, the Perspectives Programmes result in country-level research reports and a comparative analysis of the principal findings from these reports. Thereafter, we organise exchange meetings and/or policy consultations, as well as advocacy and lobbying upon tailored policy advice developed from the comparative findings.

Each Programme entails an approach that seeks to enhance the development and implementation of effective policy on the reduction of impunity. We target relevant stakeholders, providing access to our comparative findings through a variety of approaches including publications, trainings, partner exchange events and policy consultations. Our aim is to contribute to increasing the awareness, strength and capacity of these actors and to provide new comparative insight into tackling impunity.

ACTIVITIES 2012 AND OUTLOOK 2013

Through our Country Focus Programmes, IW has continued to work towards the reduction of impunity in both Guatemala and Burundi, in the former building on our baseline research to monitor the state's compliance with its legal obligations and in the latter, promoting the voices of affected communities in anticipation of the upcoming TRC.

In our Perspectives Programmes, IW has worked to produce comparative research findings to influence policymaking with respect to memorialisation after violence, the gender-sensitivity of TJ mechanisms and the entrenched interests that exist within state institutions after violence.

At the international level IW has supported efforts to tackle impunity, including the



organisation of a Side Event in Geneva on the occasion of the presentation of the first report of the new UN Special Rapporteur on the promotion of truth, justice, reparation and guarantees of non-recurrence. Together with thirteen national and international NGOs, IW used the event to underscore the importance of the new mandate for guaranteeing the rights of victims and tackling impunity after violence. The Side Event was followed by a working session with the Special Rapporteur and several NGOs to further discuss how these organisations can practically support the mandate of the Special Rapporteur in the coming years.

In 2012, IW worked on its Strategic Plan for 2013-2015. The plan includes promoting greater attention to our unique Research Instrument and its application in a number of different contexts. The Strategic Plan will be finalised in early 2013 after which implementation will commence.

Guatemala County Programme

In 2012, IW consolidated its monitoring programme in Guatemala, informed by additional research into impunity and modifying the policy recommendations from the original baseline research according to current developments.

Publications from the Guatemala office in 2012 include a report on Enforced Disappearances in Latin America, a Report on Truth Initiatives in Guatemala, and focused reports on justice and reparations in Guatemala. Examining key topics, the reports provide crucial insight as well as practical guidance on how to tackle transitional justice challenges in Guatemala and the Latin American region.

IW's consultancy status with the UNDP and key embassies continued in 2012, whilst intensive lobby work took place for Guatemala's Universal Periodic Review (UPR) during the UN Human Rights Council session in Geneva. With the support of the Embassy of the Kingdom of the Netherlands and the OHCHR, the Dutch Platform Against Impunity organised a political and academic forum on the challenges to ending impunity in Central America, based on the experiences of the CICIG (International Commission Against Impunity in Guatemala) and the MP (Public Prosecutor's Office) in Guatemala.

The Guatemala office continued its advocacy work throughout the year as well as its important work to support local civil society. At the end of 2012, IW lobbied for the rejection of an amnesty law that members of the official/private sectors are trying to push through the Constitutional Court and that would effectively block any criminal prosecutions for crimes of the past.

In 2013, IW will continue to support local civil society in its efforts to lobby for the combat of structural and institutional impunity, as well as maintaining our research-based monitoring work. IW will also continue to support local initiatives and organisations in their efforts to seek truth and justice for the violence suffered.

Burundi Country Programme

After its official establishment and accreditation in 2011, the Burundi Programme consolidated its presence in Burundi throughout 2012. IW has become an important part of civil society highlighting the necessity of transitional justice and a key actor seeking to give a voice to the country's victims.

In 2012, our *Victimes à la Une* project continued to successfully build upon a popular series of radio episodes aired to the Burundian population aimed at informing particularly rural Burundians about processes of transitional justice. The project was conducted in partnership with Radio La Benevolencija. Alongside the radio episodes, IW conducted research in partnership with local organisations into the major themes addressed by the radio episodes, examining local expectations of transitional justice. The findings will be published in a series of newsletters, the first of which was published in December 2012, with subsequent editions of the newsletter and a final report of the research findings to follow in the first half of 2013.



Throughout 2012, the Burundi Programme has been particularly engaged with the developing situation concerning Burundi's proposed Truth and Reconciliation Commission (TRC). Together with the Reflection Group on Transitional Justice (a collective of civil society organisations) and other local partners, IW has provided input and analysis on the various draft laws for the TRC and has held a number of workshops and other activities targeting capacity-building and greater awareness of the importance of an independent, participatory and genuine process of truth-telling. An important principle at the heart of IW's work during this developing situation and throughout our work has been to continually seek to voice the needs and expectations of victims in Burundi based on our research.

IW continues to support local civil society in lobbying for changes to the draft TRC law, especially to revise the current provisions that appear to preclude the possibility for criminal justice.

In 2013, the Programme will continue to monitor the TRC's development and will work on a special project to tackle violence against women by strengthening the gender-sensitivity of the justice sector, as well as conducting research into other factors that keep impunity in place in Burundi.

Perspectives Programmes

Memorialisation

The Memorialisation Programme entered its final phase of the current project cycle in 2012, with the publication of five country research reports from Bosnia-Herzegovina, Burundi, Cambodia, Guatemala and South Africa, and the comparative analysis of these research reports. The reports examined the interconnection between memorialisation and impunity in the respective countries. Using the comparative findings from this research as a basis, IW organised the International Memory Initiatives Exchange Forum in Phnom Penh, Cambodia, in September 2012 bringing together more than 70 experts, practitioners, academics and policymakers to discuss the findings.

Held over five days, the Exchange Forum provided a platform for the exchange of ideas and experiences, and for the building of partners across the multiple countries that were represented in Phnom Penh. Experts provided their own insight and experiences as the participants discussed a range of key themes and dilemmas proposed by our research findings.

The Exchange Forum was a rich source of ideas, enthusiasm and new insight into the use of memory initiatives in the combat of impunity after violence, which will be used to refine the comparative analysis in the first half of 2013. Particularly important as an outcome of the Exchange Forum, was the development of clear, reasoned and well-informed policy advice to inform the decision-making of policymakers, donors and practitioners when engaging in memorialisation. This policy advice will be published in 2013 in a Policy Brief on the 'Guiding Principles of Memorialisation', and will be used as a central component for our international lobby and outreach work in 2013. In addition, IW will continue its engagement in a number of the countries where our research was conducted creating national action plans on memorialisation, and promoting regional exchange with neighbouring countries on the basis of our 'Guiding Principles'.

As well as disseminating our consolidated policy advice, IW will organise local events in 2013 in Guatemala and Burundi to further support our partners. Successful national debates on the research findings in each country in 2012, in addition to the positive feedback from participants in the Exchange Forum, have each raised a strong interest in memorialisation in these two contexts.

Gender

Research into the gender-sensitivity of transitional justice mechanisms, focusing in particular on truth, justice, reparations and the non-recurrence of violence, was conducted and finalised in Bosnia-Herzegovina, Burundi and Guatemala in 2012. This resulted in three country study reports on the gender-sensitivity of efforts to deal with violence and combat impunity in the respective countries. The research made clear that in all three countries practical access to justice is more difficult for women than for men, which is considered a major bottleneck in the effective fight against impunity. In each of the research countries multi-stakeholder policy consultations were held to validate the country-level research findings. The consultations provided many of the representatives (civil society, government and policymakers) with new insight into the importance of a gender-sensitive approach to transitional justice and generated constructive discussions and exchange between the various stakeholders present.

Also In 2012, the Gender Programme strengthened relationships with relevant networks and organisations, notably UN Women. Furthermore, in December 2012, IW became a signatory to the Dutch National Action Plan on UN Resolution 1325.

A comparative analysis of the three country studies will be published at the beginning of 2013. The analysis seeks to understand the deeper, underlying causes that hamper the implementation of gender-sensitive approaches, which often have the same root causes as factors that maintain impunity, especially for groups at risk.

Based on the comparative analysis, IW will organise international roundtable meetings with key stakeholders with thematic and geographic expertise to discuss the most important obstacles identified and to fine-tune a set of concrete policy recommendations to reduce these obstacles. Furthermore, based on the comparative analysis and country reports, IW will upscale lobby and advocacy efforts with international actors, to motivate them to integrate a victim-centred, gender-sensitive approach to transitional justice and impunity reduction measures. IW will continue to seek cooperation with UN Women and with the UN Special Rapporteur to bring the gendered experiences of victims in post-conflict settings into key debates and to provide new insights on how to support the practical implementation of international agreements. As elsewhere, raising victims' awareness of their rights and stimulating their active participation in IW's lobby activities will also be an important focus of our work.

Entrenched Interests

The Entrenched Interests Programme was piloted in Guatemala in 2012. The preliminary research was conducted under the joint supervision of our office in the Netherlands and our local office in Guatemala.

The preliminary findings from the research were produced at the end of the year, with a report analysing the results to be published in 2013. The research began with a mapping of the entrenched interests that exist in Guatemala to subvert processes for dealing with the past and for tackling impunity, as well as using a 'Power Cube' analysis to understand those entrenched interests. Through the research IW has engaged local communities in understanding the operation of these entrenched interests, as well as local organisations capable of providing insight into the impact that these interests have in Guatemala.

In 2013, the pilot report will be launched in Guatemala. The report will inform an activity and lobby agenda for our country office, especially for our work with affected communities at the local level. In addition, our research approach will be refined based on our experience in Guatemala, and new research will be conducted from a comparative perspective in neighbouring country, Honduras.

STRATEGIC PLAN 2013-2015

Throughout 2012 IW conducted a strategic process to produce a new Strategic Plan for the period 2013-2015 that will be finalised in early 2013. Based on a number of strategic



planning sessions and an evaluation of the key impact of our work, IW's mission has been refined and translated into three core intervention strategies. These strategies are each related and are mutually dependent:

- Systematic and comparative research into the root causes of impunity and obstacles to its reduction;
- Lobbying with key actors for the uptake of research-based policy advice on processes of TJRNR; and
- Strengthening the active participation of victims in the above processes, to support them in claiming their rights.

These three core intervention strategies have to date been the basis of IW's work in our in-country programmes and our international HQ, but will animate IW's intervention strategies in a more defined manner for the coming period. These core strategies will henceforth be employed to define, organise and operationalise IW's mission. IW's Research Instrument will continue to frame the content of our work, our unique expertise and policy agenda.

IW's intervention logic is based on a complementary approach to these strategies between our in-country offices and our international HQ in the Netherlands. At the country level, the three strategies are focused on tackling impunity in the specific local context, whilst also having regard for the effects of regional developments. Research informs the production of policy advice targeting key actors engaged with either Guatemala or Burundi, with victims supported in their claims towards these respective governments. At the same time, the country-level analysis, lobby objectives and work with victims is supported by HQ, where comparative analyses of research findings and Policy Briefs are produced. HQ targets its work at international lobby for the specific uptake of policy advice related to the in-country offices. Equally, HQ is positioned to contribute comparative research findings and policy advice to global debates, policymaking and advocacy on impunity-related issues, informed by the systematic research undertaken in-country. The work originating at HQ is similarly fed back to the country offices, including bringing international experiences to support victims at the national level.

In line with IW's core intervention strategies, the existing thematically-oriented 'Perspectives Programmes' will be gradually phased out in their current format. The knowledge, skills and research-based policy that these programmes have produced will be systematised with IW's Country Programmes and international work, according to the logic of our Research Instrument. A reorganisation strategy will be employed in 2013 so that the new core intervention strategy can be fully implemented as of 2014.

Building on our experiences with victims' groups in Guatemala and Burundi, IW's third core intervention strategy – 'Active Victim Participation' – will be further refined in 2013 ready for implementation in 2014. As noted, this strategy will use our experiences to date of working with victims and civil society to more methodically implement in-country and international work that strengthens the voices of victims in policymaking and enhances their ability to claim their rights.

In addition to complementing the work of our in-country offices as outlined, IW will implement a more flexible method of working at HQ from 2014 that will position the organisation to produce more targeted, rapid and usable research-based policy, maximising the impact of our mission without compromising our core intervention strategies and logic of our Research Instrument.

BOARD

The board has two board members and one vacancy:

- Brinton Lykes (Secretary)
- Erik Laan (Chair)
- Treasurer (vacancy during 2012, from February 1, 2013: Sander Wirken)

The Executive Director is Marlies Stappers.

ADVISORY BOARD

The advisory board has seven members:

- Douglass Cassel
- Alison Crosby
- Susan Kemp
- Sir Geoffrey Nice Q.C.
- Naomi Roht-Arriaza
- Roberto Garretón
- Klaas de Jonge

REMUNERATION OF THE BOARD AND ADVISORY BOARD

The members of the Board participate on a voluntary basis. They receive no remuneration for their participation and they are partially reimbursed for out-of-pocket travel expenses to attend board meetings.

REMUNERATION OF THE DIRECTOR

The Supervisory Board has approved the remuneration policy, the outcome of the review of the director's salary and the amount of the other remuneration components. The policy is periodically updated and the last evaluation was in 2012. When determining its remuneration policy and fixing salaries, Impunity Watch complies with the Advisory Rules on the Remuneration of Directors of Good Causes (Adviesregeling Beloning Directeuren van Goede Doelen) drawn up by the Dutch Association of Fundraising Organizations (VFI) and with the Wijffels Code (www.vfi.nl). The Advisory Rules set a maximum norm for annual salaries based on criteria for the weight of the job, which the Supervisory Board used to assess the director's position at Impunity Watch. This led to a BSD score of 395 points, indicating a maximum annual salary of € 109,550 (for 1 FTE for a full year). The relevant annual director's salary in 2012 for assessment against the VFI maximum remuneration was € 69,558, which is well below the VFI maximum. The amount and composition of the remuneration package is set out in the accompanying table (see next page). Impunity Watch does not issue loans, advances or guarantees to the director.

Remuneration of Marlies Stappers, director of Impunity Watch	2012	2011
	Indefinite	Indefinite
Service agreement	period	period
Hours	36	36
Part-time percentage	100	100
Period	Whole 2012	Whole 2011
Remuneration (in euro)		
Gross salary	59,577	57,227
Year- end supplement	4,945	4,749
Holiday allowance	5,036	4,958
	<u>69,558</u>	<u>66,934</u>
Social security contributions	10,678	9,521
Taxable allowance	-	-
Pension costs, employer's contribution	6,782	10,135
Other benefits	-	-
Termination benefits	-	-
Total	<u><u>87,018</u></u>	<u><u>86,590</u></u>

BUDGET 2013

The 2012 Year Plan and budget have been approved by the board on February 1, 2013. A summary of the profit and loss account is as follows (in euros).

	Budget 2013	Budget 2012
INCOME		
Grants, fees and interest	<u>924,500</u>	<u>919,000</u>
	<u>924,500</u>	<u>919,000</u>
OPERATING EXPENSES		
General Management / Development	112,000	131,000
Guatemala Programme	233,900	380,500
Burundi Programme	271,400	186,000
Perspectives Programme	334,900	294,500
	<u>952,200</u>	<u>992,000</u>
From restricted funds	<u>-27,700</u>	<u>-73,000</u>
Result for the year	<u><u>0</u></u>	<u><u>0</u></u>

Utrecht, February 5, 2013

Marlies Stappers
Director Impunity Watch

Balance as at December 31, 2012

(in euros, after appropriation of result)

ASSETS	2012	2011
Fixed assets		
Tangible fixed assets	4,681	4,340
Current assets		
Receivables	28,652	36,297
Cash	<u>254,861</u>	<u>208,176</u>
	283,513	244,473
Total assets	<u>288,194</u>	<u>248,813</u>
EQUITY AND LIABILITIES		
Equity		
Restricted Funds	77,816	73,755
Current liabilities		
Creditors	12,394	16,067
Taxes and social securities	20,200	13,998
Other liabilities	<u>177,784</u>	<u>144,993</u>
	210,378	175,058
Total equity and liabilities	<u>288,194</u>	<u>248,813</u>

Profit and loss account for the year ended December 31, 2012

(in euros)

	Actual 2012	Budget 2012	Actual 2011
INCOME			
Grants	929,610	915,500	895,820
Others	29,558	3,500	28,495
	<u>959,168</u>	<u>919,000</u>	<u>924,315</u>
OPERATING EXPENSES			
General Management / Development	108,977	131,000	159,349
Balkans programme	-	-	54,805
Guatemala programme	322,023	380,500	285,974
Burundi programme	174,705	186,000	181,544
Perspectives programme	349,402	294,500	196,701
	<u>955,107</u>	<u>992,000</u>	<u>878,373</u>
Result for the year	<u>4,061</u>	<u>-73,000</u>	<u>45,942</u>
Appropriation of the result			
Restricted funds	<u>4,061</u>	<u>-73,000</u>	<u>45,942</u>
Total	<u>-</u>	<u>-</u>	<u>-</u>

Cash flow statement for the year ended December 31, 2012

	2012	2011
Cash flow from operating activities		
Operating result	4,061	45,942
Depreciation	1,264	897
Movements in operation capital:		
• receivables	7,645	27,226
• current liabilities	35,320	-189,716
	48,290	-115,651
Cash flow from investment activities	-1,605	-2,421
Cash flow from financing activities	-	-
Movement in cash at banks	46,685	-118,072
Cash at banks		
As at January 1	208,176	326,248
As at December 31	254,861	208,176
Movement in cash at banks	46,685	-118,072

General notes to the accounts

GENERAL

The financial statements are prepared in accordance with the Guideline for annual reporting 640 "not-for-profit organisations" of the Dutch Accounting Standards Board.

FOREIGN CURRENCY

Assets and liabilities denominated in foreign currency are translated at the exchange rates prevailing on the balance sheet date. Transactions in foreign currency during the financial year are included in the financial statements at closing rate. Resulting exchange differences are taken to the profit and loss account.

Accounting principles of valuation

GENERAL

The financial statements are prepared under the historical cost convention. Unless stated otherwise, assets and liabilities are stated at nominal value. Income and expenses are accounted for on annual basis. Profit is only included when realised on balance sheet date. Losses and risks originating before the end of the financial year are taken into account if they have become known before preparation of the financial statements.

TANGIBLE FIXED ASSETS

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is based on the estimate useful life and calculated as a fixed percentage of cost, taking into account any residual value. Depreciation is provided from the date an asset comes into use.

RECEIVABLES

Receivables are included at nominal value, less any provision for doubtful accounts. These provisions are determined by individual assessment of the receivables.

TAXATION

The annual accounts have been prepared under the assumption that the activities of Impunity Watch are exempt from corporate income tax.

Specific notes to the accounts

TANGIBLE FIXED ASSETS

A summary of the movements in tangible fixed assets is given below.

	<u>Computers</u>
As at 1 January 2012	
Cost	5,722
Depreciation	<u>1,382</u>
Book value as at 1 January 2012	<u>4,340</u>
Additions	1,605
Depreciation (20% per year)	<u>-1,264</u>
Movement	<u>341</u>
As at 31 December 2012	
Cost	7,327
Depreciation	<u>2,646</u>
Book value as at 31 December 2012	<u>4,681</u>

CURRENT ASSETS

Other receivables

	2012	2011
Prepaid expenses	1,251	1,028
Burundi office	8,787	11,539
Guatemala Santa Lucia	1,888	2,892
Guatemala office	11,822	16,690
Interest	3,291	3,808
Other receivables	1,613	340
	<u>28,652</u>	<u>36,297</u>

All receivables are due within one year.

CASH

	2012	2011
Cash in hands	260	490
Cash at banks	254,601	207,686
	<u>254,861</u>	<u>208,176</u>

The cash is free at disposal of the Foundation.

EQUITY

Restricted fund

The restricted fund contains the surplus of the (institutional) subsidies. The movement in the restricted funds can be specified as follows.

	2012	2011
As at January 1	73,755	27,813
Appropriation of the result	4,061	45,942
As at December 31	<u>77,816</u>	<u>73,755</u>

CURRENT LIABILITIES

Taxes and social securities

	2012	2011
Wage tax	14,305	10,397
Social securities	5,895	3,601
	<u>20,200</u>	<u>13,998</u>

Other liabilities

	2012	2011
Accrued expenses	7,664	6,801
Accrued personnel expenses	38,564	27,864
Grant 2013/2012 received in 2012/2011	131,556	110,328
	<u>177,784</u>	<u>144,993</u>

In the annual report 2012 some items are stated as accrued personnel expenses where they were stated as accrued expenses in 2011. The comparative figures of 2011 are adapted in the same way.



CONTINGENT LIABILITIES

No contingent liabilities are applicable.

INCOME

Grants

The breakdown is as follows.

	Actual 2012	Budget 2012	Actual 2011
HIVOS Foundation	149,797	65,000	19,672
Solidaridad Foundation	107,621	90,000	230,627
Cordaid	403,120	396,000	403,121
PSO	33,583	-	-
Burundi fundraising	26,482	18,000	7,400
Guatemala fundraising	21,571	-	-
Own fundraising	187,436	346,500	235,000
	<u>929,610</u>	<u>915,500</u>	<u>895,820</u>

Late 2011 IW received a grant from HIVOS covering 2011 and 2012. In the course of 2012, HIVOS financial situation in combination with its positive evaluation of IW work allowed for a top up of the existing grant.

The Solidaridad grant for 2012 was earmarked for a specific project in Guatemala. In the course of the year Solidaridad made additional funds available to support extra activities within the framework of this project.

Both IW's country offices in Guatemala and Burundi managed to raise additional funds in the course of 2012 covering extra activities of the country offices. For IW this is a very positive development because the appreciation of IW's activities in Burundi and Guatemala by donors and organisations translates into concrete support.

With respect to IW's own fundraising, one donor unexpectedly communicated to IW that it was forced to close down its operations half way 2012, which had negative repercussions on the grant awarded to IW.

GENERAL MANAGEMENT / DEVELOPMENT

	Actual 2012	Budget 2012	Actual 2011
Personnel	73,911	89,000	82,982
Institutional development	5,808	7,000	1,089
Running costs	29,258	35,000	75,278
	<u>108,977</u>	<u>131,000</u>	<u>159,349</u>

Part of the running costs are charged by Solidaridad, and include personnel support and accommodation. The personnel costs include the remuneration of bookkeeping, controlling, human resource management, quality management and secretary/telephone support. The accommodation costs include rent of the offices, the inventory, phone and the ICT-support.

BALKANS PROGRAMME

	Actual 2012	Budget 2012	Actual 2011
Personnel	-	-	40,148
Lobbying/advocacy	-	-	782
Monitoring	-	-	3,858
Running costs	-	-	10,017
Total costs	-	-	54,805

IW completed its programme cycle in Serbia in 2011. Due to the lack of funding for the Serbia programme, in 2011 it was decided to close the programme and the country office.

GUATEMALA PROGRAMME

	Actual 2012	Budget 2012	Actual 2011
Personnel	159,437	136,000	127,221
Projects	108,407	195,000	98,501
Research	-	-	16,466
Policy making	5,490	6,000	4,231
Lobbying/advocacy	13,181	12,500	10,647
Monitoring	13,404	-	1,296
Capacity building	1,047	4,000	404
Outreach	744	3,000	7,674
Running costs	20,313	24,000	19,534
Total costs	322,023	380,500	285,974

The actual expenditures within the Guatemala budget were lower than expected in the budget 2012. This difference is caused by the fact that one donor was forced to close down its own operations unexpectedly. At the same time the costs for personnel and monitoring activities saw an increase in relation to the predicted budget, due to the fact that an additional grant was obtained early 2012 for extra monitoring activities.

BURUNDI PROGRAMME

	Actual 2012	Budget 2012	Actual 2011
Personnel	132,699	144,000	140,240
Research	7,200	10,500	7,379
Policy making	49	2,000	1,659
Lobbying/advocacy	1,683	-	429
Monitoring	4,004	-	-
Capacity building	1,925	-	2,294
Outreach	415	2,500	1,005
Running costs	26,730	27,000	28,538
Total costs	174,705	186,000	181,544

The research component of the Burundi country programme started its implementation as of the second half of 2012 with a small delay due to country contextual factors. Due to this delay salary costs for implementing personnel have been lower than expected.



PERSPECTIVES PROGRAMME

	Actual 2012	Budget 2012	Actual 2011
Memorialisation project	171,597	139,000	86,075
Women & violence project	143,938	122,000	71,426
Entrenched interest project	30,195	30,000	11,600
International platform building	3,672	3,500	27,600
	<u>349,402</u>	<u>294,500</u>	<u>196,701</u>

As mentioned before the HIVOS grant 2011-2012 for IW's perspectives programme was topped up in the course of 2012. As a result there was an increase in the budget for additional activities.

SPECIFICATION AND BREAKDOWN OF COSTS BY CATEGORY

PERSONNEL EXPENSES THE NETHERLANDS

	Actual 2012	Budget 2012	Actual 2011
Gross salaries	266,796	250,000	209,757
Social premiums	40,959	37,500	30,042
Pension expenses	26,005	35,500	31,982
Other personnel expenses	57,872	60,000	9,928
	<u>391,632</u>	<u>383,000</u>	<u>281,709</u>

Employees

During the year 2012, Impunity Watch had an average number of employees, converted to full time equivalents of 4.7 (2011: 3.8).

Pension

Foundation Impunity Watch has a service agreement with Interpolis for a indexed average pay pension for her employees. Paid and to be paid premiums during 2012 has been charged to the profit and loss account of 2012. All premiums has been paid in time, to prevent the risk of additional responsibilities in case of the pension agreement.

The costs can be broken down by category and for the purposes they are incurred as follows.

	Actual 2012	Budget 2012	Actual 2011
General management	73,911	88,000	28,765
Balkan programme	-	-	17,749
Guatemala programme	62,278	68,000	48,728
Burundi programme	66,835	76,000	72,551
Perspectives programme	188,608	151,000	113,916
	<u>391,632</u>	<u>383,000</u>	<u>281,709</u>

Other information

APPROPRIATION OF RESULT

In anticipation of the coming Board Meeting's adoption of the financial statements 2012 the net result of € 4,061 euro has been charged to the restricted funds.

AUDITOR'S REPORT

The auditor's report is stated on the next page.

Independent auditor's report

To: the Board of Impunity Watch Foundation

Report on the financial statements

We have audited the accompanying financial statements 2012 of Impunity Watch Foundation, Utrecht, which comprise the balance sheet as at December 31, 2012, the profit and loss account for the year then ended and the notes, comprising a summary of the accounting policies and other explanatory information.

Management's responsibility

Management is responsible for the preparation and fair presentation of these financial statements and for the preparation of the management board report, both in accordance with the Guideline for annual reporting 640 Not-for-profit organisations of the Dutch Accounting Standards Board. Furthermore management is responsible for such internal control as it determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of Impunity Watch Foundation as at December 31, 2012 and of its result for the year then ended in accordance with the Guideline for annual reporting 640 Not-for-profit organisations of the Dutch Accounting Standards Board.

Report on other legal and regulatory requirements

Pursuant to the legal requirement under section 2:393 sub 5 at e and f of the Dutch Civil Code, we have no deficiencies to report as a result of our examination whether the management board report, to the extent we can assess, has been prepared in accordance with the Guideline for annual reporting 640 Not-for-profit organisations of the Dutch Accounting Standards Board, and whether the information as required under section 2:392 sub 1 at b-h has been annexed. Further we report that the management board report to the extent we can assess, is consistent with the financial statements as required by section 2:391 sub 4 of the Dutch Civil Code.

The Hague, February 27, 2013

Ernst & Young Accountants LLP

signed by R.L.A. Eveleens