ACTION ON ARMED VIOLENCE

A company limited by guarantee

Company Number 06381573

Charity Number 1122057

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

ACTION ON ARMED VIOLENCE
TRUSTEES' REPORT FOR YEAR ENDED 31 DECEMBER 2017

Legal and Administrative Information

Board

Dr Marina Brilman	(appointed 20 April 2017)
Ms Olivia Dix	(Co-chair)
Mr Malcolm Rodgers	
Colonel Steve Smith	
Professor Michael Spagat	(appointed on 20 April 2017)
Ms Quincy Whitaker	(Co-chair)

Chief Executive
Iain Overton

Registered Office
405 Mile End Road
London
E3 4PB

Company Number
06381573

Charity Number
1122057

Independent Examiners
Shruti Soni
Shruti Soni Limited
Chislehurst Business Centre
1 Bromley Lane
Chislehurst
BR7 6LH

Bankers
Co-operative Bank
City Offices
80 Cornhill
London
EC3V 3NJ

INTRODUCTION BY THE CO-CHAIRS: OLIVIA DIX AND QUINCY WHITAKER

Action on Armed Violence (AOAV) is a charity whose work on a range of issues related to the global reduction of armed violence is respected worldwide. It has become one of the outstanding research bodies in its field, despite its modest size and resources. In 2017 AOAV established itself in its new role; having ceased international programmatic work in 2016 it now focuses entirely on research and advocacy. Its work has been presented at a wide range of high level meetings, from the United Nations to the UK Houses of Parliament seeking to influence policies and address failures in implementing such, and garnered coverage in dozens of newspapers and national and international broadcast media.

In common with other organisations in the field of armed violence, fundraising continues to be a challenge, but AOAV moves forward into 2018 with a clear mandate and a stable financial situation. We are very grateful to all the donors who have continued to support our work.

Iain Overton, in his role as Executive Director, has led AOAV through its change of strategy and is moving the organisation forward with vision and flair. We thank him and his small team (Jennifer Dathan and Dr James Kearney in particular) for their dedicated and effective work over the last year. The Board appointed two new Trustees in early 2017 – Professor Michael Spagat and Dr Marina Brilman - both of whose experience reflects the change of strategy. We are grateful for the work of all Board members who give freely of their considerable expertise to support AOAV.

We believe that AOAV is an important voice in advocating for a global reduction of armed violence and it is our privilege to be associated with it.

EXECUTIVE DIRECTOR'S REPORT – IAIN OVERTON

AOAV undertook significant research and advocacy in 2017. Notably, 2017 was the seventh year of the organisation's Explosive Violence Monitoring Project and in addition to other research and advocacy, we produced a major report looking at the long-term impact of explosive violence, long after the bombs have fallen silent.

Our Explosive Violence Monitoring project is the only open-source annual report recording the global harm caused by explosive weapons and is quoted widely. It addresses both conventional/manufactured weapons and improvised explosive devices (IEDs). It also draws comparisons between those effects suffered in populated areas, and those in non-populated areas. As in previous years, our monitor had wide pick-up in the national and international media, including the Guardian, Reuters, The Daily Mail, and Al Jazeera and CNN. It was also reported in many foreign language outlets. Such reporting has helped spread our advocacy aims both nationally and internationally, both enhancing AOAV's reputation as well as ensuring our key messaging is heard widely.

Political commitments to refrain from the use of explosive weapons in populated areas is on the agenda at high level fora in the UN and beyond and the issue of IEDs and the harm they bring is increasingly becoming central to the disarmament debate. In addition to this focus, we also investigated deeply the UK's global arms trade and intend to publish our findings in the Autumn of 2018.

Indentifying funding for work on armed violence research is always a challenge, but in 2017 major funding was generously given by both the Norwegian Ministry of Foreign Affairs, a long-term supporter of our work, and the Joseph Rowntree Charitable Trust, as well as smaller donations from charitable foundations and members of the public. In addition, we sit on two consortiums able to apply for funded work with the European Union (Lot 3 and Lot 12).

Our work continues.

Iain Overton
Executive Director
Action on Armed Violence

ACTION ON ARMED VIOLENCE
TRUSTEES' REPORT FOR YEAR ENDED 31 DECEMBER 2017

The Trustees present their annual report and financial statements for the year ended 31 December 2017. This is also the Directors' report as required bys417 of the Companies Act 2006 and all trustees are directors. The financial statements have been prepared in accordance with the accounting policies set out in note 1 of the accounts and comply with the charity's governing document, the Charities Act 2011, and 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 published on 16 July 2014 ("SORP").

MISSION AND APPROACH

Mission

Action on Armed Violence's (AOAV) central mission is to carry out research and advocacy in order to reduce the incidence and impact of global armed violence.

Its research and advocacy campaigns aims to strengthen international laws and standards on the availability and use of conventional and improvised weapons, to build recognition of the rights of victims and survivors of armed violence and to research, understand and act effectively on the root causes of armed violence in affected countries.

To this end, AOAV is committed to:

- *reducing civilian harm from the use of indiscriminate explosive weapons, particularly in populated areas, and securing international support and agreement to this end*
- *reducing the impact of Improvised Explosive Devices (IEDs) on civilian populations by advocating for international action that prevents the spread and usage of such devices or their precursor materials*
- *addressing the impact of small arms and light weapons against civilian groups, with a focus on abuses by state actors, government responses to gun massacres, and the trade in illicit small arms*
- *recording the harm from explosive violence and gun violence, with an eye to pursuing the above advocacy goals.*

AOAV's advocacy and research can help it reach its goals by:

increasing awareness of the key issues in the public, private and political spheres, through the dissemination of target research, so that state parties and international bodies are made aware of the immediate and long-term human damage caused by explosive weapons in populated sectors, which affect wide areas, and the repercussions of such use on national and regional insecurity;

providing information about the international community's legal and humanitarian responsibilities in relation to tackling the use and dissemination of explosive weapons, and through articulating how existing legal and humanitarian instruments need to be created to foster a cogent, coordinated international response;

promulgating policy recommendations and relevant research to key parties so as to strengthen existing humanitarian protection instruments, and to hold governments accountable for disproportionate use of force against civilians

fostering dialogue and disseminating research between private, military, governmental and non-governmental parties, so as to share knowledge on how best to reduce the impact of armed violence.

Research and Advocacy

The broad areas of priority for research in 2017 were: the humanitarian harm from explosive weapons; the humanitarian harm from Improvised Explosive Devices (IEDs) and an investigation into the UK's arms trade.

This consisted of:

1. Monitoring and data collection for the Global Explosive Weapons Monitor
This is the largest piece of annual research undertaken by AOAV and is widely used globally for reference. Since 2011, AOAV has been recording the global impact of explosive violence as reported in English language media. In 2017:

- We published the annual Explosive Weapons Monitor 2016: https://aoav.org.uk/explosiveviolence/explosive-violence-monitor-2016/

- We reported on 10 countries most impacted by explosive violence in 2016: https://aoav.org.uk/2016/hot-spots-places-impacted-explosive-violence/

- We recorded incidents of explosive violence through 2017 (which we published under a 2018/9 Norwegian Foreign Affairs funding grant): https://aoav.org.uk/2018/2017-saw-38-increase-civilian-deaths-explosive-violence-new-report-finds)

- We compiled and published monthly data analysis updates of explosive weapon use worldwide, alongside analysis of key trends. These 12 monthly reports can be accessed on this landing page: https://aoav.org.uk/category/latest_explosive_violence_monitor_updates

- We published 15 reports on explosive violence incidents involving manufactured explosive weapons and 33 incidents involving improvised explosive weaponry. Each of these incidents involved at least 40 people being killed or injured in an explosive violence incident. They can be seen on our updates pages (https://aoav.org.uk/category/manufactured-explosive-weapons-news/ and https://aoav.org.uk/category/latest-ied-news)

- We produced and disseminated to over 10,000 people a video summarising our 2016 explosive weapons findings: https://aoav.org.uk/2017/video-monitoring-explosive-violence-harm-2016

- We published and disseminated translations of the main findings in ten languages - Arabic (العربية); Dutch (Nederlands); Finnish (suomi); French (Français); German (Deutsch); Italian (Italiano); Japanese (日本語); Mandarin (中文); Russian (Русский); Spanish (Español): https://aoav.org.uk/report-translations

- We presented our data and findings at the following:
    - Geneva Academy UN meeting: '2017 UNSG report on IEDs', Geneva Academy, Switzerland, April 2017;
    - All Party Parliamentary Group on Explosive Threats, Houses of Parliament, London, May 2017;
    - Conference on Clearance of Improvised Explosive Devices in the Middle East, Wilton Park, UK, May 2017;
    - Permanent Mission of France side event on Improvised Explosive Devices, Geneva, June 2017;
    - Geneva Academy IED, clearance debate, Geneva Academy, Switzerland, June, 2017;
    - ICRC meeting Group of Experts meeting, CCW, Geneva, August 2017;
    - Informal consultation on IEDs, French Government Side-Event – Convention on Conventional Weapons, Geneva, August, 2017;
    - International Network on Explosive Weapons Conference, Geneva, August 2017;

- Geneva Academy's International Humanitarian Law (IHL) series, Geneva Academy, Switzerland, October 2017;
- Regional meeting on the use of explosive weapons in populated areas, Maputo, Mozambique, November 2017;
- The Permanent Mission of France to the Conference on Disarmament's side event during the Annual Conference of the High Contracting Parties to Amended Protocol II to the Convention on Prohibitions or Restrictions on the Use of Certain Conventional Weapons, United Nations, Geneva, November 2017;

Results:

- We continued our work on recording and publishing incidents of explosive weapon use around the world and the resulting impact on civilians, with widespread engagement.

  - The UN Secretary-General cited AOAV's data in both his 2017 and 2018 report on the protection of civilians in armed conflict.
  - AOAV data was used in United Nations Office for the Coordination of Humanitarian Affairs's 2017 flagship report World Humanitarian Data and Trends
  - United Nations Institute for Disarmament Research also released two 2017 publications: 'The Implications of the Reverberating Effects of Explosive Weapons Use in Populated Areas for Implementing the Sustainable Development Goals' and 'Understanding the Reverberating Effects of Explosive Weapons: A Way Forward', citing AOAV's data.
  - AOAV's data was used extensively in publications by all Internation Network on Explosive Weapon members. For instance, a 2018 report from Save the Children and the Royal United Services Institute (RUSI), 'Ensuring the Protection of Civilians in Modern Conflict', used AOAV's data to highlight the call for an urgent review of military rules of engagement and civilian protection measures – reiterating the message of the UN secretary-general.

Our findings were reported in over 50 international news outlets:
https://aoav.org.uk/2018/aoavs-latest-data-civilian-harm-explosive-weapons-cited-news-outlets-internationally/

2. A research report on the reverberating effects of explosive weapons

Description:

- A review of a range of the mid- and long-term reverberating effects of explosive weapon use, particularly in populated areas, on the buildings lived in and physical infrastructure, the governmental services used, the health provisions accessed and micro- and macro-economic effects.

Activities and outputs:

- We published a report called 'When the bombs fall silent' that investigated the mid- and long-term economic, social and environmental harm of explosive weapon in Sri Lanka and Lebanon.
  - Our main report can be seen here: https://aoav.org.uk/2018/when-the-bombs-fall-silent-the-reverberating-effects-of-explosive-weapons/
  - We also broke the report down into ten areas. These were:
    - Sri Lanka – Health
    - Sri Lanka – Economy
    - Sri Lanka – Environment
    - Sri Lanka – Society
    - Sri Lanka – Culture
    - Lebanon – Health
    - Lebanon – Economy
    - Lebanon – Environment

  - Lebanon – Society
  - Lebanon – Culture

- We conducted an overview of patterns and the scale of EWIPA harm across ten countries juxtaposed with social indicators (e.g. economic, health, social indexes): https://aoav.org.uk/2018/reverberating-harm-from-explosive-violence-in-the-top-ten-worst-impacted/

- We produced an array of supporting video, social media and infographic materials that accompanied the dissemination of our report: this can be seen on AOAV's social media feeds or on this landing page: https://aoav.org.uk/reverberating-effects-of-explosive-violence

- We conducted a further field case analysis of the long-term impact of landmines on survivors in Mozambique: https://aoav.org.uk/2018/facing-life-after-the-landmines-are-gone/

- We did a desk-based analysis of the impact of explosive violence on students and education in Kashmir: https://aoav.org.uk/2018/22347

Results:

- We continue to disseminate our analysis of public datasets on economic and societal trends and comparisons with the levels of harm wrought by Explosive Weapons in Populated Areas (EWIPA), as well as two in-depth case studies. We presented our findings at a number of the events listed above.
- AOAV's research on reverberating effects of the Sri Lankan conflict featured in Crisis Response Journal: https://aoav.org.uk/2018/aoav-research-featured-in-the-crisis-response-journal

3. A global Improvised Explosive Devices (IED) review publication.

Description:

- A Global IED Review publication using six years of data from the Explosive Weapons Monitor.

Activities and outputs:

- We published an IED analysis of data from AOAV's Explosive Weapons Monitor, broken down into country, regional and global IEDs figures. This report can be seen here: https://aoav.org.uk/2017/aoavs-improvised-explosive-device-ied-monitor

- This report contained four analytical articles, as well as infographics and photographs. This included:
  - An overview of six years of IED data;
  - The Islamic State's Suicide Industry;
  - The evolution of Suicide Car Bombs examined; and
  - Drones and the IED threat.

- We organised a side event on the 25 October where we presented findings at the UN General Assembly First Committee.

- We also presented our report at a United Nations Mine Action Service (UNMAS) side-event on "Countering the Threat of IEDs: Strengthening Capacities and Stabilizing Communities" in the United Nations Headquarters in New York on October 17th 2017.

- We translated our key analyses into French and Arabic (see here for more - https://aoav.org.uk/report-translations/)

- We disseminated both the printed and online review paper to over 10,000 key stakeholders in the counter-IED community

Results:

- We helped stimulate the debate on how best to tackle the global spread of IEDs and worked to ensure that the rights of victims are at the forefront of that debate.

4. Mapping counter-IED work

Description:

- A comprehensive and updated map of who is doing what, and where, in areas of most need when it comes to counter-IED work.

Activities and outputs:

- We updated and continued to publish an overview of who is doing what, where and how in Counter-IED work. This can be seen here: https://aoav.org.uk/2016/counter-improvised-explosive-devices-c-ied-mapping

- We published a wider report on 'Addressing the threat posed by IEDs: National, Regional and Global Initiatives.' This can be seen here**:** https://aoav.org.uk/wp-content/uploads/2018/05/2018-Addressing-the-threat-posed-by-IEDs.pdf

- Online we published details on the existing capacity and resource-base for 327 frontline forces tackling IEDs in some of the worst affected countries. The most pertinent groups were listed here: https://aoav.org.uk/2017/international/

    - We produced an analysis of national, regional and international initiatives to address IEDs, with a focus on North Africa, the Middle East and the Sahel.
    - A detailed mapping exercise was also published to complement the report and profiles of counter-IED actors prepared. For ease this list was also broken down into International initiatives; Military C-IED units; NGOs with expertise; Police IED response units and Private Companies
    - This included listing those involved in IED search and clearance, providing counter-IED equipment, risk education and IED victim assistance

- We have disseminated our findings across social media and through emails with relevant organisations and individuals;

- We sought to act as a conduit between counter-IED actors and the wider disarmament community by engaging on a variety of levels to encourage debate on this matter;
    - We informed every group that we reviewed that we were conducting this work (327 contacts made);
    - Over 50 organisations engaged directly, filling in a questionnaire that informed the above reports;
    - We interviewed over the phone over a dozen representatives of agencies and other experts and included their comments in our findings.

Results:

- We sought to raise awareness among the counter-IED community as to who is doing what;

- We used our data to inform the IED monitor (see above);

- We published recommendations on the best next steps in order to tackle the global threat of IEDs: https://aoav.org.uk/2017/understanding-regional-transnational-networks-facilitate-ied-use-recommendations/.

5. Analysis of the UK's arms trade

Description:

- The undertaking of a comprehensive analysis of the UK's arms trade from the Thatcher period onwards, asking how it is that a relatively small island came to dominate the international arms manufacturing world.

Activities and outputs:

- The focus of AOAV's research was to include examination of this general 'War State' that has developed in the UK, and to link that reality back to policies developed as far back as the Wilson and Thatcher eras. Along the way, the type of war waged in the world has also changed, so our exploration has also focused on the new waves of research undertaken on cyber warfare and the evolution of private military companies that we have seen develop here in the U.K. In both areas, this small island is now a world leader. This work will be published in 2018.

- Our lead researcher, Matt Kennard, placed a story on Hereford and private military companies in the Guardian newspaper and another report on Barrow in Furness and the Trident submarines in Novara Media. We believe these two reports have helped raise the issues of arms production and British 'jobs at all costs' and put it in the mainstream discourse. A further article was published in the Pulitzer Centre, outlining London's place as the world's War Showroom.

- These three articles can be seen here:

    - https://www.theguardian.com/cities/2017/jan/10/hereford-inside-england-unlikely-military-city-centre-global-conflict
    - http://novaramedia.com/2017/12/10/barrow-in-furness-the-small-town-at-the-centre-of-britains-nuclear-arsenal
    - https://pulitzercenter.org/reporting/london-worlds-war-showroom

OVERVIEW OF FUTURE PLANS FOR 2018

AOAV will continue its crucial research and advocacy work that focuses on the use of explosive weapons in populated areas worldwide. AOAV's history as one of the leading voices in the UK supporting the campaign to ban landmines and cluster munitions continues to inform its advocacy work, and our past informs our future in this regard.

In 2018, AOAV intends to continue to highlight the harm caused to civilians by explosive weapons, as well as to carry on research work in support of targeted explosive weapon advocacy goals, as requested of us by both State parties and by members of the International Network on Explosive Weapons (INEW).

This work is sub-divided into two categories: commercially manufactured weapons and improvised explosive devices (IEDs). The humanitarian cost of the use of explosive weapons in populated areas is increasingly attracting international interest, and AOAV's research and statistics are leading the field in this area. These figures are regularly quoted by the UN (including the Secretary General) and significant organisations, such as the ICRC and World Customs Organisation.

The competition for funding is increasingly sharp. AOAV will safeguard its future by ensuring that it responds quickly and flexibly to opportunities as they arise, with hard-hitting, compelling bids.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Action on Armed Violence was established as a charitable trust in 2007, originally called the Landmine Action Charitable Trust. The Trust's name was changed to Action on Armed Violence in 2010. It is also a charitable company. The charity is governed under a Memorandum and Articles of Association which established the objects and powers of the charitable company.

Operational Decision-Making

The Board of Trustees, who are also Directors of the charitable company, is responsible for the governance of Action on Armed Violence (AOAV), especially with respect to representation and accountability. These responsibilities include: determining policy and strategy, appointing and overseeing the Chief Executive Officer (CEO), monitoring performance and finances, managing the governance process, and providing insight, guidance and wisdom. Operation management is provided by the CEO working with the staff of the organisation.

Recruitment & Appointment of Board Members

AOAV aims to select Board members in a manner consistent with the organisation's equal opportunities policy. The procedure for recruiting and inducting board members is as follows:

1) Skills required by new Board members are assessed on the basis of gaps within the existing board.
2) Invitations are issued through the national press, existing networks and/or the website, as appropriate.
3) Candidates are short-listed, contacted and interviewed by the Board Chair and CEO.

Procedures for Board member recruitment, election, rotation/re-election and retirement continue to be developed.

Induction & Training of Board Members

New Board members are issued with an induction pack covering AOAV's work and key policies. They meet the CEO and staff to discuss strategy, policy and current and planned activities. All Trustees are invited to attend network and parliamentary meetings and relevant conferences (when time and funding permit).

Risk Management Statement

All procurement and administrative procedures are in place to ensure that authorisation and accountability lines are respected. AOAV's Trustees recognise their collective and individual responsibilities to assess and manage risks which may affect the company in the achievement of its objectives. Internal risks are reduced by the application of appropriate controls to ensure that financial, administrative and operational procedures are effective, thus minimising the risk of financial loss and litigation against the company. All risks are assessed according to their likelihood and potential impact on organisation, and managed accordingly

Public Benefit

The Board of Trustees has complied with the requirements of Section 17 of the Charities Act 2011 and has referred to the Charity Commission's general guidance on Public Benefit when reviewing its aims and objectives and in planning future activities. In particular, the trustees consider how the planned activities of the company will contribute to achieving the aims and objectives they have set.

Principal Financial Management Policies

Funds received from institutional donors are managed in line with agreed contractual arrangements. The allocation of donations from unrestricted income is decided on the basis of needs identified by AOAV Board of Trustees. Donations derived from non-institutional restricted income are allocated according to the requests of the donors.

Reserves Policy

The majority of AOAV work is funded from restricted funds. The contractual arrangements with donors cover the completion of such tasks and related financial commitments. AOAV retains unrestricted reserves to ensure the longer-term viability of the organization and the sustainability of its programmes against short-term funding shortfalls or emergency funding requirements. The reserves balance is reviewed regularly along with the level of the organization's total incoming and outgoing funds. The Board considers an amount equal to three months running cost to be adequate level for reserves. Based on running cost for year ended 31 December 2017 this is calculated at approximately £40,000. The actual amount of unrestricted free reserves as at 31 December 2017 was £85,724.

Financial Position

During 2017 Action on Armed Violence had total income of £117,097 (2016: £388,796). Our major funding source for our research work was the Royal Norwegian Ministry of Foreign Affairs, with additional funding from the Joseph Rowntree Charitable Trust. The overall expenditure for 2017 was £160,946 (2016: £668,003). The net expenditure for 2017 was £43,849 (2016: £279,207). As at the year end 31 December 2017 total charity funds stood at £105,690 (2016: £149,539) of which £19,956 were restricted (2016:£100).

AOAV renewed its efforts to ensure that funds for its research activities are available on consistent basis. Our long-term relationship with the Norwegian Ministry of Foreign Affairs continues. AOAV will continue to work closely with current and new donors to secure continuing financial support for its work.

Going Concern

The trustees are satisfied that the charity will continue to be a going concern for the foreseeable future.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also directors of AOAV for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to;

- Select suitable accounting policies and then apply them consistently.
- Observe the methods and principles in the Charities SORP.
- Make judgments and accounting estimates that are reasonable and prudent.
- State whether applicable UK Accounting Standards have been followed.

- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 December 2017 was 6 (2016: 8). The Trustees are members of the charity. The Trustees have no beneficial interest in the charity and are not remunerated.

Small Company Rules

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

Signed on behalf of the Board of Trustees

Olivia Dix
Co-Chair

Independent Examiner's Report

To the Trustees of Action on Armed Violence

I report on the accounts of the charitable company for the year ended 31 December 2017 which are set out on pages 15 to 27.

Responsibilities and basis of report

As the charity trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your company's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Shruti Soni ACCA Date:
Shruti Soni Ltd ● Chartered Certified Accountants
Chislehurst Business Centre, 1 Bromley Lane. BR7 6LH

Dated: .....

Action on Armed Violence
(Limited by Guarantee)

Statement of Financial Activities
(including Income and Expenditure Account)
For the year ended 31 December 2017

		Unrestricted Funds	Restricted Funds	Total Funds 2017	*Total Funds 2016*
Income	**Note**	**£**	**£**	**£**	*£*
Donations and legacies	**3**	2,377	-	2,377	*4,817*
Charitable activities	**4**	6,580	107,757	114,337	*320,564*
Investments		-	-	-	20
Other income		383	-	383	*63,395*
Total income		**9,340**	**107,757**	**117,097**	***388,796***
Expenditure:	**5**				
Raising funds		4,961	-	4,961	-
Charitable activities		64,567	87,901	152,468	*668,003*
Total expenditure		**69,528**	**87,901**	**157,429**	*668,003*
Net income/(expenditure) before other gains and losses		(60,188)	19,856	**(40,332)**	*(279,207)*
Gains/(losses) on exchange rate		(3,517)	-	**(3,517)**	-
Net movement in funds		(63,705)	19,856	**(43,849)**	*(279,207)*
Reconciliation of funds					
Total funds brought forward	**15**	149,439	100	149,539	*428,746*
Total funds carried forward	**14**	**£ 85,734**	**£ 19,956**	**£ 105,690**	*£ 149,539*

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derives from continuing activities.

The statement of financial activities complies wiith the requirements for an income and expenditure account under the Companies Act 2006.

Action on Armed Violence
(Limited by Guarantee)

Balance Sheet
As at 31 December 2017

	Note	£	2017 £	£	*2016 £*
Fixed assets					
Tangible Assets	**9**		-		*100*
Current assets					
Debtors	**10**	29,876		*36,499*	
Cash at bank and in hand		81,217		*120,551*	
		111,093		*157,050*	
Liabilities:					
Creditors: Amount falling due within one year	**11**	(5,403)		*(7,611)*	
Net current assets / (liabilities)			105,690		*149,439*
Net assets	**12**		**105,690**		*149,539*
The funds of the charity:					
Restricted income funds			19,956		*100*
Unrestricted income funds					
General reserve			85,734		*149,439*
Total charity funds	**14**		**105,690**		*149,539*

The charity is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2017. No member of the charity has deposited a notice, pursuant to section 476, requiring an audit of these accounts.

The trustees acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with sections 386 and 387 of the Act and for preparing accounts which give a true and fair view of the state of affairs of the charity as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The notes on pages 17 to 27 form part of these accounts.

The accounts were approved by the Board on .....

.....
Trustee
Name:……..
Company Registration No. 06381573
Charity Registration No. 1122057

Action on Armed Violence
(Limited by Guarantee)

Statement of Cashflows

For the year ended 31 December 2017

	Note	2017	2016
		£	£
Cash flows from operating activities			
Net cash used in operating activities	**A**	(39,334)	*(124,991)*
Cash flows from investing activities			
Interest		-	*20*
Net cash provided by/(used in) investing		-	*20*
Change in cash and cash equivalents in the year		(39,334)	*(124,971)*
Cash and cash equivalents at the beginning of the year		120,551	*245,522*
Cash and cash equivalents at the end of the year		81,217	*120,551*

(A) Reconciliation of net income to net cash flow from operating activities:

	2017	2016
	£	£
Net income/(expenditure) for reporting period (as per statement of financial activities)	(43,849)	*(279,207)*
Interest received	-	*(20)*
Depreciation charge	100	*2,748*
(Increase)/decrease in debtors	6,623	*172,955*
Increase/(decrease) in creditors	(2,208)	*(21,467)*
Net cash used in operating activities	(39,334)	*(124,991)*

	2017	2016
	£	£
Analysis of cash and cash equivalents		
Cash at bank and in hand	81,217	*120,551*

Notes to the financial statements for the year ended 31 December 2017

1 Statutory information

Action on Armed Violence is a charitable company, limited by guarantee, registered in England and Wales number 06381573 and is registered with the Charity Commission number 1122057. In the event of the charitable company being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The nature of the charitable company's operations and principle activities are to carry out research, advocacy and fieldwork in order to reduce the incidence and impact of global armed violence.

Action on Armed Violence meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s). There are no material uncertainties about Action on Armed Violence's ability to continue as a going concern. The financial statements are presented, to the nearest pound, in sterling which is the functional currency of the charitable company.

2 Accounting policies

2.1 Basis of preparation

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following SORP 2015 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 (SORP 2005) which has since been withdrawn.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been applied consistently to all the years presented unless otherwise stated.

2.2 Income

All incoming resources are included in the Statement of Financial Activities when the charitable company is legally entitled to the income, it is probable the income will be received and the amount can be quantified with reasonable accuracy. The following specific policies apply to particular categories of income:

Where donations and grants are restricted to future accounting periods, they are deferred and recognised in those future accounting periods. Grants for immediate financial support and assistance, or to reimburse costs previously incurred, are recognised immediately.

The charitable company receives government grants in respect of furthering its charitable objectives. Income from government and other grants are recognised at fair value.

Charitable activities includes commissioned work carried out by Action on Armed Violence staff and is recognised in the period along with other income.

2.3 Fund accounting

Unrestricted funds are to be used in accordance with the charitable objectives at the discretion of the Trustees.

Restricted funds are to be used for particular restricted purposes within the objectives of the charitable company. The aim and use of each restricted fund is set out in the notes to the financial statements.

Notes to the financial statements for the year ended 31 December 2017: *continued*

Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

2.4 Expenditure recognition

Expenditure is accounted for on an accruals basis with the irrecoverable element of VAT included with the item to which it relates and has been classified under headings that aggregate all costs related to the category.

Expenditure is recognised when there is a legal or constructive obligation to make payment to third parties, it is probable and the amount of the obligation can be measured reliably.

Support costs are those that assist the work of the charitable company but do not directly represent charitable activities and include office costs, governance costs, administrative and payroll costs. They are incurred directly in support of expenditure on the objects of the charitable company. Where support costs cannot be directly attributed to particular headings they have been allocated to expenditure on charitable activities on a basis constistent with the use of resources. Governance costs are those incurred in connection with the running of the charitable company and compliance with consititutional and statutory requirements.

Analysis of these costs is included in note 5.

2.5 Tangible fixed assets and depreciation

The charitable company operates a policy of capitalising fixed asset items over £1,000. Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life. The principal annual rates used for this purpose are:

Plant and machinery	4 years, on a straight line basis
Motor vehicles	4 years, on a straight line basis
Furniture and equipment	4 years, on a straight line basis

2.6 Leasing commitments

Rental charges are charged on a straight line basis over the term of the lease.

2.7 Debtors and Creditors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in a transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably, after allowing for any trade discounts due.

2.8 Foreign currency

Foreign currency transactions are initially recognised by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

2.9 Pensions

The charitable company now operates an Auto Enrolment defined contribution pension scheme. Contributions are charged to the Statement of Financial Activities as they are incurred.

2.1 Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments.
The trustees seek to use short term deposits to maximise the return on monies held at the bank and to manage cash flow.
The charitable company does not have a material holding in complex financial instruments.

3 Donations and legacies	Unrestricted	Restricted	Total 2017 £	*Total 2016 £*
Donations	2,377	-	2,377	*4,817*
	2,377	**-**	**2,377**	*4,817*

4 Income from charitable activities	Unrestricted	Restricted	Total 2017 £	*Total 2016 £*
UK	6,580	-	6,580	*229,844*
Research:				
Norwegian Funding Article 36	-	89,843	89,843	*90,720*
Joseph Rowntree Charitable Trust	-	17,914	17,914	-
	6,580	**107,757**	**114,337**	*320,564*

5 Analysis of expenditure

	Cost of raising funds	Charitable activities: UK	Charitable activities: Rest of world	Governance costs	Support costs	**2017 Total**	*2016 Total*
	£	£	£	£	£	**£**	*£*
Staff costs	4,886	80,052	-	3,157	-	**88,095**	*151,969*
Research and reports	-	25,788	-	-	-	**25,788**	-
Travel	-	12,646	-		-	**12,646**	-
Office costs	75	10,231	-	725	-	**11,031**	*26,907*
Communications	-	3,410	-	379	-	**3,789**	*42,386*
Legal and professional fees	-		-	-	10,582	**10,582**	*42,340*
Governance	-		-	4,602	-	**4,602**	*3,000*
Depreciation	-	100	-	-	-	**100**	*2,748*
Other	-	796	-	-	-	**796**	-
	4,961	133,023	-	8,863	10,582	**157,429**	*269,350*
Exchange loss	-	-	-	-	3,517	**3,517**	
Total expenditure 2017	**4,961**	**133,023**	**-**	**8,863**	**14,099**	**160,946**	***269,350***
Total expenditure 2016	-	*24,419*	*374,234*	*3,000*	*266,350*	-	*668,003*

Of the total expenditure:	**Unrestricted**	**Restricted**	**Total**
2017	£ 73,045	£ 87,901	£ 160,946
2016	£ 291,021	£ 376,982	£ 668,003

In 2017 the charitable expenditure is for research.

6 Net income for the year

The net income for the year is stated after charging:

	2017	*2016*
	£	*£*
Depreciation of tangible fixed assets owned by the Charity	100	*2,748*
Independent Examination	1,000	*3,000*

7 Staff costs

Staff costs during the year were:	2017	*2016*
	£	*£*
Salaries and wages	85,504	*151,969*
Employer's contribution to defined contribution pension schemes	2,591	*1,580*
	88,095	*153,549*

Number of employees

The average monthly number of employees during the year was:

	2017	*2016*
Charitable activities	2.25	3

There were no employees whose annual remuneration was £60,000 or more.

The key management personnel of the charitable company included the Trustees and Chief Executive Officer. Total employee benefits paid to key management personnel including NIC and pension were £63,115 in 2017 (2016: 49,800).

8 Comparative Funds - Statement of Financial Activities for the *Year Ended 31 December 2016*

		Unrestricted Funds	*Restricted Funds*	*Total Funds 2016*
Income	***Note***	***£***	***£***	*£*
Donations and legacies	***3***	*4,817*	*-*	*4,817*
Charitable activities		*-*	*320,564*	*320,564*
Investments		*20*	*-*	*20*
Other income	***4***	*63,395*	*-*	*63,395*
Total income		***68,232***	***320,564***	***388,796***
Expenditure:	***5***			
Raising funds				*0*
Charitable activities		*291,021*	*376,982*	*668,003*
Total expenditure		***291,021***	***376,982***	***668,003***
Net income/(expenditure) and net movement in funds for the year		*(222,789)*	*(56,418)*	*(279,207)*
Transfer between funds		*77,159*	*(77,159)*	
Net expenditure before other recognised gains and losses		***(145,630)***	***(133,577)***	***(279,207)***
Reconciliation of funds				
Total funds brought forward		*295,069*	*133,677*	*428,746*
Total funds carried forward		***149,439***	***100***	***149,539***

9 Tangible fixed assets

	Plant & Machinery £	Vehicles £	Furniture and Equipment £	Total £
Cost:				
At 1 January 2017	61,718	406,589	71,720	540,027
Disposals	- 61,718	- 406,589	- 70,895	- 539,202
Additions at cost	-	-		-
At 31 December 2017	-	-	**825**	**825**
Depreciation:				
At 1 January 2017	61,718	406,589	71,620	539,927
Charge for year	-	-	100	100
On disposals	- 61,718	- 406,589	- 70,895	- 539,202
At 31 December 2017	-	-	**825**	**825**
Net book value:	-	-	-	-
At 31 December 2017	**-**	**-**	**-**	**-**
At 31 December 2016	-	-	*100*	***100***

10 Debtors

Due within one year:	**2017**	***2016***
	£	***£***
VAT receivable	4,526	*1,832*
Other debtors	2,341	*34,667*
Prepayments and accrued income	23,009	-
	29,876	*36,499*

11 Creditors

Amounts falling due within one year:

	2017	***2016***
	£	***£***
Trade creditors	1,160	-
Social Security and other taxes	1,873	*2,266*
Other creditors	365	*1,671*
Accruals and deferred income	2,005	*3,674*
	5,403	*7,611*

12 Analysis of net assets between funds

	Unrestricted Funds	**Restricted Funds**	**Total Funds**
	£	**£**	**£**
Fund Balances at 31 December 2017 are represented by:			
Current Assets	91,137	19,956	111,093
Creditors: Amounts falling due within one year	(5,403)	-	(5,403)
Total net assets	**85,734**	**19,956**	**105,690**

13 Analysis of net assets between funds - comparative 2016

	Unrestricted Funds	***Restricted Funds***	***Total Funds***
	£	***£***	***£***
Fund Balances at 31 December 2016 are represented by:			
Tangible Fixed Assets	*-*	*100*	*100*
Current Assets	*157,050*	*-*	*157,050*
Creditors: Amounts falling due within one year	*(7,611)*	*-*	*(7,611)*
Total net assets	***149,439***	***100***	***149,539***

14 Funds - current year

The income funds of the charity include restricted and unrestricted funds comprising the following unexpended balances of donations and grants held on trust:

	At 01-Jan 2017 £	Incoming £	Outgoing £	Transfers between funds £	At 31-Dec 2017 £
Restricted Funds					
UK	**100**	-	(100)	-	**-**
Norwegian Funding	-	89,843	(69,887)	-	**19,956**
Joseph Rowntree Charitable Trust	-	17,914	(17,914)	-	**-**
Total Restricted Funds	**100**	**107,757**	**(87,901)**	**-**	**19,956**
Unrestricted funds:					
General funds	**149,439**	**9,340**	**(73,045)**	**-**	**85,734**
Total funds	**149,539**	**117,097**	**(160,946)**	**-**	**105,690**

Restricted Funds - description

Norweigan Funding; funding as part of a consortium bid to Norwegian People's Aid.
For AOAV it includes:

1. Monitoring and data collection for the Global Explosive Weapons Monitor
2. A research report on the reverberating effects of explosive weapons
3. A global improvised explosive device (IED) review publication
4. A process of mapping counter IED work

Joseph Rowntree Charitable Trust

Funding over a one year period to undertake an impartial, wide-ranging, thorough and in-depth investigation in order to uncover the hidden networks and relationships which have facilitated and sustained the trade in arms between the UK and multiple repressive regimes since 2010.

15 Funds - prior year comparative

The income funds of the charity include restricted and unrestricted funds comprising the following unexpended balances of donations and grants held on trust:

	At 01-Jan 2016 £	*Incoming £*	*Outgoing £*	*Transfers between funds £*	*At 31-Dec 2016 £*
Restricted Funds					
Burundi	*130,829*	*320,564*	*(374,234)*	*(77,159)*	***-***
UK	*2,848*	*-*	*(2,748)*	*-*	***100***
Total Restricted Funds	***133,677***	***320,564***	***(376,982)***	***(77,159)***	***100***
Unrestricted funds:					
General funds	***295,069***	***68,232***	***(291,021)***	***77,159***	***149,439***
Total funds	***428,746***	***388,796***	***(668,003)***	***-***	***149,539***

16 Operating lease commitments

At 31 December 2017 the total of the Charity's future minimum lease payments under non-cancelable operating leases was:

Amounts payable:	**2017**	***2016***
	£	***£***
Within 1 year	-	*5,120*
Between 1 and 5 years	-	-
Total	**-**	*5,120*

17 Related parties

There are no related party transactions to disclose for 2017 (2016: none).

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

18 Trustees

None of the trustees (or any person connected with them) received any remunerations from the charity during the year. No reimbursements were made to trustees in 2017 (2016: £74) for travelling and other expenses and no payments were made direct to third parties.

19 Pension and other post-retirement benefit commitments

Defined contribution

	2017	***2016***
	£	***£***
Contributions payable by the company for the year	2,591	*1,580*

At 31 December 2017 £nil was outstanding (2016: £nil)

20 Contingent assets or liabilities

There are no contingent assets or liabilities at December 2017 (2016:Nil).

21 Ultimate controlling party

The charitable company was under the control of the Trustees during the period under review. There is no single ultimate controlling party.