



The foundation

Life & Peace Institute

Organisation no. 817602-2302

Annual Report for 2012

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Management report

The Institute's Vision and Mission

The Life & Peace Institute (LPI) is an international and ecumenical centre for peace research and action. According to its statutes, the purpose of the foundation is *"to conduct scientific research on the questions of international conflict, and on the possibilities for collaboration among nations"*.

LPI envisions a world where peace, justice and non-violent relations prevail through people's active work and commitment.

The Mission Statement of the Institute is (Strategic Plan 2010-2016):

LPI supports and promotes non-violent approaches to conflict transformation through a combination of research and action that entails the strengthening of existing local capacities and enhancing the preconditions for building peace.

Through a combination of research and action, LPI's activities underline the importance of nonviolent conflict transformation (CT), contribute to a deeper understanding of the different causes of conflict, boast an inclusive community-based approach to peacebuilding, and foster the development of conflict preventive measures.

Organisation

An international board governs the Institute. Following a change in the statutes for the Institute the number of board members was reduced to six members and the president starting from January 2012. The board conducts at least five meetings per year to develop guidelines concerning the programmes, structure, management, research and other activities of the Institute. It also accepts the annual budget and adopts the implementation plan. The Christian Council of Sweden appoints the board for a four-year term. The membership of the board is constituted with the aim of providing balanced representation. For example, denominational membership, gender, as well as expertise within such disciplines as theology, peace and conflict studies, political science, and other relevant areas are considered.

The Executive Committee is appointed annually by the board to be of service to the board in between the board meetings, when called upon. (* *Executive Committee member*)

The new board for the period 2012-2015 was appointed in December 2011 by the Christian Council of Sweden,

LPI board members 2012

Revd. Gustaf Ödquist*	President of Board, Church of Sweden
Dr. Thomas Bamat	Senior Advisor, Catholic Relief Services, USA
Revd. Dr. Myra Blyth	Fellow and Tutor at Regent's Parks Collage, University of Oxford, England
Sr. Marie-Laure Dénès OP	Representative in the Department of Politics, Economics, Europe, French Bishops' Conference, France



Revd. Vebjørn Horsfjord* Research Fellow/ PhD, Norway

Ms Kati Jääskelainen Evangelical Lutheran Church of Finland
Ms Alice Nderitu Commissioner at the National Cohesion and Integration
 Commission, Kenya

Board member Ms Kati Jääskelainen has resigned from the board with reference to change of position in Finland, and the Christian Council of Sweden is looking for her replacement to appoint.

2012 was also the year when the International Advisory Council (the board members and additionally up to eight advisors) met for the first time in October in Nairobi. The Advisory council's function and mandate is in its making and will be further explored during the next meeting.

The Institute's head office is based in Uppsala, Sweden. There are currently three offices responsible for peacebuilding programmes in Africa: Nairobi in Kenya; Bukavu in Democratic Republic of Congo (DRC); and Khartoum in Sudan. The activities during 2012 have been carried out within six these different programmes (Ethiopia, DRC, Somalia, Sudan, a programme for Peacebuilding with regional partners and a Common programme for methodology and communication. Due to the instability in Somalia, this programme has been operating as a satellite from Nairobi since 2008 and in Ethiopia our staff has been stationed with our partners.

The Institute's policies underpin the importance of a diverse staff in terms of cultural background and expertise, in all of its various offices.

The overall responsibility for planning, coordination and administration rests with the Executive Director, who is supported in his/her work by the Senior Management Team.

Strategic Priorities

LPI focuses on three interrelated strategic priorities, seeking to implement them in a coherent and complementary way:

Civil society support and engagement

LPI supports civil society organisations with a special emphasis on faith-based organisations in their conflict transformation work, through capacity building and joint engagement in research and action.

Policy work and awareness-raising

LPI engages directly and in collaboration with others on awareness-raising and policy work. It strives to enhance awareness of civil society conflict transformation processes, as well as raise pertinent policy issues deriving from the work in the field.

Cross-fertilisation of conflict transformation theory and practice

LPI engages in knowledge transfer, and makes the conflict transformation knowledge and experiences of LPI and its partners available for peacebuilding practitioners and research



communities. At the same time, it gathers relevant theories and experiences from other contexts and organisations, and communicates them within LPI and to its partners.

Programme implementation 2012

2012 was the third year following the Board's approval of the Strategic Plan 2010-2016. The implementation of the plan is divided in two parts, 2010-2012 and 2013-2016. During 2012 LPI continued the implementation of the six different programmes and the associated focus on work on the African continent. The developments in the conflict transformation programmes focused on consolidation of the work with present partners and deepening the understanding on how and where it can be best applied. More on our work can be found on our website, www.life-peace.org and in the detailed narrative reporting for 2012. In parallel to the work the new plan for the implementation period 2013-2016 was developed and forms the basis for recourse mobilisation for the coming years.

Future Developments

The Peacebuilding with Regional Partners Programme has developed into a conflict transformation programme focusing on Kenya, and into a new programme with a regional dimension of the Horn of Africa with its main focus towards policy issues for the region.

The need for a regional view on conflict transformation in the Great Lakes, related to the LPI programme based in DRC, has been considered necessary and has been included in the implementation plan for 2013-2016.

Due to changes in the pattern of support to the LPI's programmes, some of the programmes are operationally in a transition period during 2013 and will have to adjust the original implementation plan towards the changed level of financial support.

Donors and partners

LPI would like to express its warmest gratitude for the funds received and project support from its donors. In 2012, these included:

- Swedish International Development Cooperation Agency/Sida
- Swedish Mission Council
- The Church of Sweden
- The Evangelical Lutheran Church of Finland
- The European Commission
- Bread for the World
- The Norwegian Ministry for Foreign Affairs
- Folke Bernadotte Academy
- The Belgian Ministry for Foreign Affairs
- Church collections in Swedish dioceses and parishes
- Kvinna till Kvinna, Sweden

Staff

LPI would also like to express its sincere appreciation to all its employees who have displayed continued committed and positive attitudes in sometimes demanding working conditions.



The financial development of the foundation

All figures in thousands SEK

	2005	2006	2007	2008	2009	2010	2011	2012
Income	29 354	37 604	28 420	23 309	27 635	28 352	31 121	34 178
Expenditure	29 456	37 064	28 859	24 086	27 690	28 292	30 230	33 754
Equity	1 855	2 395	2 063	1 438	1 456	1 518	2 559	2 981

Statement of Income and Expenditures	Note	2012	2011
Income			
Project grants	2	30 553	27 393
General grants	3	3 261	3 409
Collection/donations	4	364	297
Other revenues			22
Total income		34 178	31 121
Expenditures			
Appropriation of fund		-7 064	-8 244
External costs in field offices		-12 031	-8 549
Personnel costs	5, 6	-14 615	-13 393
Depreciation	7	-44	-44
Total expenditures		-33 754	-30 230
Operating income		424	891
Other Financial cost			
Exchange differenses		-67	
Interest income		65	150
Total Financial cost		-3	150
Net result for the year		422	1 041

Balance sheet	Note	2012	2011
Assets			
Fixed assets			
Tangible fixed assets			
Equipment	7	59	103
Total fixed assets		59	103
Current assets			
Current receivables			
Receivable funds	8		259
Current receivables		203	116
Prepaid expenses and accrued income	9	456	165
Total		658	540
Cash and bank balances		18 007	14 748
Total current assets		18 665	15 288
Total assets		18 725	15 391
Equity and liabilities			
Equity			
Capital at the beginning of the year		2 559	1 518
Net result for the year		422	1 041
Total equity		2 981	2 559
Provisions	10	2 419	2 568
Current liabilities			
Account payable-trade		164	224
Other current liabilities		912	62
Grant, periodized and/or subject to refunding	2	10 432	8 710
Accrued expenses and deferred income	11	1 817	1 268
Total current liabilities		13 326	10 264
Total equity and liabilities		18 725	15 391
Pledged assets		none	none
Contingent liabilities		none	none

Note 1 Accounting and valuation principles

Amount in 1.000 SEK

Accounting Principles

The annual report has been prepared in accordance with the Swedish Annual Accounts Act and the general recommendation of the Swedish Accounting Standards Board.

Receivables

Receivables are recorded with the amount that after an individual evaluation is expected to be paid.

Foreign currency

Receivables and payables in foreign currency are recorded at the closing day rate.

Fixed assets

Depreciation of fixed assets is calculated on the original acquisition values based on the expected economic life of the assets. Computers are depreciated over 3-5 years and other inventory over 5-10 years.

Inventory, machinery and other equipment bought in projects are debited at time of purchase.

Interest

Interest credited donors is accounted directly as debt and is not booked on the statement of income and expenditure.


Revenue recognition

Revenue is recognized to the actual value of the consideration received or receivable.

Gifts and donations are income obtained without agreement with the donor and where the donor does not require formal reporting.

Grants are income as a result of a contract and the donor usually requires some form of feedback

Gifts are usually recorded on a cash basis. To the extent that there are promises known at the balance sheet date of grants/gifts, they are recognized after individual assessment.

The project grants include grants that are destined for specific programs / projects and associated with a condition requiring repayment obligation if the condition is not met. 

The other contributions include contributions that are not bound to specific programs / projects.

Revenue recognition of grants is made when the foundation with reasonable certainty determines that repayment will not happen.

No grants are netted against expenses.

Provisions

The provisions referred to are obligations on the balance sheet date that is certain or likely to occur but uncertain in amount or to the time when they are realizable *WV*

Note 2 Project grants	2012	2011
Used project grants during the year		
Belgian Ministry of Foreign Affairs	175	640
Bread for the World, Germany	395	311
Dag Hammarskjöld foundation, Sweden		101
EU	1 554	1 316
UN Pooled Fund, DRC		129
Folke Bernadotte Academy, Sweden	324	221
Norwegian Church Aid		98
Norwegian Ministry of Foreign Affairs	2 275	2 368
Swedish International Development Coop Agency, Sida	23 981	21 138
Church of Sweden, International departement	800	800
Swedish Mission Council	923	114
Swiss Ministry of Foreign Affairs		139
Other income	126	18
Total	30 553	27 393
Balanced grants and grants to be repaid		
Belgian Ministry of Foreign Affairs	2 719	
Folke Bernadotte Academy, Sweden		204
Norwegian Ministry of Foreign Affairs		2 275
Swedish International Development Coop Agency, Sida	4 155	5 651
Bread for the World, Germany	327	374
Swedish Mission Council	877	
EU	960	
Kvinna till Kvinna, Sweden	1 017	
Grant to repay	377	206
Total	10 432	8 710
Project grants have been used for		
Peacebuilding with Regional partners	-4 039	-3 491
Somalia programme	-9 279	-7 261
Ethiopian programme	-2 454	-2 402
DRC programme	-9 074	-8 908
Sudan programme	-3 249	-2 605
Common programme activities	-2 836	-2 823
Total	-30 931	-27 489

Note 3	General grants	2012	2011
	Swedish International Development Coop Agency, Sida	2 778	2 778
	Church of Sweden	300	300
	Swedish Mission Council	144	
	Norwegian Church Aid		312
	Folke Bernadotte Academy, Sweden	21	
	Evangelical Lutheran Church of Finland	18	19
	Total	3 261	3 409

Note 4 **Collection/donations**

	National collections, Church of Sweden	328	238
	Other collection/donations	37	59
	Total	364	297

Note 5 **Salaries and other remuneration by country**

Salaries and other remuneration by country

Sweden			
	Executive Director	621	613
	Other employees	3 868	3 892
Ethiopia			
	Employees	710	1 098
Kenya			
	Employees	3 168	1 967
DRC			
	Employees	1 672	1 902
Sudan			
	Employees	1 170	1 011
	Pension costs	884	936
	Social costs	1 585	1 623
	Total salaries and remunerations	13 679	13 042
	Other personnel costs	936	351
	Total personnel costs	14 615	13 393

Note 6 Average number of employees per country

	2012		2011	
	Employees	Where of men	Employees	Where of men
Sweden	12	5	13	4
Ethiopia	2	1	2	1
Kenya	15	10	9	5
DRC	12	8	11	7
Sudan	8	4	8	4
Total	49	28	43	21

Note 7 Equipment

	2012	2011
Opening acquisition costs	447	447
Change during the year		
Purchase		
Closing accumulated acquisition cost	447	447
Opening depreciation	-344	-300
Changes during the year		
Depreciation	-44	-44
Closing accumulated depreciation	-388	-344
Closing residual value according to plan	59	103

Note 8	Receivable funds	2012	2011
	Bread for the World		259
	Total		<u>259</u>

Note 9 Prepaid expenses and accrued income

Prepaid rent	187	98
Preliminary taxes		7
Other items	269	61
Total	<u>456</u>	<u>166</u>

Note 10 Provisions

Provision for severance payments in Sudan	27	
Reserve remaining expenses in connection with closed project in Nairobi	903	905
Provision estimated taxes employees abroad	1 489	1 663
Total	<u>2 419</u>	<u>2 568</u>

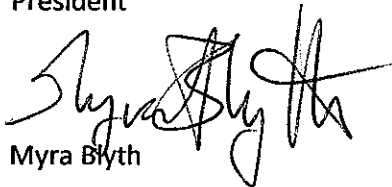
Note 11 Accrued expenses and deferred income

Accrued holiday pay including social fees	513	456
Other items	1 304	813
Total	<u>1 817</u>	<u>1 269</u>

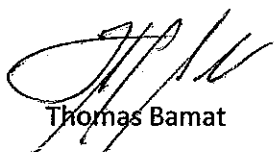
Uppsala 2013-05-23



Gustaf Ödquist
President



Myra Blyth



Thomas Bamat



Vebjørn Horsfjord



Marie-Laure Dénès Op



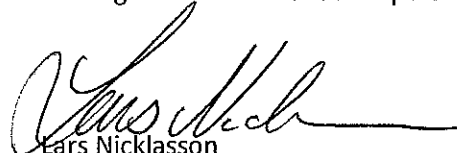
Alice Nderitu

Our audit report was submitted 2013-06-30

Öhrlings PricewaterhouseCoopers AB



David Axelson Fisk



Lars Nicklasson
Authorised Public Accountant

Auditor's report

To the Board of Directors of Stiftelsen Liv & fredinstitutet
corporate identity number 817602-2302

Report on the annual accounts

We have audited the annual accounts of Stiftelsen Liv & fredinstitutet for the year 2012.

Responsibilities of the Board of Directors for the annual accounts

The Board of Directors are responsible for the preparation and fair presentation of these annual accounts in accordance with the Annual Accounts Act, and for such internal control as the Board of Directors determine is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on the annual accounts based on our audit. We conducted our audit in accordance with generally accepted auditing standards. For the Authorized Public Accountant this implies that the audit has been conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. Those standards require that the Authorized Public Accountant comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the annual accounts are free from material misstatement

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual accounts. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the annual accounts, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the foundation's preparation and fair presentation of the annual accounts 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 foundation's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors, as well as evaluating the overall presentation of the annual accounts.

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

Opinions

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the foundation as of 31 December 2012 and of its financial performance for the year then ended in accordance with the Annual Accounts Act.

Report on other legal and regulatory requirements

In addition to our audit of the annual accounts, we have also examined the administration of the Board of Directors and the Executive Director of Stiftelsen Liv & fredinstitutet for the year 2012.

Responsibilities of the Board of Directors and the Executive Director

The Board of Directors and the Executive Director are responsible for the administration according to the Foundations Act and the Foundation's Regulations

Auditor's responsibility

Our responsibility is to express an opinion with reasonable assurance on the administration according to the Foundations Act and the Foundation's Regulations based on our audit. We conducted the audit in accordance with generally accepted auditing standards in Sweden.

As a basis for our opinion on the Board of Directors' and the Executive Director' administration, in addition to our audit of the annual accounts, we examined significant decisions, actions taken and circumstances of the foundation in order to determine whether any member of the Board of Directors or the Executive Director are liable for damages to the foundation or whether just cause for dismissal exists for any member of the Board of Directors.

We also examined whether any Board member or the Executive Director has, in any other way, acted in contravention of the Foundations Act, Foundation's Regulations or the Annual Accounts Act.


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

Opinion

In our opinion the members of the Board of Directors or the Executive Director have not acted in contravention of the Foundations Act or the Foundation's Regulations or the Annual Accounts Act .

Uppsala 2013-06-30


David Axelson-Fisk

Öhrlings PricewaterhouseCoopers AB

Lars Nicklasson
Authorized Public Accountant