



WAR ON WANT
(A Company Limited by Guarantee)

Registered Charity Number: 208724
Registered Company Number: 629916

REPORT AND ACCOUNTS
FOR THE YEAR ENDED

31 MARCH 2008

War on Want

Annual Report and Financial Statement for the year ended 31 March 2008

The Council of Management are pleased to present their report together with the audited financial statements of the charity for the year ended 31 March 2008.

Legal and administrative details

Charity number: 208724

Company number: 629916

Registered Office and operational address: Development House,
56-64 Leonard Street, London,
EC2A 4LT

Honorary President: Rodney Bickerstaffe

Honorary Vice Presidents: Rt Hon Lord Hattersley of Sparkbrook
Lady Mary Wilson

Directors and trustees:

The directors of the charitable company (the charity) are its trustees for the purposes of charity law and throughout this report are collectively referred to as the Council of Management.

The trustees serving during the year and subsequently were as follows:

Trustee	Changes since 1 April 2007	Finance & Resources Committee
Pat Ingram	Stood down 16.06.2007	
Niaz Alam	Stood down 16.06.2007	
Martin Hughes	Re-elected 21.06.08	
Peter Coleman		✓
Sue Branford Chair		✓
Alexander Boyle		✓
Michael Hindley		
Yasmin Khan	Re-elected 21.06.08	
Mark Luetchford	Stood down 21.06.08	
James O'Nions Vice Chair		
Jenny Ricks	Stood down 21.06.08	
Toby Shelley	Stood down 21.06.08	
Nicholas Dearden Treasurer		FRC Chair
David Spooner Vice Chair		
Paul Moon	Elected 21.06.08	
David Hillman	Elected 21.06.08	
Polly Jones	Elected 21.06.08	

Company Secretary

Benedict Birnberg

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Senior Management Team:

John Hilary	Executive Director (from April 2008) Campaigns and Policy Director (until April 2008)
Ruth Coles	Finance and Administration Director
Guillermo Rogel	International Programmes Director (until June 2008)
Graciela Romero Vasquez	International Programmes Director (from August 2008)
Stefanie Pfeil	Fundraising Director
Ruth Tanner	Campaigns and Policy Director (from August 2008)

Auditors:

Kingston Smith LLP
Devonshire House
60 Goswell Road
London, EC1M 7AD

Bankers:

Unity Trust Bank plc
Nine Brindleyplace
Birmingham B1 2HB

Bank of Scotland
600 Gorgie Road
Edinburgh EH11 3XP

The Co-operative Bank
PO Box 101
1 Balloon Street
Manchester M60 4EP

National Westminster Bank
PO Box 35
15 Southwark Street
London SE1 1TT

Structure, governance and management

Governing document

War on Want is a charitable company limited by guarantee, incorporated on 8 June 1959 and registered as a charity on 22 September 1962. The company was established under a Memorandum of Association, which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the charity being wound up members are required to contribute an amount not exceeding £10.

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Appointment of the Council of Management

The directors of the company are also charity trustees for the purposes of charity law and under the company's Articles are known as members of the Council of Management. Under the requirements of the Memorandum and Articles of Association the members of the Council of Management are elected to serve for a period of three years, after which they must be re-elected at the next Annual General Meeting. Any member of the charity is eligible for election to the Council of Management and members are actively encouraged to serve in this capacity.

Trustee Training and Induction

Our trustees are elected from our membership. When new trustees are elected they are given an introduction to the work of the charity and provided with the information that they need to fulfil their roles, including information about the role of trustees and charity law. New trustees attend an induction meeting prior to their first attendance of a Council of Management meeting.

Organisational Structure

The Council of Management, which can have up to 12 members, administers the charity. The Company Secretary also sits on the Council, but has no voting rights. The Council meets quarterly, and there is one sub-committee, the Finance and Resources Committee, which meets prior to each Council meeting. There is also a governance working group which has been charged with reviewing the charitable objectives and the trustee induction and training plan. In addition lead trustees are appointed for each area of the charity's work and these trustees meet with the relevant directors and staff members on a regular basis. An Executive is appointed by the trustees to manage the day-to-day operations of the charity and is assisted in this role by the other members of the Senior Management Team.

Risk Management

Trustees continue to monitor the strategic risks facing the organisation. These risks are grouped under five risk areas:

1. Reputational risk
2. Regulatory risk
3. Financial risk
4. Legal risk
5. Risk of ceasing to be a going-concern

Each area further identified specific risks together with the control measures in place to mitigate these risks.

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Objectives and activities

Objects

The objects of the charity are:

1. To relieve global poverty however caused through working in partnership with people throughout the world
2. To promote human rights (as defined in the Universal Declaration of Human Rights and subsequent United Nations and International Labour Organisation conventions and declarations) and, in particular, such human rights which contribute to the relief of global poverty by all or any of the following means:
 - 2.1 monitoring abuses of human rights,
 - 2.2 relieving need among the victims of human rights abuse
 - 2.3 promoting respect for human rights among individuals and corporations
 - 2.4 raising awareness of human rights issues
3. To advance the education of the public into the causes of poverty and the ways of reducing poverty by conducting research and publishing and disseminating the findings of such research

Vision and Mission

War on Want fulfils its objects through pursuing its organisational vision. War on Want's vision is:

A world free from poverty and oppression, based on social justice, equality and human rights for all

War on Want's mission statement sets out the ways in which we work towards our vision:

To fight global poverty by working in partnership and solidarity with people around the world, and by campaigning against the root causes of poverty, inequality and injustice

Activities

The principal strategies employed to assist War on Want in delivering our mission are:

- Understanding 'poverty' not just in narrow economic terms, but also in the wider context of social, political and economic justice.

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- Raising awareness of issues of social, political and economic justice with the general public and seeking to influence global institutions, transnational companies, governments and other opinion formers as a result.
- Working directly with grassroots organisations in the developing world, thus enabling people in poverty to solve their own problems and supporting them in their peaceful pursuit of basic rights and a fairer world.
- Adopting a thematic approach to both our Campaigns and our Programmes work, ensuring that we focus on our areas of expertise.
- Building our research and policy capacity, enabling us to speak with authority on matters that concern us.
- Working within European and global coalitions of like-minded organisations where appropriate, in order to increase the reach of our influence.
- Working with trade union organisations, both in the UK and internationally.
- Raising awareness with the general public through the media, especially the mainstream press and television.

We continue to work in our thematic strands identified in previous Trustees' Reports. In our International Programmes, these thematic strands are **Sweatshops & Plantations**, **Food Justice**, **Informal Economy** and **Conflict Zones**:

Sweatshops & Plantations: helps sweatshop & plantation workers gain job security, safer working conditions and a living wage.

Food Justice: helps rural people stand up against unfair landlords, evictions, low wages and landlessness. We support rural workers in their struggle to obtain education and to gain the skills needed to press for better working conditions.

Informal Economy: focuses on workers who scrape a living outside of formal economic structures. Millions of people around the world work as street vendors, rubbish collectors or home workers and are afforded little protection and few legal rights. We support informal economy workers in improving their working conditions, claiming their rights and in representing their cause to the public authorities in their own countries.

Conflict Zones: supports organisations working around the world to challenge the threats of violence or displacement because of war or local unrest.

War on Want does not have overseas branches or offices but works only with local organisations. We do not accept unsolicited projects, but engage in partnerships with organisations that share our values and objectives and have appropriate accountability

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systems in place. We aim to develop long-term partnerships which are rooted in common aims and mutual respect, rather than short-term funding led arrangements.

In Campaigns, our two main thematic strands are **Global Justice** and **Economic Justice**:

Global Justice: looks at the links between conflict and poverty, and the influences of the West on conflicts in the developing world. Our main campaign strand during the year has been the EU-funded 'Corporations and Conflict' campaign, challenging global corporations that profit from conflict in developing countries.

Economic Justice: works on the impact of global economic and political structures in developing countries. Our main campaign within this strand during the year has been the 'Corporate Accountability' campaign, examining the impact of global corporations on the workforce in developing countries, which was funded by the EU until 20 August 2007 and from War on Want's own funds for the remainder of the year.

War on Want's ability to undertake these activities is heavily reliant on the support of volunteers, who raise funds for us in a variety of ways and assist paid staff in all departments. We also rely on our members' commitment to our campaigns and programmes work. The trustees would like to take this opportunity to thank both our volunteers and our members for their vital contribution to our work.

Achievements and performance

In the 2006/07 Trustees' Report, the section 'Plans for future periods' listed the overarching goals of our current strategy. These goals give direction to the work of our four departments and from this year, we will be reporting on our achievement and performance under these strategic goals and the relevant objectives and actions to deliver these goals. Encouraging and developing working across departmental lines is a key element in our strategy and, therefore, the report on our activities is not specifically organised on departmental lines since all departments have contributed to their delivery.

Strategic Goal I: Building organisational capacity

Developing our strategic and operational planning, including forecasting and monitoring systems

The development of our strategic and operational planning will be included as part of the design of the new Strategic Plan in for the period of 2010 onwards (see Plans for 2008/09). The improvement of financial and fundraising forecasting is on-going. The evaluation in 2009 will give enable War on Want to develop base line indicators for improved future monitoring.

Developing the skills of our people, staff, trustees and volunteers

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Two cross-organisational training courses have been run in 2007/08 on time management/planning and public speaking. This has proved to be both cost effective and assists with cross-departmental working. A new trustee induction programme is in place and a new in-house training session on events for volunteers and staff is proving highly effective, increasing the number of sign-ups.

Increasing co-ordination of work between the departments

Co-ordination between departments has been increased through the production of reports and publications based on partner research and due to the changes to our regular supporter newsletter Up Front, which uses one topic per issue to unite the work of Campaigns and Programmes. This unified presentation allows supporters to gain an understanding of the depth of our work from our partnerships overseas to the UK campaigning issues.

Developing departmental capacity across the organisation

War on Want has developed departmental capacity to cover its core work across the two operational departments and fundraising over the last two years. This was completed in 2007/08 and it is not anticipated that any new core posts will be added during the period of this strategy.

Strategic Goal 2: Strengthening our brand and our reputation

Strengthening War on Want's brand and reputation continues to be a priority for the organisation, both in order to enhance our fundraising potential and to increase the direct impact of our work. In line with our strategic objectives under this goal, we have developed a greater professionalism across the organisation in respect of our brand guidelines, ensuring that all staff are conscious of the importance of presenting War on Want correctly in the external environment. This includes the introduction of a style guide to ensure consistency along with greater internal discussion of policy positions and developments, all on the understanding that better internal communication amongst the staff will lead to better external communication of War on Want's unique contribution in the fight against global poverty.

One of the principal means for meeting the goal is our continuing presence in the media. Over the past year War on Want has featured extensively in the national press and online media, as well as on television and radio, and we are now firmly established as a trusted and valued source of news and comment. The media remains a key multiplier in our attempts to strengthen both brand and reputation, and recent studies have held up War on Want's success in this regard as a model for others to follow.

War on Want also continues to reach out to new audiences through a broad range of activities and channels. During the past year we developed our youth activist network further by participating in music festivals, student fairs and other youth-oriented events across the UK, engaging young people's interest in our Campaigns and in our Programmes overseas. We have continued to expand our range of materials aimed at building this activist base, and have developed a good range of T-shirts, badges, posters and other merchandise with messages to appeal specifically to young people.

We also extended our work with schools by holding a series of talks on the issues we work on and making our material available to students and teachers alike. We maintained our strong presence at trade union conferences over the year in order to build the War on Want brand among our trade unionist supporter base, and we continue to prioritise our

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links with the trade union movement across both our Campaigns and our international Programmes work.

War on Want also used its events programme to spread its message to new audiences. We held a photo exhibition in both London and Brighton on the hardship facing workers in the informal economy in Zambia, which saw over 1,000 visitors. War on Want's publication of a graphic novel on the corporate exploitation of Iraq was also a step to engage new audiences, and the launch event for that publication held at the Institute of Contemporary Arts was sold out. We held a comedy night at London's Shepherds Bush Empire in February 2008 that raised thousands of pounds through the contribution of major talents such as Bill Bailey, Lee Mack, Armstrong & Miller and Shazia Mirza as well as gaining extensive press coverage and bringing the War on Want name to many new people.

We have widened our range of communications tools and now utilise social networking sites such as Facebook, MySpace and YouTube on a regular basis, which enables War on Want to get in touch with audiences that were previously out of reach. We have also started to feature blogs on our website to attract more regular visitors, as well as producing a number of short films that can be downloaded from our website for use in talks and debates. This development of our online presence has increased the number of referrals to the War on Want website, bringing hundreds of new visitors each month. The number of sign-ups to our monthly email newsletter has also increased by more than 2,000 during the year, enabling us to develop long-term relationships with our supporters through regular communications. We make all our research, media releases and information freely available for download on our website, including updates on our international programme partners. We undertake regular evaluation of user-friendliness and content in order to ensure the topicality and attractiveness of the site.

Strategic Goal 3: Strengthening sustainable and effective partnerships in the South within our thematic approach

Contributing to building partner organisations' capacity

The core work of the International Programmes department is building the capacity of local organisations to lead in their struggle for social justice. In 2007/08 we contributed to empowering our partner organisations across the world:

- The Anti-Privatisation Forum (APF) has played a major part in putting forward a case in the Johannesburg High Court that challenges the constitutionality of the instalment of pre-paid water meters in areas of Johannesburg. The court case was heard between 3 and 5 December 2007 (and won on 19 February 2008, preventing the Johannesburg Council from evicting tenants from inner city residences unless alternative accommodation is provided).
- The International Day of Flower Workers in Colombia on 14 February 2008 was a huge success. Hundreds of women flower workers and members of the communities came together to celebrate and to raise awareness about the need to improve working conditions in the flower sector. In May 2007 Cactus and the trade union Untraflores participated in the Ethical Trading Initiative forum on the Colombian flower industry alongside representatives from the TUC, IUF, Tesco, M&S, Flamingo Flowers and World Flowers. It was an important platform to discuss working conditions for the flower sector in Colombia.

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- Stop the Wall held demonstrations on the streets of Ramallah, Hebron, Tulkarem, Nablus and Gaza around the time of the Annapolis conference and mobilised students and other activists as an expression of the voices raised against Annapolis. In Annapolis, neither the issues of Palestinians within the Green Line, nor the right of return, nor the siege of Gaza were on the agenda. The Stop the Wall demonstration called for the upholding of the fundamental principles: the right of the refugees to return, the right to Jerusalem as the Palestinian capital, and the right to their land.
- Internal displacement in Colombia is driven by illegal armed groups with the aim of controlling land and natural resources. Caught in the cross fire are Afro-Colombian communities who constitute the large majority of the internally displaced people in Colombia. To raise public awareness and to eradicate harmful crops such as coca, the Communitarian Councils of Palenque el Congal, have mobilised their members along the Yurumangui River and other areas in the Valle de Cauca department.

Promoting alliances and learning among partner organisations

War on Want believes that fighting for global justice can only be done by building global alliances. In 2007 we actively arranged for voices of the south to be heard in the north as well as for South-South exchanges.

- Palestinian partners' concerns were discussed at an advocacy strategy meeting of the UK Palestine Platform, a coalition of UK-based NGOs working in Palestine. Key advocacy points were agreed to feed into meetings with the Foreign Office and other government officials about the need to increase movement and access in Gaza and West Bank.
- As part of our building of South-South alliances, we supported an exchange trip by MONLAR (Movement for National Land and Agricultural Reform) in Sri Lanka to India. Examples of organic product certification, especially group certification for local organic producers, were reviewed.
- A documentary (Raimunda) about the life of the women babaçu breakers in Brazil (MIQCB) was shown at the Latin American Film Festival in London.
- In April 2007, renowned South African photographer Paul Weinberg visited Zambia for War on Want to document the work of market vendors and street traders in Lusaka and Kitwe, as well as to make the work of informal economy organisations visible. The photos were exhibited in The Spitz gallery in Spitalfields Market from 19-30 July 2007 and the exhibition entitled *Trading Place: Life in the markets of Zambia* was opened by our AZIEA partners. The exhibition is part of the Decent Work, Decent Life campaign. Two representatives from the Alliance for Zambia Informal Economy Associations (AZIEA) visited London in June-July 2007 and attended a range of trade union conferences and the opening of War on Want's photo exhibition on the informal economy in Zambia on 19 July 2007. The exhibition attracted around 300 visitors and was also shown in a gallery in Brighton during the annual conference of the Trade Union Congress (TUC) in September 2007. The specific aim of the exhibition was to raise more awareness of the plight of informal economy workers in Zambia among British trade unions, and to create more solidarity among British workers for informal workers in Zambia. The War on Want photo exhibition was

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preceded by a seminar on the challenges of organising in the informal economy in Shoreditch Town Hall on 19 July 2007.

- Wendy Pekeur of South African partner trade union Sikhula Sonke visited War on Want in May 2007 and provided important information for our campaigns work.

Ensuring funding is available for long-term commitments

Commitment and hard work goes a long way if well funded. At War on Want we actively fundraise to support the work of our partner organisations.

- Several proposals were submitted to a variety of institutional donors to support the work of a range of War on Want partners. These included projects for Sikhula Sonke (South Africa) submitted to Comic Relief, Unac (Mozambique) and NGWF (Bangladesh) submitted to Irish Aid, Nomadesc (Colombia) and AZIEA (Zambia) to DFID. We have succeeded with some of them (NGWF & Sikhula Sonke), others were rejected (Nomadesc). Other proposals, submitted in 2006, were started in 2007/08 (Kewwo in Kenya and Nupaw in Zambia) by Comic Relief.
- War on Want started to develop a new partnership with KENASVIT, the Kenya National Alliance of Street Vendors and Informal Traders. It is a national organisation formed to represent street vendors' and informal traders' interests in Kenya. KENASVIT was formed at a National Street Vendors' Conference organised in October 2003 by participants from Kisumu, Mombasa, Nakuru, Eldoret, Machakos and Nairobi. War on Want invited Mike Chungu from the Workers' Education Association Zambia to represent War on Want during the first Annual General Meeting of the KENASVIT.

Developing advocacy with partners

Many of the hardships of the people in the South are related to decisions made in the North. It is crucial to raise awareness and campaign not only in the South but also in the UK and Europe on behalf of southern partners.

- In Brazil, the Babaçu Women's Movement (MIQCB) had a Public Audience with MPs in the Federal Congress in July as part of an advocacy campaign to protect the rain forest. As a result, later in the year a new Law (231/07) was approved that would ensure free access to babaçu palm trees to the women and would prohibit the cutting down and burning of the palm.
- For the first time, the Inter-American Commission on Human Rights (IACHR), an independent body of the Organisation for American States (OAS) headquartered in Washington DC, agreed to hear complaints of human and labour rights abuses from garment workers in Honduras. CODEMUH (the Collective of Honduran Women), War on Want's partner in Honduras, formed part of the Honduran delegation at the meeting on 18 July 2007.

Ensuring that research strengthens partners' capacities and consolidates our programme expertise

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Advocacy activities are more effective when based on fact based research. War on Want is fully engaged in producing research to contribute to our partners' Campaigns and activities.

- A research report was produced by IEED commissioned by War on Want on the purchasing practices of South African wine by UK supermarkets. It helped Sikhula Sonke in their engagement and negotiation with South African wine farmers who are squeezed out by UK supermarket purchasing practices.
- Cactus completed research looking at workers' rights violations in flower farms in Colombia, and it was incorporated into a War on Want report on the Colombian flower industry. The report was also launched in the UK and in Colombia to raise awareness of the Colombian working conditions to UK supermarket and the general public.
- In July 2007 War on Want also launched a new research report entitled *Time for a new deal: social dialogue and the informal economy*. The report assesses the current state of social dialogue in the informal economy in Zambia. It argues that with the growing informalisation of labour and the changing nature of work in the context of globalisation, new forms of social dialogue and collective bargaining need to be developed that can incorporate new types of workers such as street traders and market. This research report was part of a bigger research project coordinated by Solidar in connection with their *Decent Work, Decent Life* campaign' which looks to improve working conditions worldwide.

Strategic Goal 4: Increasing the profile and effectiveness of our Campaigns

The primary objective under this strategic goal is to deliver the creative, cutting-edge Campaigns for which War on Want is famed. During the year we continued to work on our two EU-funded Programmes of corporate accountability, in its third and final year, and 'corporations and conflict', in the second of its three years. We also took part in a number of joint initiatives with our programme partners and other allies from around the world.

We brought our corporate accountability programme to completion by launching a new campaign on tax justice, which we will continue into subsequent years in conjunction with other organisations in the UK and abroad. The campaign focuses on the vast sums which could be raised in developing countries if multinational companies were required to pay in full the tax they owe, and the huge development gains which could result from such sums being made available to national exchequers. Following on from our success of the previous year over the new Companies Act, we continued to campaign on mechanisms for corporate accountability through our membership of the CORE corporate responsibility coalition, and we will maintain that connection actively in the years to come.

The second year of our campaign on corporations and conflict focused on the role played by British mining companies in conflict situations, especially the increase in poverty and human rights crisis where local communities rise up in resistance to their presence. At the same time, we continued to campaign for legislation on private military and security companies operating in countries such as Iraq and Afghanistan, and secured widespread parliamentary support and media coverage for our concerns. These Campaigns themes link up well with War on Want's ongoing Programmes in conflict zones, which is another important strategic objective in itself.

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We also worked to develop our Campaigns capacity, both by expanding our own supporter base and also by deepening our ties to other groups. In addition to the initiatives described above with youth activists through music festivals and student events, we launched a range of Campaigns materials aimed at younger audiences including stickers, badges, temporary tattoos and a graphic novel on the corporate takeover of Iraq. We have expanded our Campaigns presence on many of the online networking sites now used by younger people, and continue to see more and more new supporters drawn to us via these channels.

We launched a number of Campaigns activities to reach out to trade unions during the year. We signed an important memorandum of understanding with the public sector union PCS to formalise our ongoing collaboration into the future, and we look forward to implementing this during the years to come. We continued throughout 2007 as part of the Enough! coalition to mark the 40th anniversary of the Israeli occupation of the Occupied Palestinian Territories, working with trade unions, faith groups and solidarity organisations to stage the national demonstration and rally in Trafalgar Square in June and the lobby of parliament for Palestine in November. We also joined forces for the first time with the 1990 Trust and Operation Black Vote in the launch of their Equanomics tour in August 2007 with the Reverend Jesse Jackson, taking the message of global economic justice to black and minority ethnic audiences in the UK.

The media acts as a crucial multiplier in terms of our Campaigns outreach, and we have seen another spectacular year for our profile across print and broadcast outlets alike. Building on previous success with our research into workers' rights in factories and farms supplying British supermarkets from developing countries such as Bangladesh, Kenya and Colombia, we worked with the *Guardian* to expose the continuing exploitation of labour in India and more broadly in a succession of front-page splashes. These were followed up with a six-page special report in the *Independent* on 'the real cost of fast fashion', plus further coverage in titles such as the *Daily Mail*, *Scotsman* and fashion weekly *Grazia*, and an appearance as expert witness on BBC Radio 4's *Moral Maze*. We carried our campaign to the heart of the British retail sector when we challenged Tesco's AGM to vote in favour of fair treatment for workers in developing countries, and this also won us major media exposure.

We also continued to expose the reality behind corporate rhetoric from companies profiting from conflict. Our call for legislation to control private military and security companies working in countries such as Iraq and Afghanistan generated significant exposure, as did our new research into the complicity of British mining companies in the human rights crises facing local communities protesting against their presence. We now attract regular media interest for our views across the entire global justice agenda, and we know that this interest in turn generates more public support for War on Want's work.

In addition to reaching out to new audiences, improving care of existing supporters is another key objective of our strategic plan. We have redesigned our newsletter *Up Front* so that it can now be posted out on a bi-monthly basis to all members and regular donors, and we have continued to make improvements to the monthly email update we send out to a broader base of supporters. We conducted another survey during the year to ask what our supporters valued and what they wished to see improved in our communications, as part of our continuing desire to enhance the experience of being part of War on Want. We will endeavour to take into account all the feedback we received, but we were heartened to learn that nine out of 10 respondents feel we are getting it 'about right' with the amount of information we now send them.

Finally, in respect of securing the sustainability of our Campaigns programme into the future, we succeeded in obtaining two new grants from the EU to fund our economic justice campaigning until 2011. Despite massive oversubscription in the number of proposals, both

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of War on Want's applications were successful in being awarded grants: a three-year campaign to raise awareness of the need for decent work in the supply chains producing goods for sale in our supermarkets, and a three-year campaign to expose the employment problems caused to working men and women as a result of trade agreements which favour neoliberal economic models over more balanced forms of trade policy. We were pleased that the EU has recognised the importance of War on Want's Campaigns through awarding us these moneys on top of its previous grants to us, and we will now seek to secure the matched funding necessary to complete the Programmes.

Strategic Goal 5: Strengthening our financial position so as to ensure War on Want's sustainability

Increasing unrestricted income from our regular donor base

In 2007/08 we have undertaken a review of our fundraising which identified a number of quick steps to secure our major unrestricted income stream. We have made improvements to our in-house systems to improve data management, which helped us combat donor attrition and provided cost savings. We worked with an outside agency to contact our donors to increase the amount of individual donations. We have conducted regular appeals, both directly and by insertions in niche publications, targeting both our regular donors and a wider audience and we have continued to ensure strong recovery of Gift Aid to boost our overall donations.

Our work with young people is extremely important to our profile and therefore both our campaigning and fundraising work, allowing us to establish a base of supporters to take us forward. Two particular areas of focus allow us to reach out and make these contacts: our strong presence at events and music festivals and our website. Our online recruitment continues to grow and is proving the most cost efficient method of raising funds. Our sign-ups at events provide us with a growing list of supporters and potential donors. 2008/09 will see significant work to contact these supporters to persuade them to become members of War on Want.

Developing our relationship with trusts and foundations

Whilst War on Want has previously obtained funding from trusts and foundations, we have now introduced a more strategic approach to sourcing matching funds for institutional grants from these sources. This has involved developing new systems and procedures, to work with both Programmes and Campaigns and to make systematic approaches to targeted trusts. We have made a significant number of first approaches to organisations that have not previously worked with War on Want and look forward to future productive working relationships.

Taking an organisational approach to institutional funding applications

As part of increasing our cross-departmental working, fundraising has been key in establishing co-ordination and co-operation across the organisation for applications to institutional funders. Improving our work to obtain external matching funds has involved fundraising in all application to institutional donors where a matching contribution is required.

Maintaining space and resources to undertake new fundraising ideas

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Developing and testing new fundraising tools is essential to ensure that fundraising continues to deliver in a changing world. In 2007/08 we tested sending emails with embedded video and we continue to develop our website as both a fundraising tool to solicit donations and as a powerful communication tool for all our supporters.

Managing existing financial assets effectively

War on Want continues in its prudent approach to securing and maintaining the charities assets. As a result of this approach, the charity is well placed to weather the current financial crisis.

External factors affecting achievement

Funding environment

There are a number of factors in the funding environment that either currently affect our achievement or have the potential to do so:

- There is limited funding available for international development;
- Few funders are able to provide funding at the level needed for medium- to long-term projects, especially projects overseas;
- The highly competitive environment for those funds requires significant staff time to secure funding agreements for overseas and campaigning projects;
- Projects are not funded on a 'full cost recovery' basis and therefore require subsidies from unrestricted funds;
- There is a failure to understand the true costs of running a charity with the current, justified, requirements for increasing professionalism, transparency and accountability

War on Want will continue to submit applications to statutory funders, but will also explore new funding options for both restricted and unrestricted funds. We will develop full cost recovery budgets for each project and proposal even where full costs are unlikely to be recovered.

External perception

Although War on Want is not a large charity, our external relations work, especially the success of our campaigning work, can result in an external perception of the charity that is not wholly accurate. This affects our achievement in a number ways:

- An assumption that the charity is larger than it is and therefore has a secure unrestricted income base;
- The perception that we are principally a campaigning organisation with the majority of our work based in the UK;

War on Want continues to develop and strengthen its communications content through the website and Up Front, our regular supporter newsletter. We have significantly improved the visibility of our partners and promoting our Programmes work is a key element of our on-going communications strategy.

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Plans for 2008/09

Overarching plans

The current Strategic Plan runs until the end of 2009 and until that point work on our five strategic goals will continue. An evaluation of our work and the success of our current strategy will take place in early 2009. The results of this evaluation will be used as a base to start designing our new Strategic Plan. An update on progress will be given in the Trustees' Report for 2008/09.

Fundraising

In March 2008, the trustees requested a new fundraising strategy and business plan to take War on Want forward. The development of the new strategy and a business case will form a key element in the work of the fundraising department for 2008/09. Fundraising also plans to run a face to face trial to recruit new members.

Our work

Campaigns and Programmes will continue to develop cross-departmental working and collaboration on specific areas. The work on conflict, through both the global justice theme of Campaigns and the conflict zones theme of Programmes, is a particularly fertile area for communication. Work on current thematic areas will continue throughout the new financial year.

Both departments will need to seek further grant income in the coming year. The funding for our 'Corporations & Conflict' campaign ends in March 2009 and finding funding to support this important work will be a priority. The conflict zones theme in Programmes is seriously underfunded and finding funds to support our partners will be a challenge for the programmes team and Fundraising.

Communications remains a priority and during 2007/08 work will commence on a major redesign of our website, a key engagement tool and an important link with our supporters. Website traffic continues to be strong the importance of maintaining and building on this is recognised by management and trustees.

We will also continue with our strong external collaboration and engagement; with NGOs in the UK, Europe and international, with trade unions, with social networks and with youth groups, schools and universities.

Financial Review

War on Want has maintained its healthy overall financial position. In 2007/2008 it increased its unrestricted reserves by £70,696 to £1,449,509.

Principal funding sources

We received 43% of our funding in the form of grants for restricted purposes. These funds provide significant support for its programme across the four thematic areas detailed above and campaigning work. Major funders support our work as follows:

International Programmes	Sweatshops & Plantations	DFID, Comic Relief, Irish Aid
	Food Justice	DFID, European Commission, Comic Relief,
	Informal Economies	European Commission, Comic Relief
	Conflict Zones	Irish Aid, the Isle of Man

War on Want

Annual Report and Financial Statement for the year ended 31 March 2008

Campaigns	Economic Justice	European Commission (until August 2007)
	Global Justice	European Commission

However, this key work is also supported by the funds received through committed giving, appeals and donations. The trustees would like to thank our members and regular donors for their financial support throughout 2007/2008.

Three restricted funds (informal economy, conflict zones and global justice) are showing temporary deficits. Informal economy holds a deficit because pre-financing funds were transferred to a partner organisation, but the partner had not yet spent sufficient funds for a claim to be made to the funder (grant income of £90,176 to recover the deficit was received in September 2008). The deficit of £641 for conflict zones covers a project that ended in May 2008 and a contribution from War on Want was made to complete the project. The deficit of £24,396 for global justice is a timing differences with a claim made early in the 2008/2009 financial year and £87,260.65 received in September 2008).

Reserves Policy

At 31 March 2008 War on Want held reserves of £1,583,841, £134,332 in restricted funds and £1,449,509 in unrestricted funds. Fixed assets represented £48,728 of the unrestricted reserve. The trustees reviewed the charity's reserves requirement July 2007 in line with the guidance issued by the Charity Commission and as a result have designated £27,182 to meet commitments on co-financed projects and £167,466 to safeguard War on Want's service commitment in the event of delays in the receipts of grants or accrued legacies. The trustees have designated £700,000 for possible reinvestment in suitable office premises in the future. The balance of funds amounts to £554,861. This is just over six months running costs based on current years' expenditure. The Council wishes to hold general reserves of six months' running costs in order to ensure War on Want's sustainability in the event of a future reduction in grant funding or legacies.

Investment Policy

Our investment policy states:

"Whilst recognising that the Council of Management has a duty of care to ensure that any investment is made in order to provide the charity with the highest possible level of return, the Council of Management has also considered the potential risk caused where investment in a particular type of business would conflict with the aims of the charity. To this end and to ensure that War on Want is not in breach of the Trustees Act 2000, the Council of Management has set out the following core principles;

1. War on Want will not invest in or be directly associated with businesses that directly contravene its charitable objects;
2. War on Want will not invest in or be directly associated with businesses that could be reasonably judged to bring War on Want into disrepute;
3. Where financially prudent, War on Want will seek to invest in businesses that improve, or support improvement to, livelihoods and working conditions in developing countries.

War on Want

Annual Report and Financial Statement for the year ended 31 March 2008

The Council of Management acknowledges that, as part of a Campaigns strategy, War on Want may make a nominal investment in order to access shareholders' meetings. These purchases will need to be approved on a case-by-case basis by the Council of Management or its delegated representative."

The significant proportion of War on Want's unrestricted reserves is held to provide capital for a future property purchase. This was never intended to be a long term holding and the trustees have therefore adopted a prudent approach to the investment of the charity's assets to minimize risk to the principal. The trustees will review the designated fund for a future property purchase in 2008/09.

War on Want

Annual Report and Financial Statement for the year ended 31 March 2008

Trustees' responsibilities

Company law requires the Council of Management, as trustees and directors, to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the incoming resources and application of resources, of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial accounts;
- prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985 and Statement of Recommended Practice 'Accounting and Reporting by Charities' (SORP 2005). 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.

Disclosure of information to auditors

So far as the trustees are aware, there is no relevant audit information of which the company's auditors are unaware. The trustees have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditors

Kingston Smith LLP have indicated their willingness to continue in office and in accordance with the provisions of the Companies Act it is proposed that they be re-appointed auditors for the ensuing year.

By order of the Council of Management

Ben Birnberg

Company Secretary

Date:

War on Want

Annual Report and Financial Statement for the year ended 31 March 2008

Independent auditors' report to the members of War on Want

We have audited the financial statements of War on Want for the year ended 31 March 2008 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. These financial statements have been prepared under the historical cost convention and in accordance with the accounting policies set out therein.

This report is made solely to the charitable company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken for no purpose other than to draw to the attention of the charitable company's members those matters which we are required to include in an auditor's report addressed to them. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

The trustees' (who are also the directors of War on Want for the purposes of company law) responsibilities 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) are set out in the Statement of Trustees' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether, in our opinion, the information given in the Trustees report is consistent with the Financial Statements. In addition we report to you, if, in our opinion, the charitable company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding trustees' remuneration and other transactions is not disclosed.

We read the Trustees' Annual Report, which incorporates the Directors' Report required by the Companies Act 1985, and report to you our opinion on whether it is consistent with the financial statements.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

War on Want

Annual Report and Financial Statement for the year ended 31 March 2008

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with the United Kingdom Generally Accepted Accounting Practice, of the state of the charitable company's affairs as at 31 March 2008 and of its incoming resources and application of resources, including the income and expenditure of the charitable company for the year then ended; and
- the financial statements have been properly prepared in accordance with the Companies Act 1985.
- the Trustees' Annual Report is consistent with the financial statements.

Devonshire House
60 Goswell Road
London EC1M 7AD

Kingston Smith LLP
Chartered Accountants
and Registered Auditors

Date:

War on Want

Statement of Financial Activities (incorporating an Income & Expenditure Account)
for the year ended 31 March 2008

	Notes	Unrestricted £	Restricted £	2008 Total £	2007 Total £
Incoming resources					
Voluntary income					
Donations and legacies	2	1,073,957	8,075	1,082,032	973,892
Grants received	2	-	861,965	861,965	923,865
Activities for generating funds					
Merchandise sales		20,699	-	20,699	13,591
Investment income	3	45,506	-	45,506	47,231
Total incoming resources		1,140,162	870,040	2,010,202	1,958,579
Less: Cost of generating funds					
Voluntary income					
Donations and legacies	4	279,392	-	279,392	324,622
Grants received	4	17,278	-	17,278	53,078
Activities for generating funds					
Merchandise sales		20,566	-	20,566	16,020
Total cost of generating funds		317,226	-	317,226	393,720
Net incoming resources available for charitable activities		822,936	870,040	1,692,976	1,564,859
Charitable activities					
Campaigns and Policy	5	336,516	169,016	505,532	507,891
International Programmes	5	374,469	790,893	1,165,362	969,001
Governance costs	6	59,507	-	59,507	60,870
Total charitable activities		770,492	959,909	1,730,401	1,537,762
Total resources expended		1,087,718	959,909	2,047,627	1,931,482
Net income/(expenditure) resources	10	52,444	(89,869)	(37,425)	27,097
Net gains/(losses) on investment		18,252	-	18,252	(639)
Net movement in funds		70,696	(89,869)	(19,173)	26,458
Fund balances brought forward		1,378,813	224,201	1,603,014	1,576,556
Fund balances carried forward	16	1,449,509	134,332	1,583,841	1,603,014

All disclosures relate only to continuing operations

War on Want

Balance Sheet as at 31 March 2008

	Notes	2008 £	2008 £	2007 £	2007 £
Fixed Assets					
Tangible assets	11		48,728		57,031
Current Assets					
Investments	12	133,951		115,699	
Stocks	13	9,108		8,546	
Debtors	14	573,324		492,709	
Cash at bank and in hand		<u>922,519</u>		<u>1,034,062</u>	
		1,638,902		1,651,016	
Creditors: Amounts falling due within one year					
	15	<u>(103,789)</u>		<u>(105,033)</u>	
			<u>1,535,113</u>		<u>1,545,983</u>
Total Net Assets			<u>1,583,841</u>		<u>1,603,014</u>
Funds and Reserves					
Restricted funds	17&18		134,332		224,201
Designated funds	17&18		894,648		894,648
General funds	17		<u>554,861</u>		<u>484,165</u>
			<u>1,583,841</u>		<u>1,603,014</u>

Approved by the Council and authorised for issue on 3 December 2008

S. Branford
Chair

N. Dearden
Treasurer

War on Want

Notes to the Financial Statements for the year ended 31 March 2008

I. Accounting Policies

a) **Accounting convention**

The accounts have been prepared under the historical cost convention as modified by the revaluation of certain current assets by the inclusion of investments at market value and in accordance with the Companies Act 1985 and applicable accounting standards. In preparing the financial statements the charity follows best practice as set out in the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2005) issued in March 2005.

b) **Incoming resources**

Income is recognised in the period in which the charity is entitled to the receipt and the amount can be measured with reasonable certainty. Gift aided income is included gross of attributable tax recoverable.

In accordance with this policy, legacies are recognised on or after receipt of a formal notification, at such time when their value can be reliably estimated.

c) **Resources expended and the basis of allocation of costs**

All expenditure is included in the financial statements when incurred.

Payments to partner organisations and other expenditure on operational Programmes are accordingly recognised in the period in which they are incurred. A designated fund is established for expenditure that has been committed to projects but which remains unspent at the year end.

d) **Costs of generating funds**

Costs of generating funds are those costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds for the charity.

e) **Governance costs**

Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

f) **Support costs**

Support costs include those of central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example allocating office costs per capita, staff costs by time spent and other costs by their usage.

g) **Capitalisation and depreciation of tangible fixed assets**

Depreciation is provided on all tangible fixed assets except freehold land so as to write them off over their anticipated useful lives at the following annual rates:

Leasehold improvements	Over the period of the lease
Furniture, fixtures and equipment	25% on a straight line basis
Computer equipment	33 1/3% on a straight line basis
Major computer software	20% on a straight line basis

Tangible fixed assets over £250 are capitalised.

h) **Investments**

Investments are included at market value at the balance sheet date. Any gain or loss on revaluation is taken to the SOFA.

i) **Stock**

Stock is valued at the lower of cost or net realisable value after making due allowance for any obsolete or slow moving items.

I. Accounting Policies (Continued)

j) Reserves policy and fund accounting

The Council have reviewed the charity's need for reserves in line with the guidance issued by the Charity Commission. They have examined the future needs of the charity and as appropriate have set aside designated funds to meet those needs.

Funds held by the charity are as follows:

Unrestricted general funds - these are funds which can be used in accordance with the charitable objects at the discretion of the trustees. Trustees believe that they require unrestricted general funds to be equivalent to at least three months' running costs in order to ensure that the charity can run efficiently and that it can meet the needs of its beneficiaries.

Designated funds - these are funds set aside by the trustees out of unrestricted general funds for specific future purposes or projects.

Restricted funds - these are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

k) Foreign currency

Transactions in foreign currencies are translated at rates prevailing at the date of the transaction. Balances denominated in foreign currencies are translated at the rate of exchange prevailing at the year end.

l) Cash flow statement

No cash flow statement has been prepared for the current year as the charity qualifies for the small company exemption from the requirements of FRS 1 *Cash flow statements*.

m) Pension costs

The charity currently contributes to a group personal pension scheme or other equivalent personal pension arrangements on behalf of eligible employees. Contributions payable are charged to the SOFA as they are made. The company previously operated a defined benefit scheme (prior to 1991) but contributions are no longer made to this scheme and it is currently in the process of being wound up.

n) Leases

The charity holds no assets under finance leases or hire purchase contracts. Operating lease rentals are charged to the SOFA in equal annual amounts over the lease term.

War on Want

Notes to the Financial Statements for the year ended 31 March 2008

2. Voluntary income

	Unrestricted £	Restricted £	2008 £	2007 £
Donations and legacies				
Committed giving, appeals and donations	727,034	8,075	735,109	802,066
Legacies	346,923		346,923	171,826
	1,073,957	8,075	1,082,032	973,892
Grants received				
Dept of International Development (DFID)	-	231,592	231,592	258,689
European Commission	-	240,068	240,068	227,198
(Dept of Foreign Affairs, Ireland) Irish Aid	-	69,995	69,995	83,588
Comic Relief	-	250,903	250,903	297,981
Isle of Man	-	13,199	13,199	14,467
States of Guernsey	-	-	-	12,100
Trusts and Foundations	-	56,208	56,208	29,842
	-	861,965	861,965	923,865
Total voluntary income	1,073,955	870,040	1,943,995	1,897,757

3. Investment income

	Unrestricted £	Restricted £	2008 £	2007 £
Bank interest receivable	42,829	-	42,829	44,506
Dividends receivable	2,677	-	2,677	2,725
	45,506	-	45,506	47,231

4. Costs of generating voluntary income

	Unrestricted £	Restricted £	2008 £	2007 £
Donations and legacies				
Fundraising costs	197,441	-	197,441	281,588
Support costs	81,951	-	81,951	43,034
	279,392	-	279,392	324,622
Grants received				
Fundraising costs	5,885	-	5,885	36,056
Support costs	11,393	-	11,393	17,022
	17,278	-	17,278	53,078
Total cost of generating voluntary income	296,670	-	296,670	377,700

War on Want

Notes to the Financial Statements for the year ended 31 March 2008

5. Details of charitable activities

	Operational costs £	Support costs £	2008 £	2007 £
Campaigns and Policy				
Economic Justice	177,418	64,278	241,696	298,309
Global Justice	175,959	87,877	263,836	209,582
	353,377	152,155	505,532	507,891
International Programmes				
Sweatshops and Plantations	428,167	33,147	461,314	435,034
Food Justice	217,429	31,513	248,942	151,233
Informal Economies	293,673	34,562	328,235	248,886
Conflict Zones	96,873	29,998	126,871	133,848
	1,036,142	129,220	1,165,362	969,001
Total expenditure: charitable activities	1,389,520	281,375	1,670,895	1,476,892

6. Governance costs

	Unrestricted £	Restricted £	2008 £	2007 £
Auditors' remuneration	9,247	-	9,247	8,233
Legal and professional fees	945	-	945	3,496
AGM and Annual Review	23,052	-	23,052	20,285
Governance meetings & strategy development	13,760	-	13,760	18,666
Trustee expenses	1,093	-	1,093	1,188
Support costs allocated	11,410	-	11,410	9,002
	59,507	-	59,507	60,870

7. Interest payable

	2008 £	2007 £
Other interest payable	101	76
	101	76

War on Want

Notes to the Financial Statements for the year ended 31 March 2008

8. Support costs

The support costs of the charity consisted of three elements: management, office costs and finance, IT and human resources. These costs have been apportioned across the work of the charity from the basis disclosed in note 1(f) and allocated to each of the charity's activities as set out in the table below:

Basis of apportionment	Management £ (Time)	Office costs £ (Staff)	Finance, IT and HR £ (Time)	2008 £	2007 £
Charitable activities					
Campaigns and Policy	14,486	73,032	64,637	152,155	88,544
International Programmes	14,486	60,865	53,869	129,220	69,424
	28,972	133,897	118,506	281,375	157,968
Income Generation					
Voluntary income	7,243	39,632	35,076	81,951	43,044
Grants received	7,243	2,202	1,949	11,394	17,022
Total voluntary income	14,486	41,834	37,025	93,345	60,056
Merchandise sales	-	2,202	1,949	4,151	2,576
	14,486	44,036	38,974	97,496	62,632
Governance	4,829	3,491	3,090	11,410	9,002
Total costs allocated	48,287	181,424	160,570	390,281	229,602

9. Directors and other employees

	2008 £	2007 £
Staff costs include the following:		
Wages and salaries	521,475	503,308
Social security costs	137,527	51,196
Pension costs	45,594	23,240
	704,596	577,744

No employee earned over £60,000 in the year.

The average number of persons employed during the year was

	No.	No.
Full time	18.3	17.8
Part time	3.5	5

The directors, who were also trustees, received no emoluments during the year. £1,093 was reimbursed to 5 trustees for their travel expenses (in 2007, £1,188 was reimbursed to 3 trustees)

War on Want

Annual Report and Financial Statement for the year ended 31 March 2008

10. Net income

Net income is stated after charging:

	2008 £	2007 £
Auditor' remuneration	9,247	8,233
Depreciation of fixed assets	19,438	22,151

11. Tangible fixed assets

	Leasehold improvements £	Fixtures, fittings and equipment £	Total £
Cost			
At 1 April 2007	24,683	54,968	79,651
Additions	-	11,135	11,135
Disposals	-	(5,697)	(5,697)
At 31 March 2008	24,683	60,406	85,089
Depreciation			
At 1 April 2007	3,161	19,459	22,620
Charge for the year	3,278	16,160	19,438
Disposals	-	(5,697)	(5,697)
At 31 March 2008	6,439	20,922	36,361
Net Book Value			
At 31 March 2008	18,244	30,484	47,728
At 31 March 2007	21,522	35,509	57,031

12. Investments

	2008 £	2007 £
Market value at 1 April 2007	115,699	116,338
Additions	-	-
Disposals	-	-
Net unrealised investment gains/(losses)	18,252	(639)
Market value at 31 March 2008	133,951	115,699
Historical cost or value at date of receipt at 31 March 2008	67,802	67,802

War on Want

Notes to the Financial Statements for the year ended 31 March 2008

Investments in individual entities held at 31 March 2008 which are material to the portfolio value are:

	Market value £
Schroders plc - voting	30,466
HSBC plc	21,737
L&G (Barclays) America Trust Distrib Units	38,367

These investments were received as part of a legacy and therefore do not reflect War on Want's values and investment policy.

13. Stocks

	2008 £	2007 £
Goods for resale	<u>9,108</u>	<u>8,546</u>

14. Debtors

	2008 £	2007 £
Other debtors	283,123	347,078
Prepayments and accrued income	<u>290,201</u>	<u>145,631</u>
	<u>573,324</u>	<u>492,709</u>

Included in other debtors is £17,106 (2007 - £17,389) being repaid under a non-charitable covenant which is due in a period greater than one year.

15. Creditors: Amounts falling due within one year

	2008 £	2007 £
Trade creditors	72,051	31,336
Tax and social security	18,803	15,832
Other creditors	4,453	4,239
Accruals	<u>8,482</u>	<u>53,626</u>
	<u>103,789</u>	<u>105,033</u>

War on Want

Notes to the Financial Statements for the year ended 31 March 2008

16. Movement of funds

	General fund £	Designated funds £	Restricted funds £	Total funds £
Balance at 1 April 2007	484,165	894,648	224,201	1,603,014
Incoming resources	1,140,162	-	870,040	2,010,202
Resources expended	(1,087,718)	-	(959,909)	(2,047,627)
Net gains/(losses) on investment	18,252	-	-	18,252
Balance at 31 March 2008	554,861	894,648	134,332	1,583,841

17. Analysis of fund balances between net assets

	General fund £	Designated funds £	Restricted funds £	Total funds £
Fixed assets	48,728	-	-	48,728
Investments	133,951	-	-	133,951
Net current assets	372,182	894,648	134,332	1,401,162
	554,861	894,648	134,332	1,583,841

18. Designated funds and restricted funds

	2008 £	2007 £
Project commitments	27,182	27,182
Future property fund	700,000	700,000
Working capital and contingencies fund	167,466	167,466
	894,648	894,648

The project commitments fund is the sum apportioned at the discretion of the trustees to meet the charity's current and future commitments on co-financed projects.

The future property fund is a sum apportioned at the discretion of the trustees for reinvestment in suitable office premises for the charity in the future.

The working capital and contingencies fund is the sum apportioned at the discretion of the trustees to safeguard the charity's service commitment in the event of delays in receipt of grants or accrued legacies.

War on Want

Notes to the Financial Statements for the year ended 31 March 2008

18. Designated funds and restricted funds (continue)

	At 1 April 2007 £	Income £	Expenditure £	At 31 March 2008 £
Restricted funds				
Programmes				
Sweatshops and Plantations	54,050	145,955	(146,916)	53,089
Food Justice	103,772	398,328	(387,419)	114,681
Informal Economy	37,632	162,516	(221,049)	(20,901)
Conflict zones	17,809	13,199	(31,649)	(641)
Campaigns and Policy				
Economic Justice	6,617	73,579	(67,696)	12,500
Global Justice	462	76,463	(101,321)	(24,396)
Other funds	<u>3,859</u>	<u>-</u>	<u>(3,859)</u>	<u>-</u>
	224,201	870,040	(959,909)	134,332

Three restricted funds are showing temporary deficits. Informal economy holds a deficit because pre-financing funds were transferred to a partner organisation, but the partner had not yet spent sufficient funds for a claim to be made to the funder (grant income of £90,176 to recover the deficit was received in September 2008). The deficit of £641 for conflict zones covers a project that ended in May 2008 and a contribution from War on Want was made to complete the project. The deficit of £24,396 for global justice is a timing differences with a claim made early in the 2008/2009 financial year and £87,260.65 received in September 2008).

19. Pension

The company operated an unfunded defined benefit scheme. The winding up of the scheme commenced with effect from 31 May 1990 and contributions are no longer made to the scheme. The assets of the scheme are held separately from those of the company in an independently administered fund.

The company currently contributes to a group personal pension scheme or other equivalent personal pension arrangements. Contributions of £45,594 (2007 - £23,240) were made in the year. At the year end, the outstanding contributions were £4,089 (2007 - £3,886).

War on Want

Notes to the Financial Statements for the year ended 31 March 2008

20. Future financial commitments

As at 31 March 2008, War on Want had annual commitments under non-cancellable operating leases as set out below:

	2008 £ Land and Building	2007 £ Land and Building
In the second to fifth years	<u>122,789</u>	<u>116,942</u>
	<u>122,789</u>	<u>116,942</u>