



Westminster Foundation for Democracy  
Annual Review

06/07

WFD works, particularly through political parties, parliaments and local governance, to establish and strengthen democratic institutions in countries where they are absent, weak or new.

### WFD's corporate objectives are based on

- Achieving recognition for our parliamentary and political party programmes wherever we work
- Doubling our funding to £8.5 million per annum within three years
- Working collaboratively with local partners in all our programmes
- Strengthening collaboration with all UK and international contributors to our work
- Employing the best people and nurturing their success and professional development
- Constantly improving our efficiency.

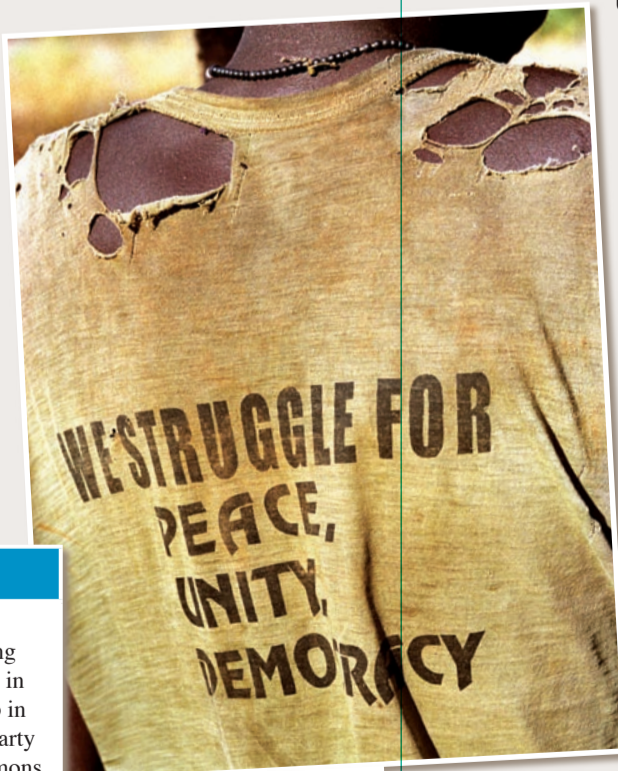
## Strengthening parliamentary institutions

WFD's interlocking specialisms are strengthening parliaments and political parties. It is often parliamentary parties which provide the discipline which makes a parliament effective; and strong parliaments also need well-trained staff. WFD's programmes work with both parliamentarians and those who support them.

### In the Middle East and Africa, WFD's specialism in parliamentary work is well established.

Despite the summer 2006 crisis, the Foundation remained in Lebanon, continuing to work with the Lebanese Parliament. Following a study tour to the UK organised for Lebanese parliamentarians, an office in the Beirut parliament building was made available to WFD's Middle East and North Africa (MENA) representative. This pivotal location makes it possible to further crucial projects such as that with the Finance Committee.

WFD activities in Egypt embrace parliament as an institution; the parliamentarians who work within it; the media which report on it; and the women who aspire to be part of it. In July 2007 WFD invited a group of five cross-party members of the People's Assembly (lower chamber)



Democracy in action in Uganda  
©Crispin Hughes/Panos Pictures

#### Lebanese Parliament

WFD is working closely with the Lebanese Parliament's Finance Committee, developing a project to strengthen the parliament's role in the financial oversight process. A workshop in Beirut in 2007 brought together a Labour Party MP, a senior clerk from the House of Commons and an expert from the National Audit Office to assess the needs of the Lebanese Parliament and discuss next steps.

See the full case study at [www.wfd.org](http://www.wfd.org)



The Labour Party's work with WFD reflects our priorities as a political party: to promote social justice, equality of opportunity and international solidarity.

In 2006-07, the Party worked with the Bulgarian Socialist Party to set up a political academy for potential women candidates. We helped the African National Congress publish election leaflets. In Serbia, we developed the organisation of the local branches of the Democratic Party. We promoted the participation of women and youth in the Botswana Congress Party. We bought office equipment for the Social Democratic Party of Montenegro; and in Kosovo, brought Albanian and Serb parties around one table.

The Labour Party was well placed to work on party development in the former Soviet Union. As WFD moves into new areas, we also believe it essential to establish a presence in these new democracies.

The Labour Party brings together socialist and social democratic parties from a particular region to workshops whose impact is far-reaching. The Labour Party is committed to developing sustainable and plural democracies.

*The Labour Party, through its WFD funds, has continued to support social democratic parties in new and emerging democracies over the last year. In Africa, the Balkans, the Middle East and elsewhere, the work of the Labour Party has shown that without effective political parties it is not possible for a functioning democracy to exist. I wish WFD future success as it works to strengthen not just political parties, but also Parliaments and the institutions of local government.*

**Rt Hon Gordon Brown MP,  
Prime Minister and  
Leader of the Labour Party**



An Egyptian participant at a Liberal Democrat youth project wears a Ukrainian PORA (a civic youth organisation) headscarf on top of her hijab.  
©Liberal Democrats



The focus of the Conservative Party's work with WFD has been to support and develop effective, policy-based parties at the Conservative and centre-right end of the spectrum.

Effective campaigning was high on our agenda. During the election in Serbia, the Conservative party worked closely with G17 Plus to mobilise voters. In Bosnia we supported the Party of Democratic Progress 2006 election campaign, helping them to communicate policies with clarity.

There are no quick routes to political party development. Our partnership with Ghana's New Patriotic Party is one that typifies a medium to long-term approach. Last year, we set up a series of seminars to look at ways of engaging more women and young people in political life.

Building strong political parties needs well-formed ideas as well as techniques. In the Balkans, our successful series of seminars for young people focused on understanding Conservative principles. In Africa, in co-operation with the Jarl Hjalmarson Foundation of Sweden, we expanded our annual Winter School, enabling youth leaders to discuss important issues facing the continent.

Alongside our party-to-party work we continued to develop regional centre right networks, particularly in Africa and South America, making it possible for parties to come together to share expertise and information.

*WFD continues to do crucial work in taking forward the process of democratic change in new and emerging democracies across the world. The unique way in which the British political parties are able to work, both directly with their sister parties and on a cross-party basis through the support of the Foundation, allows us to promote the strengthening of those values and institutions which are at the heart of our beliefs. Policy-based political parties that offer genuine choice to the electorate form a foundation for democracy and good governance. I wish WFD every success for the future.*

**Rt Hon David Cameron MP, Conservative Party Leader and  
Leader of the Opposition**

### Political party development/Sierra Leone

WFD secured an 18-month contract with DFID to deliver a political party development programme in Sierra Leone. In preparation for the August 2007 elections, activities began in December 2006. Extensive work with the main political parties covered every aspect of their campaigns, including policy development, manifesto-writing, developing key messages, training candidates, improving candidate selection procedures and encouraging participation of women and youth. Support was also provided for the publication of election material - ranging from manifestos to leaflets, posters and t-shirts.

See the full case study at [www.wfd.org](http://www.wfd.org)

## A local focus

Local government is citizens' most direct exposure to democracy. WFD sits at the core of a nexus of individuals and organisations committed to furthering democratic principles at the grassroots. With a focus on empowering local actors, we are ideally placed to unite stakeholders across sectors.

Bringing more women and young people into the democratic process is a widely held aim. In Uganda, transition to multi-party democracy poses several challenges to women. These were debated at a women's rights workshop which WFD helped the Ugandan Women's Network, the Forum for Women in Democracy and the Uganda Women Parliamentary Association to stage. The 50/50 group, WFD's partner in this field in Sierra Leone, takes practical steps to overcome barriers to women's participation. A country-wide network of trainers developed with WFD assistance conducted workshops that led to 75 women declaring their intention to stand for parliament.

The huge numbers of young people in Kenya have been disinclined to engage in politics, but following a campaign by the Institute for Education in Democracy, supported by WFD, almost 6,000 of them registered as new voters. Music extravaganzas mounted by Vijana Ytugutuke Ni Time Yetu (national youth voter education programme) attracted audiences totalling 110,000, and re-energised the efforts of the Electoral Commission of Kenya.

The closed environment in Belarus does not allow citizens to have a voice in the development of their country. The most basic civic activity, taken for granted elsewhere, is often seen as politically subversive by the regime. Getting involved could mean harassment or even imprisonment. Across the country, however, courageous people have organised themselves to address local issues and problems and WFD continued to support initiatives that enable people to play an active part in their community. This engagement opens up a vitally important opportunity for them to assume the responsibilities vested in active citizenship.

In Serbia, alongside the Standards Board for England and Wales and other UK experts, WFD helped establish boards to monitor the



The Liberal Democrats' work with WFD reflects a commitment to democracy as inclusive, devolved and truly representative. We seize the opportunity provided by this partnership directly to support Liberal political parties throughout the world.

Guidance given to the Liberal Arab Network and Africa Liberal Network at their set-up, in their management and through project-funding, has allowed these fledgling bodies to set their own agendas and has encouraged beneficial regional exchange. Support has included providing a secretariat, building a website and campaigns training.

Last year we continued to support Liberal parties in WFD's priority regions. In rising to the challenge set by a shrinking world, the Liberal Democrats are also committed to the development of regional networks that are democratic, responsive and represent liberal values.

Projects for women and young people amply demonstrate the benefit of the inclusive Liberal Democrats approach. A successful project for women took place at our European Liberal grouping's congress in Croatia, was co-managed with a Dutch sister-party, and included participants from Croatia, Serbia, Bosnia, Moldova and Macedonia. Youth projects include regional training in Georgia and Turkey.

*WFD plays a central role in helping build democracy around the world. A particular strength is its ability to draw on the expertise of the UK political parties to help support government and opposition parties in new or emerging democracies. Its work is highly commended.*

**Vince Cable MP, Acting Leader of the Liberal Democrats**

## Smaller parties



With our strong experience of local governance in Northern Ireland's recent review of public administration, the DUP was ideally placed to help the Association of Local Government Authorities in Kenya, which is working towards local government reform. Local economic leadership and development were the focus of our work, which also raised the Association's standing as Kenya's local government authority.



Plaid Cymru used its vast experience of working with youth to support the Youth Wing of SOBOR (Ukraine) in building its capacity and organising a forum for the exchange of information on local campaigning techniques. We also worked with the women's league of the Agrarian Environmentalist Party in Albania on increasing female participation in politics.



The SNP actively seeks to work in countries with connections to Scotland. In Malawi, we helped the People's Transformation Party and the People's Progressive Movement with workshops aimed at increasing women's participation in politics and widening each party's funding base.



These UK parties also collaborated in organising a study visit to Northern Ireland and Wales for members of the Democratic Union for Integration, an Albanian party from Macedonia. Of particular interest to the visitors was the mechanism for managing the conflict in Northern Ireland and, in Wales, the role of the Welsh language.



Fishermen repair their nets on the beach in Freetown, Sierra Leone  
©Fredrik Naumann/Panos Pictures

### WFD partner honoured

In 2007 the US National Democratic Institute awarded the 50/50 Group - a WFD partner in Sierra Leone - the third Madeleine K. Albright Grant, honouring an organisation 'that exhibits exceptional promise in creating a greater role for women in political and civic life'.

See the full case study at [www.wfd.org](http://www.wfd.org)

accountability of local government in seven municipalities. In the year ahead, the boards' capacity to raise public awareness will be increased, and the initiative widened to other municipalities.

Maintaining public interest in the political process is a key component of WFD's work in Ukraine. Projects providing skills to elected members of self-governance bodies continue to be in high demand.

Working locally will continue to be an important element of both our parliamentary and party programmes over the coming year.



## Welcome

WFD is in the business of building better governance in developing democracies. This has been a year of substantial change and new direction. This review highlights successes in our seven programmes in countries in Eastern Europe, Africa and the Middle East and North Africa. The essential facts and figures of our work are given overleaf.

In July 2007 the Board adopted a three-year corporate plan setting out ambitious objectives in each of our three specialisms: strengthening parliaments, supporting political parties and reinforcing democratic politics at local level.

Democracy-building, and strengthening parliaments in particular, have emerged as high priorities for the Department for International Development (DFID) and other aid donors over recent years. Parliaments have long been the Cinderella of governance work, but this is changing as DFID and other donors recognise that effective parliaments are necessary to hold governments to account and to provide a bridge between the people and those in power.

True pluralist democracy requires a multi-party system. WFD has always seen the development of competent and independent political parties in emerging democracies as an important part of our work. We are distinctive in undertaking our party work through the Westminster parties; sometimes on a partisan, party-to-party, basis, and sometimes with the Westminster parties working together. This makes it possible for us to do some essential democracy-building work tailored to local circumstances.

WFD is still an under-used asset. As I travel around the world, I am endlessly reminded of the opportunities the UK has to make its contribution to strengthening democracy overseas. The Westminster Parliament may not be a blueprint for others, but it is an internationally respected model. I hope you will hear more of WFD in the year ahead as we expand our portfolio of programmes.

**Hugh Bayley MP  
Chairman**



## Introduction

WFD today has both a stronger sense of its distinctive role and some ambitious corporate objectives, none more than the ambition to double our income over the next three years.

This is already becoming reality: our parliamentary and political party portfolios are growing. In the last year we won three funding awards for programmes in Egypt, Serbia (both from our sponsoring department the Foreign and Commonwealth Office) and Sierra Leone (from the Department for International Development). We are grateful for the commitment and support of both departments.

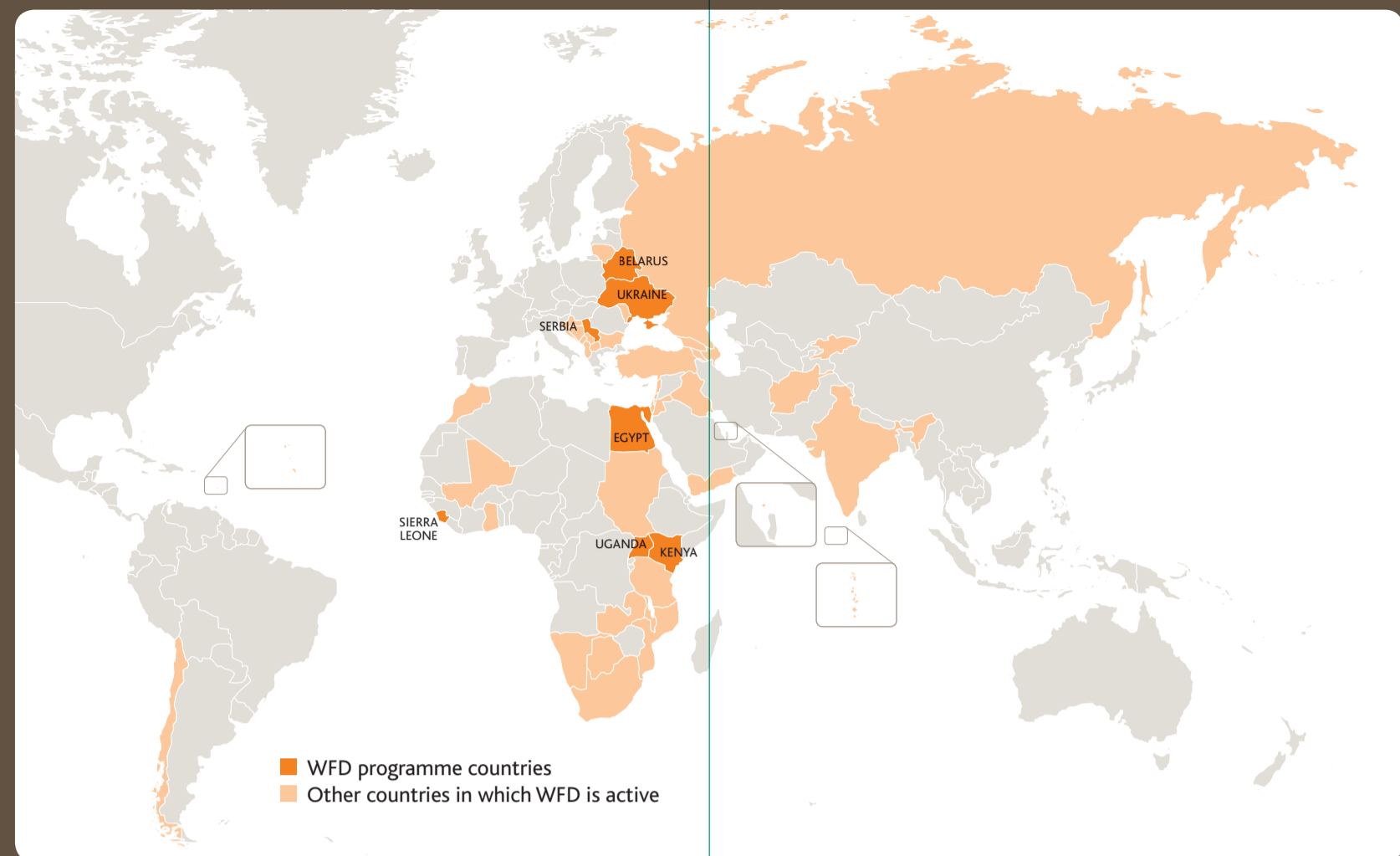
We have been active with the parliaments of Egypt, Kenya, Lebanon, Uganda and Yemen, and other opportunities are emerging fast. In growing this role we have both built on our own experience in programme management and developed stronger relationships with some of the main sources of UK parliamentary expertise: the Overseas Office of the House of Commons, the National Audit Office and the UK Branch of the Commonwealth Parliamentary Association, among others. The partnerships which are emerging here have the potential to provide a strong, new resource in international parliamentary strengthening - and we are very grateful for the support of all these organisations.

Political party work is also growing. Each of the parties outlines its own work with sister parties across the world; and we tell the story of the programme we ran with parties in Sierra Leone. This involved the main Westminster parties working closely together and with all their local counterparts. WFD is distinctive in Westminster political life in its ability to achieve real cross-party collaboration in this way.

WFD's third specialism is in local governance. Our programmes in Belarus, Serbia, Ukraine and Kenya, among others, recognise that it is often at local level that people experience politics first; and that the standards they find there will frequently determine their later engagement with, or detachment from, politics. Much of our work at local level sets out to connect the aspirations of individuals and communities with the realities of national politics.

This review is only a taster. Visit our website to find out more.

**David French  
Chief Executive**



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### Patrons and governors

#### Patrons

Rt Hon Michael Martin MP  
Rt Hon Gordon Brown MP  
Rt Hon David Cameron MP  
Rt Hon Sir Menzies Campbell CBE QC MP  
Rt Hon Ian Paisley MP MLA  
Ieuan Wyn Jones AC/AM  
Rt Hon Alex Salmond MP MSP  
Mark Durkan MP MLA  
Sir Reg Empey MLA

#### Governors

Hugh Bayley MP, Chairman  
Sir Michael Aaronson CBE (retired 17 October 2007)  
Saghir Alam OBE (appointed 17 October 2007)  
Georgina Ashworth OBE (retired 21 May 2007)  
Jim Bewsher  
Tom Brake MP  
Baroness D'Souza CMG (retired 27 September 2007)  
Tina Fahm  
Lord Foulkes of Cumnock  
Ken Jones (appointed 17 October 2007)  
Christine Knights (appointed 17 October 2007)  
Hugh Robertson MP  
Lord Rogan of Lower Iveagh  
Richard Spring MP  
Gary Streeter MP  
Gisela Stuart MP  
Myles Wickstead CBE

### Staff

#### WFD Senior Staff

David French, Chief Executive  
Bob Rainford, Director of Finance/Company Secretary  
Marina Narnor, Head of Africa and Rest of the World Programmes  
Alex Romaniuc, Acting Head of Europe Programmes  
Dina Melhem, Head of MENA Programmes  
Salah Khalil, Corporate Consultant

#### Political Party Staff

Philippa Broom, Director, International Office and WFD Programme The Conservative Party

Matthew Beevor, Acting International Projects Manager The Labour Party

Karla Hatrick, Director of International Office The Liberal Democrats

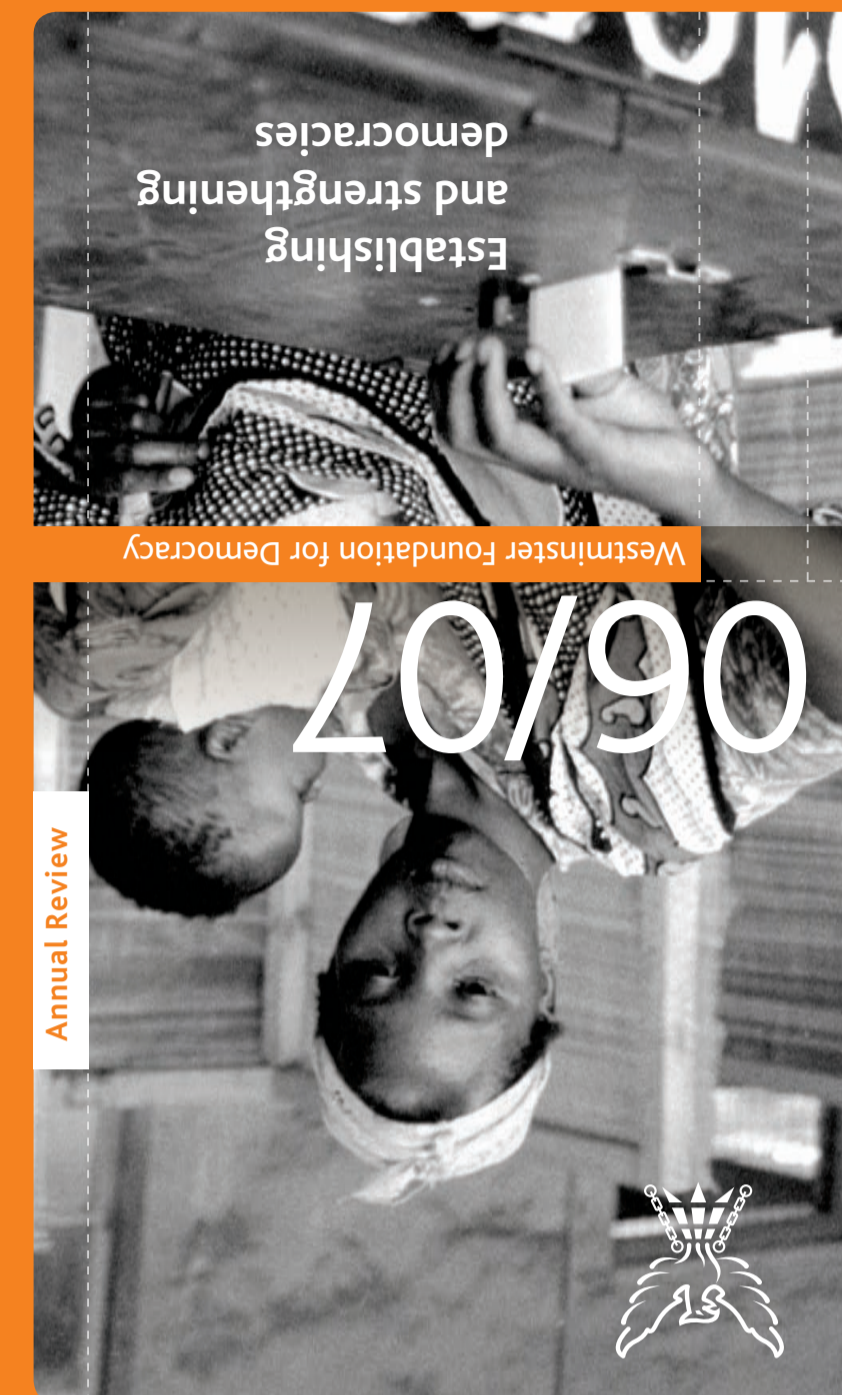
David Thirlby, Programme Manager, Smaller Parties Democratic Unionist Party – Plaid Cymru – Scottish National Party – Social Democratic and Labour Party – Ulster Unionist Party

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Westminster Foundation for Democracy

The following summary financial statements are a précis of the information contained in The Westminster Foundation for Democracy Limited's Annual Report and Accounts for the year ended 31 March 2007. They do not contain sufficient information to allow a full understanding of the results and state of affairs of the Foundation. For further information, the Annual Report and Accounts should be consulted. They can be viewed or downloaded from our website at [www.wfd.org](http://www.wfd.org) and a free copy obtained by writing to the Company Secretary at WFD, Artillery House, 11/19 Artillery Row, London SW1P 1RT.

### Financial Summary

Summary income & expenditure account for the year ended 31 March 2007

	Total 2007 £	Total Restated 2006 £
<b>Gross Income</b>		
Third party funding	84,923	45,984
<b>Direct Expenditure</b>		
Projects	(3,187,718)	(3,206,715)
	(3,102,795)	(3,160,731)
<b>Other Expenditure</b>		
Staff costs	715,012	649,273
Other operating charges	359,232	379,541
Depreciation	14,836	11,214
	1,089,080	1,040,028
<b>Net operating expenditure</b>	<b>(4,191,875)</b>	<b>(4,200,759)</b>
Interest receivable	11,959	9,620
<b>Net expenditure for the year</b>	<b>(4,179,916)</b>	<b>(4,191,139)</b>
Opening funds balance	147,623	238,762
Cash Funding from FCO Grant-in-Aid	4,100,000	4,100,000
Funds balance at 31 March	67,707	147,623

Summary balance sheet as at 31 March 2007

	2007 £	Restated 2006 £
<b>Fixed assets</b>		
Tangible assets	45,356	26,556
<b>Current assets</b>		
Debtors	100,930	58,357
Cash at bank and in hand:		
Core	64,074	83,013
Corporate	149,322	165,461
	314,326	306,831
Creditors: amounts falling due within one year	154,166	90,771
<b>Net Current Assets</b>	<b>160,160</b>	<b>216,060</b>
	205,516	242,616
Provision for liabilities and charges	(137,809)	(94,993)
<b>Total assets less current liabilities</b>	<b>67,707</b>	<b>147,623</b>
<b>Funds</b>		
Core	(100,905)	(17,325)
Corporate	168,612	164,948
	67,707	147,623

These summary financial statements have been prepared in accordance with section 235 of the Companies Act 1985 and were signed by Hugh Bayley MP, Chairman, and by David French, Chief Executive and Accounting Officer of the Foundation.

### Independent Auditor's Report to the Members of The Westminster Foundation for Democracy Limited

We have audited the financial statements on pages 16 to 23 of the Annual Report and Accounts for the year ended 31 March 2007.

This report is made solely to the Foundation's Governors, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the Foundation's Governors those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Foundation and the Foundation's Governors as a body, for our audit work, for this report, or for the opinions we have formed.

#### Respective responsibilities of Governors and Chief Executive and auditors

The Governors and the Chief Executive are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards as set out in the Statement of Governors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and with 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 and the direction made by the Secretary of State for Foreign and Commonwealth Affairs. We also report whether in all material respects the expenditure and income have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities who govern them. We also report to you if, in our opinion, the Governors' Report is not consistent with the financial statements, if the Foundation has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, if information specified by relevant authorities regarding remuneration and other transactions is not disclosed.

We read other information contained in the Annual Report, and consider whether it is consistent with the audited financial statements. This other information comprises the Governors' Report, the Operating and Financial Review, the unaudited part of remuneration report and management commentary. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

#### Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board.

#### Opinion

In our opinion:  
- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 March 2007 and of its deficit for the year then ended and have been properly prepared in accordance with the Companies Act 1985 and the Directions made by the Secretary of State for Foreign and Commonwealth Affairs; and  
- the information given in the Governors' Report is consistent with the Financial Statements; and  
- in all material respects, the expenditure and income have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

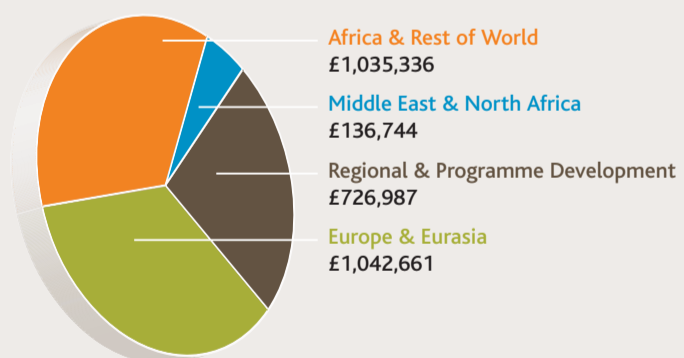
BAKER TILLY UK AUDIT LLP  
Registered Auditor  
Chartered Accountants  
1st Floor, 46 Clarendon Road, Watford, Herts, WD17 1JJ

11 July 2007

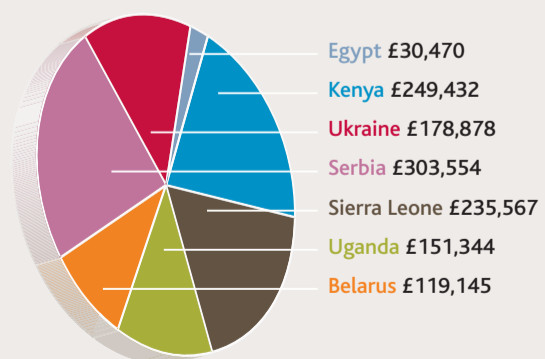


Westminster Foundation for Democracy

WFD supported democracy strengthening activities to the total value of **£2,941,728** during 2006-07. These funds, from grant-in-aid and third-party sources, were disbursed as follows:



Of these funds, **£1,268,390** supported activities in WFD programme countries, as follows:



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