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The Westminster Foundation for Democracy was born more than 27 years ago – and its work is as essential now as it was in 1992.

From the germ of an idea that the UK’s democratic institutions and political parties have a role to play in supporting the development of democracy around the world, WFD’s reputation as a force for good is unrivalled.

Operating in often complex political environments such as Myanmar and Venezuela, the Foundation has expanded its areas of support from parliaments and political parties to include elections and engagement with civil society.

The Foundation continues to grow and is now nearly a $20 million organisation with over 30 offices around the world while its activities last year engaged nearly 26,000 people.

By encouraging young people and women to take part in Nigeria’s general election in February, evaluating voting machines in the Democratic Republic of Congo, and working with groups representing disabled voters in Kenya and Mozambique, WFD helps to create more inclusive political environments and imbue greater engagement in government decision-making.

The Foundation’s work to improve the overall trust relationship between citizens and parliament is evident across the globe from The Gambia to Malaysia, and Nepal to Ukraine.

I am extremely honoured to be your Patron and I look forward to watching your efforts and enthusiasm support democratic ideas and institutions in countries around the world which have previously been denied them.
WFD’s work reflects values that are at the heart of Britain’s democracy: the rule of law, individual liberty, and tolerance of different faiths and beliefs.

Together with our partners around the world, we share and deepen those values, working to protect democratic freedom when it is under threat, whether in the Balkans or Myanmar, Caracas or Colombo.

This year, I was delighted to be able to see some of WFD’s work first-hand. In Albania, where we opened a new permanent office, I attended the launch of a new programme to address the high costs of participating in an election. In Malaysia, following a historic transition of power, I launched a historic Commonwealth summit on women’s political leadership.

This report shows how WFD and our partners have made a difference to the quality of democracy in over 40 countries. For example, in Lebanon, where Parliament adopted an Oil and Gas Transparency Bill which, as a result of WFD research, we hope will help make institutions more transparent and accountable.

In East Africa WFD continues to support activists from Kenya, Tanzania and Uganda as they push for ratification and implementation of the African Charter for Democracy, Elections and Governance. And I remain convinced of the important role parliamentarians themselves can play when supported.

My fellow Governors have given great support as WFD’s reach continues to grow and as Andrew Rosindell MP retires after 9 years on the Board to thank him especially for his long contribution. We have welcomed both new governors and new staff this year, and I would like to thank them all for helping the success of the foundation’s programmes that includes our many vital partners.

It has been a privilege to chair the WFD board over the last year, I know we will continue to advocate that WFD does more with our sponsors to deepen democratic change, while being conscious of the challenges to democracy here at home and around the world.
While there has been great progress in the generation since WFD was founded, our mission - supporting the universal establishment of multi-party, effective democracy - remains as critical today as it was back then.

As UK Foreign Secretary, Jeremy Hunt, said in February 2019: “the onward march of democracy that followed the fall of the Berlin Wall has come to a halt and started to go into reverse.”

That reversal means that past gains are threatened - 2 billion people live in countries where democratic freedoms are shrinking, not growing. We all have a responsibility to respond to these threats to individual freedom and effective democracy.

Focus on inclusion

We know that if people or groups are excluded from political power, or if the real concerns of citizens are not addressed, then democracy is not living up to its promise.

That is why inclusion is an increasingly central part of our work and took centre stage last year:

- We co-organised the Women MPs of the World conference. This historic event, which took place at the House of Commons in the centenary year of women’s suffrage in the UK, brought together women parliamentarians from 100 countries to discuss how to strengthen visibility, and further empower women parliamentarians to continue to drive change nationally and internationally;
The Coalition of Women MPs from Arab Countries continues to support agreement on a draft Arab Convention on violence against women and girls – a regional commitment to end gender-based violence;

By signing the Charter for Change at the Disability Summit co-hosted by the governments of the UK and Kenya in London in July 2018, we committed to ensuring persons with disability around the world are given a political voice. This builds on our work in Kenya, Mozambique and Sierra Leone; and

New programmes such as the Western Balkans Democracy Initiative, the Department for International Development’s Inclusive and Accountable Politics grant and the Commonwealth Partnership for Democracy (CP4D), aim to give a political voice to marginalised groups.

There are many other examples in this report that illustrate the centrality of inclusion and accountability to WFD’s work. This reflects the direction set in WFD’s strategy and the reality of political debate around the world; exclusion is contrary to our values and too often leads to conflict and disillusion.

WFD in 2018-2019

With over 27 years’ experience operating at the forefront of democracy development, WFD has become a trusted partner in many countries with challenging and complex political environments, which have often taken the path to democracy after long periods of upheaval.

As we submit this report to Parliament, we can look back on what we have achieved and learned and reflect on our direction of travel.
WFD has grown into a renowned democracy-support organisation. We have over 130 people employed across our London headquarters and 32 local country offices, including new offices in Albania, Malaysia and Nepal, which were opened over the last year.

Our approach as an organisation was endorsed by a recent Government review, which commended our results and validated our business model.

We have also seen a significant growth in support from donors. This includes agreeing a new three-year Accountable Grant with the Department for International Development (DFID).

The impact of the international development work managed by the UK political parties has also continued to increase, as they work to increase commitment to responsible, multi-party politics in countries around the world.

As the UK redefines its international role, WFD continues to play an important part in promoting British democratic values and supporting the UK’s foreign and development policy.

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Progress against the 2017-2022 strategy

In 2018-2019, WFD implemented 55 programmes directly in more than 40 countries and four programmes through the UK political parties. This work promoted fair, inclusive, accountable and transparent politics by supporting:

- Parliaments and Civil Society
- Political Parties
- Elections

Across our network we organised over 1,200 activities which engaged nearly 26,000 participants, employing over 600 experts to create tailor-made approaches to address local challenges to democratic governance.

Last year, WFD continued to lead research in the international democracy support sector, including on what donors and practitioners can do better, women’s political leadership and the cost of politics.

In line with the strategy, we have made significant changes in how we work:

- WFD takes seriously our responsibility to staff and beneficiaries, to safeguard them from sexual harassment, exploitation, and abuse. In 2018-19, we adopted a new Safeguarding Policy, introduced enhanced due diligence and vetting, promoted more robust contractual commitments on ethical conduct with our partners and suppliers, delivered staff training, and updated our risk management systems.

- We are mainstreaming inclusion – particularly on gender equality and supporting young people and persons with disability – through all our programmes. This enables us to provide targeted technical assistance to partners, with evidence-based policy approaches that help them to find innovative ways to promote both national and local political activism.

- Our innovative new system for monitoring and evaluating programmes will collect more and better data on our work, helping us learn as an organisation and make more of an impact through what we do.

WFD’s essential partnership with the UK Parliament was strengthened as we supported the establishment of the new All-Party Parliamentary Group (APPG) on Democracy in the World. Chaired by Lyn Brown MP, the group is exploring democratic development issues worldwide, such as inclusion and political empowerment of women, young people and marginalised groups, credible and fair elections, financial oversight and trust in democratic institutions. Five events were held in 2018-19 including on the constitutional crisis in Sri Lanka and on ending violence against women in politics.

Internationally, we helped found the Open Parliament e-Network. This brings together the National Democratic Institute, ParliAmericas, Directorio Legislativo, OSCE – Office for Democratic Institutions and Human Rights and WFD to support governments, legislatures and civil society to develop and implement Open Government Partnership commitments to transparency and accountability.
Parliaments and Civil Society

Photo: Jessica Taylor / UK Parliament
Why we work with parliaments

Legislatures are the cornerstones of democratic governance. They check and challenge the work of government, make and change laws and debate important issues.

Parliaments serve as a central gateway for all citizens to actively participate in public life. They also play a critical role in fragile and conflict-affected states, bringing together divergent interests and fostering relationships among its members and the groups they represent.

WFD works with parliaments to promote inclusive and effective governance that strengthens policy making, holds government to account and represents people’s interests.

Why we work with civil society

Democracy is about engaging people in the decisions that impact on their lives. The ability of citizens to interact with political institutions is critical to the future of democratic systems.

While parliaments and political parties are important for effective democracy, increasingly civil society organisations provide an alternative channel to engage constructively with government to ensure adequate services are provided and evidence-based policies are adopted.

Civil society organisations are independent and often rely on volunteers from their communities. They range from small community-based organisations to larger non-governmental organisations and often campaign and advocate for greater human rights.

Engaging civil society is part of many WFD programmes, and we are proud to support these organisations in building inclusive societies and holding democratic institutions to account.
Sub-Saharan Africa

Responding to regional trends

Across the region, WFD programmes continued to focus on helping parliaments to fulfil their essential functions, through training staff, assisting legislators to make better policies and laws, and ensuring there is oversight of public spending.

We worked with civil society and marginalised groups - including women, persons with disability, young people and others - to ensure they are better represented in decision-making.

We frequently adapted programmes to respond to regional trends, political change and citizen demands, including as a result of elections in Sierra Leone, the Democratic Republic of Congo and Nigeria.
Countries in sub-Saharan Africa have the youngest population in the world with over 70% of people aged below 30. However, these numbers are not translated into the proportional representation of young people in decision-making roles. Just 2.2% of the world’s MPs are under 30.

That is why WFD is supporting more young people to be active in political institutions that represent their interests in Sierra Leone, Uganda, Nigeria, Kenya and Tanzania.

In Uganda, we supported the Uganda Parliamentary Forum for Youth Affairs and trained Members of Parliament to consider new legislation based on an analysis of the distribution of resources and an appreciation of key stakeholders. This strategic approach informed parliamentary actions the forum coordinated to influence both the Development Finance and Youth Employment Bill and the Labour Export Bill, which will have profound implications for the prospects of the 60% of young people who are unemployed in the country. The forum has had a very successful year and supported numerous changes to laws that will help young people in Uganda:

- Following successful lobbying, the “mobile money tax” – which taxes social media use and mobile money transactions with a disproportionate impact on young people – was reduced from 1% to 0.5%;
- Young MPs presented a motion in Parliament to amend the Development Bank Act, to help young entrepreneurs access the finance they need to start a business;
- Young MPs presented the Speaker of Parliament with the results of a public petition calling for a new sexual offences bill to be introduced as soon as possible to address violence in a country where it is estimated over 80% of young women and 30% of young men have experienced some form of sexual abuse.

In Nigeria, ahead of the February 2019 general election, WFD worked with the National Assembly to help change the negative narrative around young people’s contribution to Nigerian society. A two-day exhibition in November 2018 brought together over 200 representatives from youth organisations, the Young Parliamentarian Forum, as well as political party leaders, to highlight the positive contribution young people can make to society to build support for relevant policies.

In Sierra Leone, WFD helped develop a three-year work plan for the youth committee in Parliament. This aims to support a range of activities for young people to help ensure they are represented in the decision-making process. This was the first time a committee in Sierra Leone’s parliament used a participatory approach to engage youth experts and government agencies.

In Kenya, Uganda and Tanzania we are supporting young activists and MPs who are pushing for the signing, ratification and domestication of the African Charter on Democracy, Elections and Governance, through Commonwealth Partnership for Democracy (CP4D). The Charter promotes international standards of good governance including on the rule of law, free and fair elections and condemning unconstitutional changes of government. In Uganda, grassroots action saw five MPs commit to championing the Charter in Parliament.

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WFD continues to partner with the Uganda Women’s Parliamentary Association, a relationship established in 2015. In 2018-19, we helped the association improve the way it coordinates action in Parliament. Changes to how women MPs coordinate and interact with the caucus achieved remarkable outcomes: the Marriage and Divorce Bill, the Succession Amendment Bill and the Sexual Offenses Bill were tabled and given a legislative fast-track.

WFD also supported under-represented citizens to take part in Uganda’s “National Dialogue”, a large-scale process launched by the government to engage and consult citizens on key policies and listen to their problems. Over 500 women and young people participated in three community meetings in Kigezi, Lango and Teso and shared the challenges they face in their daily lives with policy-makers.

**SUPPORTING PERSONS LIVING WITH DISABILITIES**

In Kenya, WFD supported groups representing persons living with disabilities under the Commonwealth Partnership for Democracy (CP4D). This included working with them to develop plans to ensure local and national institutions take action on relevant polices. In Homa Bay, this work led to the development of a Disability Bill, which is currently at its first reading and is expected to be passed in the coming months. In Mozambique, WFD through the Commonwealth Partnership for Democracy (CP4D) sponsored a public consultation to identify the barriers for persons with disabilities to an active participation in society, the economy and politics. Evidence gathered in the consultation will provide evidence for policy-makers. WFD supported Parliament in Sierra Leone through the Commonwealth Partnership for Democracy (CP4D) as it developed an internal disability policy which we expect to be adopted formally in the coming months. We are also helping develop a disability education curriculum to train legislators on including persons with disabilities in politics and policy-making. This will be the basis for our work in the country throughout 2019-2020.
Parliaments and Civil Society

QUALITY LEGISLATION NEEDS QUALITY RESEARCH

Legislators need quality information, data and analysis to advocate successfully on behalf of those they represent. In 2018-19, WFD continued to support parliamentary research units in Sierra Leone, The Gambia, Ghana and Kenya.

In Sierra Leone, the Parliament’s Research Unit is now well established and took the step of making its research available to the public through the parliament’s website. Increasingly the unit is collaborating with key committees, including on public accounts, human rights and transparency. As a sign of how the unit is seen as essential, Parliament also agreed to fund the Unit in future, ensuring the sustainability of WFD’s initiative.

In Ghana, the “Inter-Departmental Research and Information Group”, which was established with WFD support in 2016, trained 130 parliamentary assistants to improve the service they provide to legislators. Training covered operations on the Hansard (official transcript of proceedings), Library, Research, IT, Committees and Public Affairs (communications).

The experiences of developing an effective and trusted parliamentary research unit in Sierra Leone and promoting collaborative working methods in the Parliament of Ghana were shared with the reformed National Assembly of The Gambia. There, starting in 2017 when the country initiated a transition to democracy, WFD is also supporting better research facilities for legislators. As well as sharing examples of what works regionally, we provided training on data collection, management and analysis.

Across East Africa we provided opportunities to learn among peers, between parliamentary researchers. WFD exchanges with the Northern Ireland Assembly, the National Assembly for Wales, the UK House of Commons and other institutions.

Thanks to sponsorship by WFD, in March 2019, the Parliament of Kenya hosted the inaugural African Parliamentary Researchers Conference. The conference, which gathered civil servants from many countries, provided a platform for researchers from the region to meet, establish relationships and information and knowledge about what works in their respective national contexts.

“The training was not only valuable, but it was a motivation to speed up the set up of the Sierra Leone Parliament Research Unit”

Gilbert Bosco N’hbay, Research Coordinator Parliament of Sierra Leone
Parliaments and Civil Society

**Parliamentary Openness and Trust**

Parliament as a public institution should be open and accessible to the people it represents. Citizens should be able to easily find out how those elected to represent their interests are doing so.

In Sierra Leone, WFD supported the development of a new mobile phone app to create opportunities for citizens to participate in political decision-making. The app also aims at making parliament more transparent by providing information on proceedings.

Parliamentary communications play an important role when it comes to how open and transparent an institution is. In The Gambia, WFD is helping establish the National Assembly’s communications function in partnership with the UK Government Communications Service (Knowledge and Capability Unit). This includes advising on staffing, strategy and best practice to help the legislature engage with citizens and cement its role. This strand of work was complemented by support to National Assembly’s Hansard (official transcript) which also contributes to the transparency and overall accountability of the institution.

**Technical Support to Parliament**

In Mozambique, WFD continued to work on oversight of public spending by providing expert advice and general support to parliamentary committees and offices. This included training staff on how to present complex information to MPs using charts, maps and other ways to visualise data. This became even more important following Cyclone Idai, which struck Mozambique in early 2019, as Parliament monitors how aid money is allocated and spent on the emergency and reconstruction effort.

In Kenya, we worked with the national Senate and the devolved County Assemblies to reform the process used to draft laws. The resulting “new legislative manual” introduced a standard approach for Kenya’s new provincial legislatures.

“CP4D is helping to change the narrative of youths in Uganda... It helps to build the next generation of people.”

Immaculate Akello, Uganda Youth Chapter member

Young political leaders participate in the CP4D Uganda youth conference
Middle East And North Africa

Responding to regional trends

The key aims of WFD’s work across the Middle East and North Africa in 2018-19 were: ending gender-based discrimination by promoting women’s leadership and by combating violence against women and promoting openness and accountability by making parliaments better at reviewing and evaluating laws and policies. WFD engaged with civil society organisations across the region to facilitate constructive engagement with legislators and help them become more involved in political decision-making.

However, challenges to security and stability have persisted. Many observers continue to call for good governance, as well as politics and policies that deliver on popular expectations. Our support to national parliaments and civil society organisations has been tailored to address emerging trends with the ultimate goal of ensuring sustainability for our interventions and to preserve opportunities for democratic development.
SUPPORTING NEW LEGISLATORS

Starting a new job can be daunting for anyone, including Members of Parliament (MPs). Following the 2018 parliamentary elections in Lebanon, where half of the MPs were elected for the first time, WFD provided training to selected MPs to assist them in their duties. 40 out of 64 newly elected MPs attended sessions on understanding their role, parliamentary powers and procedure. The induction covered the role and main functions of parliament, including how laws are passed, parliamentary oversight and practice, the role of committees, and how to access research and library services.

CONNECTING CITIZENS WITH PARLIAMENT

In Lebanon, efforts to promote open, inclusive and accountable politics continued in 2018-19, as WFD helped relevant parliamentary committees and civil society organisations to cooperate with one another. As a result, a new sub-committee was established in parliament to map out how best to amend a data protection law.

In Morocco, WFD helped the House of Representatives to adopt new communication tools to keep citizens informed about the work of legislators. We are also supporting Parliament as it lays the groundwork to become a full member – and the first Arab one – of the Open Government Partnership.

WFD introduced the Northern Ireland Assembly’s model of parliamentary outreach and public engagement to the House of Representatives. This led to the incorporation of best practice from Northern Ireland into new plans for communications and outreach. For instance, the House of Representatives aims to increase the number and quality of tours offered to visitors and will now focus on bringing in citizen groups which are traditionally marginalised in Moroccan politics including young people and whole families. This will help educate the public about the work of parliament. In addition, Parliament’s communications team now hopes to organise outward visits to schools, to explain the history and role of the bicameral legislature.

“The cooperation between the Moroccan Upper House and WFD over the past three years has led to the development of several useful legislative documents, including the Sustainable Development Goals and evaluating public policies.”

Hon. Hakim Benchamach, Speaker of the Moroccan Upper House
In Algeria, the 2016 reform of the constitution increased the powers of the People’s National Assembly. It also allowed opposition groups to select issues for debate. In this context, and building on strong trade relationships, WFD facilitated the first ever learning exchange between Secretary-Generals from both chambers of the Algerian Parliament and their UK counterparts in April 2018. Following the visit, parliament expressed its will to work on enhancing public knowledge of parliament’s work and demonstrated an interest in moving forward on how to involve the public in the work of the legislature.

Strategic plans are an effective way for parliaments to plan and set out ways in which they can contribute to a thriving democracy. They help ensure parliament carries out its legislative, oversight and representation functions while promoting its values. In 2018-19, WFD worked with the House of Representatives in Morocco to review its strategic plan based on established international standards. To support implementation, parliament also revised its organisational chart. In the new strategic plan 2018-21, the House of Representatives addresses key recommendations, such as considering parliament a public space, creating a partnership for education with the Ministry of Education to raise awareness of the roles and responsibilities of parliament among young people, and improving communication and engagement with citizens – especially young people – through social media.

Last year, WFD helped establish the first Legislative Studies and Research Centre in the Parliament of Jordan. As part of a four-year programme funded by the European Union, WFD is working to support the Jordanian parliament in a number of ways. This includes helping upgrade the parliament’s IT infrastructure to make it the most advanced in the region, training research staff and making committees more effective by introducing best practice principles, supporting the parliamentary blocs system to strengthen democracy, supporting outreach and engagement with women and young people and developing human resources structures and capacity. In implementing this programme, WFD has drawn from expertise across the region and internationally, including secondments from the Dutch and Westminster Parliaments which facilitate long-term mentoring, experience sharing, and building bilateral peer-to-peer relationships.
WFD Parliaments and Civil Society

WOMEN’S RIGHTS AND GENDER EQUALITY

Morocco’s 2011 constitutional reform promoted the principle of equality. Although women and young people make up a significant proportion of elected legislators, they are still largely excluded from positions of influence. This may explain why the development of policies to address the needs of these groups has been slow. WFD worked closely with the parliamentary Equity Committee to improve how it assesses the impact public policies have on women’s rights and gender equality. In 2018-19, WFD shared with the committee the principles of the Westminster model of post-legislative scrutiny – the way in which parliament monitors the impact of new laws and how they are implemented – and the tools to help do it effectively.

MONITORING PUBLIC SPENDING

In Tunisia, the parliamentary committee responsible for monitoring how public money is spent continued to coordinate its inquiries with the state audit institution, the Cour des Comptes. The committee prepared its reports in line with best practice provided through a long-standing WFD programme of support stretching back to 2015. WFD helped establish the dedicated financial oversight committee and connect it with the Cour des Comptes, enabling systematic cooperation. In 2018-19, for the first time in its history, the committee published reports about three of its inquiries and submitted them to the audited institutions with recommendations for reform. This included a report on confiscated assets which was made public in what is an impressive step towards openness by the legislature.

“We are working together on behalf of women, society and people to set a development agenda that addresses the issues of women in the Arab world that derive from the specificities of our society and benefit from the experiences of all women in the world.”

Innaya Ezzedine, Chair of the Women and Child Committee in the Parliament of Lebanon
Responding to regional trends

Through the £4 million Western Balkans Democracy Initiative, WFD now works across six countries in the region, to support them on their journey towards Euro-Atlantic integration.

Our support for political parties, parliaments and civil society organisations, helps them tackle challenges to good governance and adopt more inclusive policies that can have a positive impact on citizens’ lives.

Funded by the UK Government’s Conflict Security and Stability Fund, the initiative was announced by Foreign Office Minister Alan Duncan in July 2018.

WFD is ideally placed to support efforts to improve governance in the region, political institutions, the rule of law, gender equality and post-conflict reconciliation, having been active in the Western Balkans continuously since 1992.
WFD’S DATA-DRIVEN APPROACH

Working in the Western Balkans can be challenging, as political institutions can be resistant to change or averse to transparency. This is why the Western Balkans Democracy Initiative is based on an approach called problem-driven iterative adaptation. The key difference when compared to conventional programme design is the activities and focus of work may change in response to the political context or emerging insights.

In 2018, WFD prepared in-depth analysis of local trends and challenges. We identified 47 key issues across six countries. This required over 160 local verification activities and interviewing more than 400 stakeholders. This comprehensive preparation is now informing programme implementation.

GETTING MORE WOMEN INTO POLITICS

Despite political parties having an obligatory 40% gender quota for candidates in Bosnia and Herzegovina, women’s representation remains low across all levels of government. That is why WFD is working to improve opportunities for women to engage in politics. In February 2019, we launched a women’s political leadership programme “More than a quota”. Several activities have engaged women politicians from 10 political parties, with topics ranging from grassroots policy development through to political campaigning.

ENGAGING YOUNG PEOPLE IN POLITICS

Serbia has one of the highest emigration levels of young people in the Balkan region. The results of a WFD survey were presented at a conference in March 2019 and will be used to address structural factors that contribute to this high level of emigration.

Across the country, WFD works with local youth organisations, political parties, state institutions, business and the media to find solutions to this problem. In March, an “Academy for Political Education” was established in partnership with the University of Belgrade. The Academy aims to train political sciences students so they can help educate first-time voters in high schools around the country on how democracy works. In 2018-2019, it trained the first 50 university students on the “political education” curriculum designed by WFD. In the coming months, academy graduates will start running education activities in high schools.

In Montenegro, WFD is helping educate young people on the role they can play in the politics. In March 2019, we held a two-day workshop to help young activists understand how democratic institutions work and explore ways to connect young civil society activists with counterparts in political parties. Participants set up a group on the social media app Viber to exchange ideas and support one another. In the coming year, WFD will continue supporting interaction between parties and young grassroots activists.

**Youth emigration could cost Serbia up to €1.2 billion per year.**

Source: WFD Youth Survey, Serbia
Parliaments and Civil Society

SUPPORTING PERSONS WITH DISABILITY

In North Macedonia, where no legislator currently has a disability, WFD arranged for national legislators to shadow persons living with disabilities for a day so they could better understand what it is like to have a disability and discuss practical policy responses. An initial training session also took place with legislators, heads of communication and other leaders from local political parties, in partnership with “Inkluziva” - a local disability advocacy organisation - to explore the best way to engage with persons living with disabilities.

MODERNISING POLITICAL PARTIES

In Kosovo, we continue to work on developing local political parties’ capability. Following the “Transforming Political Governance” project in 2016, which WFD ran in partnership with the British Embassy in Pristina, WFD is now working with political parties to focus on policy initiatives.

In March, we informed the development of a communication manual for political party “Alternativa”. This aims at improving the way in which the party engages with voters on policy priorities.

In Albania, where WFD opened a local office, we worked with political parties to encourage cross-party initiatives to combat political apathy. We also conducted research to measure the cost of political engagement in Albania. Our research showed that the cost for a candidate to run in an election in Albania is one of the highest in the region. This research will inform future WFD work in the country.

This was a really precious experience for me and it will help me moving forward and the activities I undertake as an MP, to improve the rights of persons with disabilities, since we should really have equal opportunities for all citizens.”

Maja Morachanin,
MP, Republic of North Macedonia
Europe And Central Asia

Responding to regional trends

In Eastern Europe and Central Asia, WFD continues to work with countries which are transitioning to democracy, supporting their institutions to ensure that the key pillars of state are balanced and their constitutional roles fulfilled. In Uzbekistan, we supported wider reforms of society and parliament, while in other countries we continued to support local parliaments and organisations to be more transparent and accountable.

Our work across the region has taken place against the background of substantial local changes and emerging trends, which have led to greater opportunities to work with new and existing partners.
To effectively monitor how public money is spent, legislators require independent, non-partisan analysis. In 2018-19, WFD continued to partner with the Parliament of Ukraine (Verkhovna Rada) and the Financial Economic Analysis Office, which was established in 2016 with support from WFD and Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ).

This office produced 107 pieces of independent financial analysis for legislators and committees. Data supported members of the Ukrainian Parliament as they scrutinised the work of the executive. For example, a report by the analysis office helped Ukrainian legislator Aliona Shkrum in assessing how effective public sector reforms had been as part of a committee investigation. This data made it easier for the Parliament to communicate what Ukrainian public sector reforms for sustainable development had achieved to members of the European Parliament who are responsible for monitoring them.

WFD also helped review how the Ukrainian committee for overseeing the budget adheres to international standards and this assessment will form the basis of our programme in 2019-20.

In Armenia, WFD supports the Parliamentary Budget Office. In 2018-2019, the Office started publishing reports in a more user-friendly way, including by using graphics. With additional support from Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ), WFD held practical workshops on translating advanced budget analysis and research into products which are easier to understand by legislators, staff and the wider public.

The communications unit of Armenia’s national parliament started helping the Parliamentary Budget Office in communicating its findings externally, with the aim of educating the public on the state’s budget and the role of parliament. WFD continues to work to consolidate the Parliamentary Budget Office and ensure it will have the resources it needs to support legislators in the years to come.
Parliaments and Civil Society

REVIEWING POLICY

Parliamentary committees play an essential role in scrutinising the work of government and examining proposals for primary and secondary legislation.

In Georgia, as part of a Swedish International Development Agency and United Nations Development Programme (UNDP) project, WFD supported the Environmental Protection and Natural Resources Committee to conduct, for the first time in the life of the parliamentary body, inquiries on atmospheric air pollution and municipal waste management.

The committee collected written evidence from experts, civil society organisations and citizens and held live-streamed oral hearings - all of which were based on UK parliamentary practice. As a result, the environment committee produced two inquiry reports with recommendations for government. In parallel to this work, WFD also supported the development of a guide on public inquiries which has since been adopted by other committees to conduct similar inquiries.

RESPONDING TO REFORM

In Uzbekistan, reforms initiated following the death of President Islam Karimov mean the Uzbek Parliament is becoming a more effective public body.

Through a series of workshops, WFD shared best practice with legislators and researchers on drafting good laws, monitoring the work of government, the role of parliamentary committees and research services. The Parliamentary Institute’s five-year plan will ensure it continues to provide parliament with unbiased and reliable information and analysis, as well as promoting better ways of working. WFD also produced a report on the role parliament can play in Uzbekistan which will inform our future work in the country.

Progress in Uzbekistan led many observers to believe similar change was soon to follow in neighbouring Kazakhstan. In our first parliamentary programme in the country, funded by the British Embassy in Astana, WFD shared UK parliamentary practice with Kazakh MPs. Senators and parliamentary staff including through a study visit to the House of Commons and Scottish Parliament. The programme established links between Kazakh and UK parliamentarians and closed in March 2019. This will allow WFD to develop a new programme subject to future developments in the country.
RESPONSIVE LOCAL GOVERNMENT

In Kyrgyzstan, WFD continued to support local authorities (city councils) in Batken, Naryn, Balychy and Karakol. Following workshops on strategy and accountability of local government, all four local authorities adopted strategies formally by December 2018. The template developed by WFD was endorsed by the national “State Agency on local self-government” and is now expected to be used by all city councils in Kyrgyzstan in 2019-20.

WFD also organised public meetings between local councillors and citizens to align strategic plans with the needs of local communities. In Batken, this included partnership with local radio station “Radio Salam”, which launched a weekly show (“Voice of Batken”) to raise awareness of citizens’ rights and the duties of local authorities. A monthly “Open Dialogue” show also invites a local expert or a member of a local authority to answer questions from people living in the community. The programmes have proved popular with citizens and local councillors.

A young activist, Nurianbek Usonov used the radio programme to engage with the Mayor’s Office and voice concern about access to a local community centre being developed by a private company. As a result, local activists met with representatives of the local authority and the Mayor’s Office took action to ensure the community centre remains accessible to the community.

With WFD support, women councillors in the four provinces created a network to push for greater gender equality in partnership with the British Embassy in Bishkek. This was one of the outcomes from an exchange with Mole Valley District Council in Surrey, England, which took place in January 2019.

“We are grateful to WFD for launching this timely programme because we see the importance of this radio programme and can hear new aspects of councillors’ roles and responsibilities we had not heard before.”

Almazbek Tashbekov, Head of Batken City Council
In South Asia, WFD continued to work with parliaments as they sought to make democratic institutions more approachable and relevant to the people. Across the region, there was significant political change and programmes were designed to be adaptive to emerging needs.

In 2018-19, WFD’s work across South-East Asia focused on ensuring that parliaments contribute to better governance, delivering for citizens on public services and protecting their fundamental rights.
SOUTH ASIA

The 2018 federal elections in Pakistan further consolidated multi-party federal democracy. The country has now enjoyed the longest period of civilian rule since independence. Consequently, there are greater demands and expectations from federal and provincial legislatures to deliver. WFD collaborated with the National Assembly as it takes stock of its achievements and practices of the 14th assembly (2013-18) in revising and developing its strategic plan including support required to track achievements of the Sustainable Development Goals. WFD continued to work closely with the Pakistan Institute of Parliamentary Services as the federally mandated body to support all legislatures in the country.

A two-day conference on the role parliament can play creating and monitoring whether legislation is effective took place in March 2019, under the Commonwealth Partnership for Democracy (CP4D). This has stimulated interest at local and regional levels of government to replicate sharing of good practice and in-depth investigation into existing political decision-making.

The September 2018 presidential elections in the Maldives increased hopes for democratic change and political freedoms in a strategically important country with an authoritarian past. After the election, WFD in partnership with the British High Commission in Sri Lanka, held a series of in-depth consultations with political parties, parliament, independent institutions and civil society on a variety of reform options to build an inclusive, more representative democracy in the Maldives. A more open, engaging parliament and more accountable independent institutions emerged as key priorities. The Maldives Democratic Party received a resounding victory in parliamentary elections held in April 2019 further creating momentum for positive reforms that can strengthen democratic institutions and governance. WFD is planning further engagements with a variety of democratic actors as the new parliament gets to work in June and hopes to secure resources necessary to engage in targeted, impactful programming to support Maldives on its democratic transition.

In 2018-2019, WFD opened its office in Nepal which coincided with the first full year of the newly elected bicameral parliament. The 2015 Nepalese Constitution guarantees inclusivity, both in terms of gender, minorities and disadvantaged groups and WFD has worked with the Deputy Speakers (both women) on how their posts can further profile, encourage and sustain women taking a greater and more active part in political decision-making. WFD has shared with the newly established parliament techniques in post-legislative scrutiny (reviewing laws to make sure they are effective) which the legislation management committee wants to pilot as a tool to both engage with civil society, but also to inculcate parliamentary oversight processes and procedures.
WFD has worked closely with the Parliament of Sri Lanka in establishing guidelines and producing a manual as it embeds oversight procedures emanating from the creation of cross-party Sectorial Oversight Committees. This is aligned to the revision of the Standing Orders in 2018 which were reviewed in anticipation of forthcoming elections. In addition, in partnership with the British High Commission in Sri Lanka, technical skills in forensic accounting were developed with auditors at the Auditor General’s Office. Despite impressive progress, challenges remain for Sri Lanka. A constitutional crisis occurred in October 2018 over President Maithripala Sirisena’s attempt to dismiss Prime Minister Ranil Wickremesinghe and replace him with former President Mahinda Rajapaksa. Although the Supreme Court ultimately ruled the move by the President unconstitutional, this demonstrates the need for a deeper exploration of the constitutional relationship between the legislative and the executive branches.

The May 2018 election results in Malaysia signify a popular desire to change the way politics is conducted. In collaboration with the House of Representatives and the British High Commission, WFD undertook the first MP “Advocacy” programme that brought together parliamentarians and civil society organisations in an ongoing dialogue on how to put into effect the pledges made under Promise 16 of the governing coalition to “Restore the Dignity of Parliament”. WFD has established a programme office to support the development of constructive relations with the Speaker and Secretary General of the House of Representatives, legislators, Ministers and civil society organisations to support Malaysia’s transition.

Under the Commonwealth Partnership for Democracy (CP4D), a conference on women’s political leadership was held in partnership with the Parliament of Malaysia and the Commonwealth Parliamentary Association (CPA) in February 2019. The conference saw positive announcements from Women’s Minister Hannah Yeoh and Deputy Minister Liew Vui Keong who made commitments on childcare facilities in government offices and a new anti-stalking law to safeguard women.

During this conference, it was also clear that there is disparity in the application of existing laws within Malaysia particularly between Borneo and mainland Malaysia. In 2019-20, the programme will partner with a coalition of women’s civil society organisations in the state of Sabah in Borneo to address some of these challenges.
SOUTH EAST ASIA

WFD continued to support Myanmar’s Parliament (Hluttaw) for a third consecutive year following the 2015 general election and the transition to the National League for Democracy-led government. The transition has since been marked by significant challenges, raising questions about the nature of political change in Myanmar and the direction in which it is ultimately headed.

In 2018-19, WFD focused on promoting accountability through expanding its committee mentorship programme, which pairs Hluttaw affairs committees with former committee chairs from the UK and the region. Committees on education, health and natural resources and the environment were supported to launch inquiries and conduct oversight of the government in key policy areas. Through their inquiries, committees started gathering evidence, conducting fact-finding visits and public hearings, and developing committee reports and recommendations. The public hearings of the education committees in March 2019 were the first of their kind to be held within the Hluttaw – a significant move towards opening its work to citizens.

Indonesia’s simultaneous presidential and parliamentary elections in April 2019 represented were a significant achievement, as they were the fifth democratic election since the country’s transition started two decades ago and the largest single-day election on record. Yet, while Indonesia has achieved impressive democratic consolidation, it continues to face unique challenges relating to citizens’ fundamental freedoms due to a proliferation of regulations enacted by some local governments that discriminate against women as well as religious and social minorities.

In 2018-19, WFD focused on supporting parliaments to protect human rights by working with local legislators to help bring their laws in line with international human rights obligations. Together with both houses of Indonesia’s national parliament, we worked trained legislators and staff from over 75 local parliaments to review the impact of local regulations against international human rights standards, analysing how they were implemented to ensure that efforts to tackle discriminatory laws are effectively joined up.

In Laos, WFD continued supporting the National Assembly’s Law and Justice Committees, whose role it is to ensure that legislation is fit for purpose and serves citizens. WFD helped the Law Committee to improve its core functions and to create awareness around the laws it considers and of parliament more broadly. We supported committee members to visit local communities, meeting with authorities and the public to explain the work of the committee and how it relates to their daily lives. This represented a positive step in creating a link between the parliament and citizens, which remains weak but is essential to further develop if the National Assembly is to become a legislature that responds to public needs. WFD’s parallel support to the justice committee supported this direction of travel by working with staff to develop petitions handling procedures, which are essential for the National Assembly to be able to properly process and respond to petitions and complaints from the public.
In 2018-19 WFD delivered initiatives in various Latin American countries including Venezuela, Ecuador, Mexico and Colombia. Venezuela continues to host WFD’s only full-scale programme in the region which builds upon work that began in April 2016.

Over the course of the year, Venezuela’s economic and social crisis worsened, increasing the number of migrants leaving the country and leading to demands for international humanitarian aid to relieve the crisis affecting the population. At the same time, a new political crisis emerged following a Presidential election held by the government which wasn't recognised by the opposition and most of the international community. The National Assembly has since then used a constitutional mechanism to name Juan Guaido, current President of the National Assembly, as interim President until free elections are called. This course of action has been fiercely contested by Nicolas Maduro’s administration and the two rival governments are at loggerheads.

In this context, WFD has continued its work with the National Assembly by supporting it to implement a modernisation strategy for the institution. Steps forward this year included the development of new Rules of Procedure, a Code of Ethics and a Manual of Legislative Procedure. WFD also delivered training on communication strategies for legislators and made improvements to the National Assembly’s website to make it more accessible.

WFD showed legislators and staff in the National Assembly how to use post-legislative scrutiny, a technique for reviewing laws after they have been implemented to ensure they have achieved their intended aims, allowing MPs and staff to learn how to improve laws in the future. This is a valuable part of the legislative process that is less developed in Latin America than in other regions of the world.

We have also continued to familiarise legislators and staff about the importance of gender equality and mainstreaming this value across the institution. Outside Venezuela, WFD staff delivered introductory seminars on post-legislative scrutiny in the National Assembly of Ecuador, in partnership with ParlAmericas, and in the State Congress of Guanajuato in Mexico. WFD also developed a manual on best practice for post-legislative scrutiny across the region, which features contributions from legislatures which are leading the way on the topic across the region.
WFD leads the Commonwealth Partnership for Democracy (CP4D) – a £4 million two-year programme – which aims to strengthen democracy and broaden political participation across 18 Commonwealth countries.

The Partnership includes the Commonwealth Parliamentary Association (CPA), Commonwealth Parliamentary Association UK (CPA UK) and the Commonwealth Local Government Forum (CLGF). It was announced by the Foreign Secretary in April 2018 as part of a package of measures to reflect the UK’s priorities as Chair-In-Office of the Commonwealth.

The Partnership works to build trust in democratic institutions such as national parliaments and local authorities to help improve transparency and foster more stable, democratic societies. By working with parliaments, local authorities and civil society organisations, the partnership helps to support the political engagement of minorities and vulnerable groups.
BUILDING TRUST IN DEMOCRATIC INSTITUTIONS

To help parliaments become more accountable, the CP4D worked to update the CPA’s Recommended Benchmarks for Democratic Legislatures. The benchmarks are a set of standards for parliaments to assess their own performance and were originally developed in 2006.

In June 2018, the benchmarks were updated to reflect the aims of the Commonwealth Charter and the Sustainable Development Goals, particularly Goal 16 on promoting peace, justice and strong institutions. A manual and workbook were developed to support parliaments conducting a self-assessment of how they were performing against the benchmarks.

The updated benchmarks were endorsed by the CPA membership in 2018 and are now being used in Malaysia, Belize and South Africa. CPA is helping Commonwealth countries conduct self-assessments against the benchmarks, with the stated aim of helping parliaments become effective, accountable and transparent institutions.

The Partnership is also working to strengthen parliamentary committee systems, offices and the legislative process in Malawi, Sri Lanka and Pakistan.

PARLIAMENT’S ROLE IN MONITORING PUBLIC MONEY

Partnership members are working with the Commonwealth Association of Public Accounts Committees to develop innovative ways of working to monitor governments. For example, a conference of public accounts committees in the Pacific region held in February 2019 gave an opportunity to members to discuss different approaches and inform the work of the Association.

PROMOTING INCLUSIVE INSTITUTIONS

Improving the inclusion of young people, women, persons with disabilities, members of the LGBT+ community and religious minorities in political institutions that represent their interests is a central aim of CP4D. In 2018-19, we worked towards this goal at both the regional and national level. Two regional events were held to promote inclusive politics in Asia and Africa. The conferences were hosted by the national parliaments of Malaysia and Uganda, providing an opportunity for local advocacy organisations, youth leaders, and academics to connect with decision-makers. Through these events, the partnership is bringing regional lessons to the country level and elevating country-specific issues to a regional forum.
**GENDER EQUALITY**

In Malaysia, the #WomenWhoLead summit brought together over 100 participants from local and community organisations, business, academia and politics, to pledge to do more to champion women’s rights in Malaysia.

Co-hosted with the Commonwealth Parliamentary Association (CPA) Malaysia, the two-day conference facilitated discussion amongst attendees about the barriers to women’s participation in politics and gender equality across Malaysia and the region.

During the conference, Women’s Minister Hannah Yeoh announced that government offices and the parliament building would be supplied with childcare facilities, while Deputy Minister Liew Vui Keong committed to introducing a new anti-stalking law to safeguard women.

During this conference, it was also clear that there is disparity in the application of existing laws within Malaysia particularly between Borneo and mainland Malaysia. Our programme in Malaysia is now working with a coalition of women’s civil society organisations in the state of Sabah in Borneo to address some of these challenges.

In Malaysia and India, the Partnership is exploring ways for women at the regional and local level to have a voice in politics, either through equipping them with the skills needed to compete in an election or to advocate and campaign for change.

Political parties play an important role when it comes to advancing women’s rights too. That is why in The Gambia CP4D is working to encourage young women to engage with political parties.

**YOUTH POLITICAL LEADERSHIP**

The #YouthWhoLead conference, hosted by the Parliament of Uganda in March 2019, saw over 200 young activists and parliamentarians from more than 10 countries in Africa call for more young people to participate in politics. High entry costs when standing as a candidate were raised as a barrier to young people entering politics in Uganda and the Speaker, Rebecca Kadaga, committed to asking parliament to review the current nomination costs as a priority.

In Ghana, Nigeria, Botswana and Uganda, CP4D is working with a variety of groups that represent the interests of young people in their respective countries. From young elected representatives to students, youth leaders and membership bodies, we are making sure young people have the opportunity to contribute to the law and policy making process as part of a regional project in East Africa.

**PERSONS LIVING WITH DISABILITIES**

In Kenya, Mozambique and Sierra Leone, CP4D is working with disabled persons’ organisations to identify social and economic challenges persons living with disabilities face, to make parliamentarians aware of the need for legislation that focuses on accessibility and to help create policies in partnership with relevant government ministries.
Focus on Inclusion

PERSONS LIVING WITH DISABILITIES: LEAVE NO ONE BEHIND

One in seven people worldwide have a disability, 80% live in developing countries. Despite the proportion of people living with disability they are often excluded from decision-making roles and policies are not formulated with their needs in mind.

Disability is a critical issue for international development and democracy assistance organisations. If we are committed to meeting the Sustainable Development Goals, which aim to “leave no one behind”, then we must ensure the Convention on the Rights of Persons with Disabilities is not only ratified but also implemented in full.

On 24 July 2018, participating in the first ever Global Disability Summit in London, WFD committed to help create more inclusive political environments that invite and support the participation and leadership of persons with disabilities.

As a proud signatory of the Summit’s Charter for Change, WFD will aim to support national Governments to implement these commitments and the convention throughout our programming and internally in 2019-20.

SUPPORTING PERSONS LIVING WITH DISABILITIES

In 2018-19, we ensured that more of our programmes support persons with disability. The Commonwealth Partnership for Democracy (CP4D) aims to address the problems persons living with disabilities face. For example, in Mozambique, WFD is working with the Mozambican Association of Disabled People to provide technical advice on advocacy with regards to forthcoming disability legislation.

In Kenya, where WFD has been supporting the devolution process, we started to work with Members of County Assemblies to promote inclusion in local government.

Through the EU-funded “Support to Democratic Governance in Nigeria” programme, WFD used social media and the #OurVoteCountsNG platform, to target messages specific to persons with disability and encourage them to actively participate in the February 2019 election.

Under the Western Balkans Democracy Initiative, we are also working to connect legislators with persons with disability in North Macedonia to better understand the challenges they face daily.

In the coming year we hope to increase our work supporting accessible electoral processes, improved representation within political parties, as well as the design and delivery of policies that invest in the best possible outcomes for persons with disabilities, working closely with political parties, parliaments and civil society.
WOMEN’S POLITICAL LEADERSHIP

In the centenary year for women’s suffrage in the UK, the emphasis on women’s political leadership was a prominent theme throughout WFD’s work globally.

VIOLENCE AGAINST WOMEN IN POLITICS

Following our March 2018 summit on Ending Violence Against Women in Politics, the international programmes and offices of UK political parties funded by WFD submitted evidence to the UN Special Rapporteur on Violence Against Women. Their report was released on 5 October and we welcome the valuable guidance it offers, and the call to action for member states, their parliaments, political parties and electoral oversight bodies to address violence against women in politics. WFD will take this work forward in 2019-20.

WOMEN MPS OF THE WORLD

On 8 November 2018, women MPs from across the world met in Westminster for an historic one-day event to discuss how to make politics more inclusive. Over 100 MPs from 86 countries united to celebrate the centenary of women’s suffrage in the UK. Delegates discussed the specific challenges facing women MPs today and how these might be overcome.

Opening the event, Secretary of State for International Development and Minister for Equalities, Penny Mordaunt MP welcomed women legislators and called on all participants to help drive change nationally and internationally.

ARAB CONVENTION TO COMBAT VIOLENCE AGAINST WOMEN

Efforts continued in 2018-19 to agree an international convention to combat violence against women and girls in the Arab region.

The Arab Convention to Combat Violence Against Women is designed to respond to the cultural challenge’s women face, in peace time as well as during conflict. It was developed with the support of MPs from across the Arab world.

The convention is similar in scope to the Council of Europe’s ‘Istanbul Convention’ and is currently being considered by the Arab League Women’s Committee.

“Globally, women pay a higher price for their participation in politics. WFD’s own work to address violence against women in politics has shown that while the forms of abuse targeting politically-active women tend to be localised, the experience is universal.”

Anthony Smith CMG, WFD Chief Executive

“If we want to be remembered by Arab women, we need to protect Arab women’s rights.

We have responsibilities in parliament towards women in our society. We need to create a fairer, more just environment in Arab countries and around the world.”

Wafa Bani Mustafa MP and Chair of Coalition of Women MPs to Combat Violence Against Women in Politics
Focus on post-legislative scrutiny

As parliaments are responsible for adopting legislation, they also have a role in monitoring how laws are implemented and if they have achieved their intended outcomes. This practice is known as post-legislative scrutiny and is a prominent feature of UK parliamentary democracy.

During the past year, WFD has extended its work in this area, showing that it is an organisation with wide-ranging expertise in helping parliaments to scrutinise legislation effectively.

In July 2018, the Institute of Advanced Legal Studies of the University of London and WFD co-organized an academic seminar on post-legislative scrutiny. More than 20 research papers were presented to 170 participants from 40 countries, including academics, parliamentary and legislative experts, and practitioners. The seminar resulted in the Special Issue of the European Journal of Law Reform, the first-ever full academic publication on post-legislative scrutiny; which enabled WFD to establish a network of experts on this theme.

WFD supported the pilot projects on post-legislative scrutiny in Myanmar and Georgia and drafting national manuals on post-legislative scrutiny in different parliaments.

During the past year, specific attention has been given to the gender-dimension of post-legislative scrutiny. In the MENA region, WFD worked with MPs, legal staff and gender specialists from Lebanon, Tunisia, Algeria, Morocco and Jordan to analyse how widely laws which tackle gender-based violence have been implemented across the region. At a seminar in Rabat which WFD hosted in January 2019, WFD created a checklist for parliaments to use to assess the effectiveness of their laws in this area.

In addition, we worked with four authors to develop a comparative paper on legislative process in the UK, India, Indonesia, France and Georgia, which was then discussed by staff in the parliaments of Indonesia, Georgia and Uzbekistan to assess which system would best suit their needs.

During the past year, WFD established a partnership with the University of Hull, Organisation for Economic Co-operation and Development and the Italian Senate to delve further into post-legislative scrutiny.
In June 2018, a group of members of the House of Commons and House of Lords from all political parties came together to establish the first official parliamentary group dedicated to international development and democracy.

The All-Party Parliamentary Group (APPG) on Democracy in the World is supported by WFD, which provides a secretariat for the group as well as access to the resources, expertise and global network of the Foundation.

Through the APPG, WFD aims to engage a wider audience of parliamentarians and stakeholders, while supporting legislators with quality research and opportunities to build relationships at international level.

In 2018-19, the group hosted regular events in Westminster including briefing sessions, meetings with visiting leaders and roundtables open to the public.

In December 2018, for its first public event, the APPG invited Wafaa Bani Mustafa MP, one of just 20 women in Jordan’s House of Representatives, to share her experience working to end gender-based violence in the Arab World as Chair of the Coalition of Arab Women MPs.

In January 2019, the APPG hosted the Speaker of the Sri Lankan Parliament Hon. Karu Jayasuriya, who updated UK parliamentarians on the constitutional crisis of late 2018 and the role Parliament played in finding a peaceful solution.

Also in January, the APPG hosted a meeting between UK legislators and four women lawmakers (out of a total of six elected) from the Parliament of Lebanon. Inaya Ezzeddine, Dima Jamali, Rola Tabsh Jaroudi and Paula Yaacoubian focused on the issue of quotas to ensure greater representation of women in parliament. In March 2019, the APPG, in partnership with the political party offices and programmes of Labour, Conservatives, Scottish National Party, Plaid Cymru, and Liberal Democrats, organised an event on what political parties can do to address violence against women in politics.

The event brought UK legislators together with Senator Maria Lourdes Landivar Tufiño from Bolivia, Afef Daoud, Vice President of the Ettakatol National Council from Tunisia, Mimoza Kusari-Lila MP, Leader of Alternativa from Kosovo, Dr Rula Alfarra MP Chair of the regional Arab Women Parliamentarians’ Network for Equality (Ra’edat) from Jordan and Ndondwa Msaka, Project Officer Centre for Civil Society Strengthening in Malawi.

The session provided insights into new and existing legal frameworks, political arrangements and judicial practice used around the world to prevent or address violence against women in politics and during elections.
Political Parties
Why we work with political parties

While the popular view of political parties tends to be based on cynicism and an association with the “dirty” side of democracy, they are essential for its proper functioning. Parties that are inclusive, policy-oriented, and staffed by competent professionals can act as the strongest constraint on the executive.

Political parties build support among broad coalitions of citizens and interest groups. They integrate conflicting views and demands into coherent ideologies and manifestos, providing voters with choice on a range of leaders and policy programmes. Parties select and train legislative candidates and political leaders and, following elections, organise the business of government and formal opposition. In between elections, political parties can build stronger relationships with voters and improve their internal capacity to develop policies ideas that address citizens’ needs.

WFD’s unique approach to political party assistance has helped many political parties over the last 25 years, from individual parties to party networks, both regionally and internationally.

We have supported political parties to develop and present platforms and policies with coherent ideology, respond to the challenges that societies face and voter priorities. WFD has worked with parties to adopt more inclusive practices; women, young people, and vulnerable groups such as minorities, the LGBT+ community, and persons with disabilities have become more empowered and their needs served as a result of the reforms our party partners have made.

The UK parties continue to be the critical engines of international party networks, as well as leading the way in developing party networks in Africa, the Caribbean, Europe and MENA. Through “sister party” work, the UK parties are a vital partner to build relationships of trust with parties that are in the same political family, as well as with other parties that want to tap into UK party skills even if ideological positions do not coincide.

WFD sponsors the international work of UK political parties represented in the UK House of Commons. In 2018-19, WFD supported four offices and programmes:

- The International Department of the Conservative and Unionist Party
- The Labour Party WFD Programme
- The SNP WFD Programme
- The WFD Multi-Party Office (a shared facility supporting the work of the Liberal Democrats, Democratic Unionist Party of Northern Ireland, Plaid Cymru - The Party of Wales and the Green Party)

Rt Hon Theresa May MP, Prime Minister and Leader of the Conservative Party

The International Department of the Conservative Party

The Conservative Party is a centre-right political party in the UK and has been the leading party of government since 2010.

WFD supports the work of the International Department of the Conservative and Unionist Party, the office responsible for relations with and support to sister parties internationally. Since its establishment, the International Department has seen how sister parties adapt and adopt Conservative Party approaches and ideas to fit their own cultural settings.

However, working with representatives from political parties in developing countries is not a one-way street; it is mutually beneficial. The exchange between the Conservatives and parties sharing similar ideological positions in other countries can help strengthen UK democracy. The UK parliamentary system is widely respected internationally, and our long history of democracy serves as a beacon of hope and freedom from which newly emerging and developing democracies draw strength.

In 2018-19, the International Department put learning and the problem-driven iterative adaptation approach at the centre of its portfolio of projects. The focus has been on fostering more south-south cooperation between parties and networks, which led to more effective capacity-building and helped create more sustainable political networks and better-equipped parties.

During the year, the International Department tested how cooperation between different networks and regions can foster a better understanding of shared issues and lead to the creation of shared solutions. The Department saw this in practice when it brought together representatives from the Western Balkans and the Latin American Union of Latin American Parties Women’s Network to discuss challenges and opportunities faced by women politicians. The Department has also experimented with new approaches, such as online seminars, to engage a broad set of agents/actors thus providing different functional contributions that ensure reforms are viable and relevant.
LATIN AMERICA

In Latin America, the Conservative Party’s work focused on gender equality and inclusion. The Conservatives facilitated the establishment of a political women’s network within the Union of Latin American Parties, which is aimed at supporting and boosting women’s political participation and leadership, and their access to political decision-making positions.

The Women’s Network (Red de Mujeres UPLA) was launched in June 2018 and women representatives from all Union Member Parties lead it. Leaders within the network have developed plans for an online support group for Latin American women in politics, which will be launched during the year 2019.

Representatives from the Women’s Network worked with members of the Union’s Executive Board to lobby for women to be represented on the board and for their role to become central to the organisation and its agenda. As a result, a Director for Women position was created by the Chairman in June 2018 and the statute was amended in March 2019 to include a gender quota on the executive board.

THE CARIBBEAN

With the support of the International Department, the Caribbean Democrat Union network of parties has become a more sustainable organisation and it has established a Women’s Network, which is working on developing strategies for improving women’s political engagement. Moreover, the Union’s youth network has been championing innovative strategies for engaging with young people and developing their political leadership. Building on the training they received from the Conservative Party, the youth network is developing a campaign to engage young voters. This campaign will be their flagship project in 2019-2020.

SOUTHERN AFRICA

The Conservative Party continued to support the development of the Southern Africa Network of Democrats, which is now a structured network with a constitution and an executive committee. The Southern Africa Network of Democrats has recently established a Women Forum, whose purpose is to discuss issues from the perspective of women and whose Chair, the Network of Democrats’ Executive Member for Women and Minorities, reports directly to the executive committee.

WESTERN BALKANS

The Conservative Party has been working in the Western Balkans in specific countries and on a party-to-party basis. The key results achieved during financial year 2018-19 include:

- In Albania, the adoption by their local sister party of the Conservative Party’s Framework for Candidate Selection to improve representation and meritocracy.
- In Bosnia and Herzegovina, one local sister party altered public-facing messaging to concentrate on policy issues instead of using ethnic rhetoric as result of a workshop facilitated by the Conservative Party. Another local sister party was able to prevent electoral fraud after attending workshops and training with the Conservative Party.
LEBANON

The Conservative Party International Department worked on a party-to-party basis to increase understanding of the role of community engagement in policy development. The workshops helped party leaders develop plans to engage the public and understand the importance of consulting citizens to generate ideas. As a result of the training, the party devised several outreach activities, including surveys and focus groups. In 2018 the party doubled their seats in parliament and key party figures attributed the result to the workshops conducted by the Conservative Party.

The Department also provided party-to-party support on policy, elections and women’s political leadership with parties in Mexico, Mongolia and Morocco.

INDONESIA

The Conservative Party International Department conducted an assessment visit to Indonesia at the beginning of 2019. The objective of the visit was to scope out potential for developing cooperative relationships between the Conservative Party and Indonesian institutions and actors. Following the visit, the Department will develop a programme, which will focus on inclusion and the parties’ role in policy development.

VIOLENCE AGAINST WOMEN IN POLITICS

In March 2018, the international offices and programmes of UK political parties sponsored by WFD – led by the Conservative Party International Department and the WFD Multi-Party Office – came together to organise an international conference, which addressed the topic of violence against women in politics.

In 2018-19, the Department continued its thematic work on this crucial area by co-sponsoring a cross-party roundtable in the UK Parliament. This was hosted by the All-Party Parliamentary Group for Democracy in the World and aimed at keeping up momentum for international action. The theme has also been at the centre of the Department’s south-south work. This included encouraging women to stand for political position in Latin America and in the Western Balkans.
The Labour Party is a centre-left political party in the UK, and an alliance of social democrats, democratic socialists and trade unionists. Through its Westminster Foundation for Democracy programme, the Labour Party delivers support for sister and like-minded parties.

The programme is underpinned by the Labour Party’s values of social justice, equality of opportunity, fairness and human rights. Labour’s WFD programme focuses on capacity building, political education of parties and movements, and fostering regional and international political dialogue.

In 2018-19, the international portfolio of the party was extensive, with projects on developing the capacity of sister parties, encouraging parties to engage more with civil society and human rights and equalities. Activities emphasised inclusiveness and equalities under the slogan “A world for the Many, Not the Few”.

"LABOUR IS AN INTERNATIONALIST PARTY OF SOCIAL JUSTICE AND EQUALITY. THESE VALUES ARE FUNDAMENTAL TO OUR WORK, WHETHER WITH WOMEN WHO EXPERIENCE VIOLENCE, YOUNG PEOPLE WHO STRUGGLE TO MAKE A BETTER WORLD OR THE COURAGEOUS LGBT+ ACTIVISTS SEEKING RESPECT FOR THEIR RIGHTS AND DIGNITY. TOGETHER WE WILL BUILD A WORLD FOR THE MANY AND NOT THE FEW. WE WISH THE FOUNDATION CONTINUED SUCCESS IN SUPPORTING UNIVERSAL HUMAN RIGHTS."
WOMEN IN POLITICS

Special emphasis was placed on women political leadership and tackling violence against women in politics:

- The programme supported the historic Women MPs of the World summit held in November 2018 in the UK House of Commons, based on an idea by the Rt Hon Harriet Harman QC MP.
- The programme also supported a meeting of the All-Party Parliamentary Group on Democracy in the World dedicated to Violence Against Women in Politics where testimonials were presented from a cross-party delegation.
- Labour’s WFD programme helped produce a manual on advocacy to eliminate violence against women through the Arab Women’s Network.
- In Africa, the programme brought together women activists to support the “Spotlight Initiative to End Violence Against Women and Girls”, a global initiative sponsored by the European Union and the United Nations.
- At the Labour Party Women’s Conference in February, Labour’s WFD programme provided a platform for young women from Ghana and South Africa to discuss global rights for women.
In Belgrade, Skopje, Sarajevo and Podgorica, the programme helped launch a series of campaigns on maternity rights and youth policies, mobilising local sister party activists and civil society. The campaigns were part of a common social democratic response to challenges in the region and demonstrated that dialogue is not only essential between parties but between parties and civil society too.

The programme saw the development of links with trade union movements, issue-based organisations and think tanks which support reconciliation and co-operation in the region.

Links were also established between LGBTI organisations and sister parties, encouraging people to work across borders on this issue. For example, partners from Serbia led on activities with sister parties in the region, demonstrating practical steps on engagement with LGBTI organisations.

Regional work has been complemented by bilateral activities. Labour’s WFD programme saw sister parties shift to inclusive policymaking, with parties developing policies based on grassroots consultation.

The programme promoted initiatives to encourage transparency and freedom of expression in restrictive environments. In Ukraine, the programme trained young activists to monitor elections. Young people have played a central role in programme delivery.

For example, the programme encouraged its young alumni, especially from Eastern Europe and the MENA region, to lead training sessions for young activists within their respective regions.
The Scottish National Party is very proud of our efforts to work with the Westminster Foundation for Democracy to promote democracies across the globe. As democrats we are committed to supporting communities throughout the world, establish and foster strong democratic principles. Our office in Westminster is currently working with a number of different organisations to embed democratic values based on equality and integrity. The continued work of the Westminster Foundation for Democracy enables us to work collectively as a global community to meet to new global challenges.

Rt Hon Ian Blackford MP, Leader of the Scottish National Party in the Westminster Parliament

“The Scottish National Party is very proud of our efforts to work with the Westminster Foundation for Democracy to promote democracies across the globe. As democrats we are committed to supporting communities throughout the world, establish and foster strong democratic principles. Our office in Westminster is currently working with a number of different organisations to embed democratic values based on equality and integrity. The continued work of the Westminster Foundation for Democracy enables us to work collectively as a global community to meet to new global challenges.”
SUPPORTING NETWORKS FOR ARAB WOMEN

The SNP programme has been supporting the Arab Women Parliamentarians’ Network for Equality (Ra’edat) since 2016. The network brings together 300 women legislators from 14 countries across the Middle East and North Africa. In 2018-19, the SNP-WFD programme developed a policy paper which outlined recommendations to improve women’s political representation across the region.

Between July 2018 and March 2019, initial consultative meetings were held in Jordan, Sudan, Egypt, Mauritania, Iraq and Morocco to develop local versions of the policy paper, which were adapted to reflect the specific context. Members of Ra’edat then lobbied political parties and government to take forward the recommendations. In 2019-20, the SNP-WFD programme will continue to support Ra’edat members to advocate for these recommendations to be put into practice.

The party’s programme in Jordan was particularly successful as a result of the efforts of the Network Chairwoman, Dr Rula AlFarra, who is based in Amman. After the first consultative meeting in July 2018, a drafting committee was formed to develop the Jordanian version of the paper. The paper was submitted to the Minister of Political Affairs who agreed to adopt three of the recommendations, which concern the financing of political parties, which will be debated by the Cabinet. He also promised that many of the recommendations will be taken into account in the Election Law and the Political Parties Law, and those two laws will soon be amended. Moreover, Ra’edat in Jordan managed to bring many parties to the table, along with the Women’s Caucus and the Parliamentary Alliance for Violence Against Women. The groups are now allies in working to see these recommendations implemented. 

Dr Rula AlFarra MP from Jordan and chair of the regional Arab Women Parliamentarians’ Network for Equality (Ra’edat) talks to the APPG on Democracy in the World about violence against women in politics.
MALAWI

With an election scheduled for May 2019, where 31 out of 32 members of the Parliamentary Women’s Caucus in Malawi will stand for re-election. Support in 2018-19 focused on increasing visibility of the Caucus and fundraising methods. Communications aimed to present women leaders as a normal feature of political life. Activities were completed in partnership with the Centre for Civil Society Strengthening, a local organisation advocating for a parliament that is balance 50:50 in terms of gender.

Planning was also underway with the International Foundation for Electoral Systems, ActionAid Malawi, the 50:50 Campaign Management Agency and M-hub towards the establishment of a response unit to tackle violence against women during elections. This will include a real-time monitoring and referral system that will log incidences of violence against women in politics and transmit notifications to relevant health and security agencies.

DISINFORMATION IN UKRAINE

After a March 2018 scoping visit, the SNP-WFD programme initiated a new project in Ukraine. Initially, this had broad plans to explore the issue of disinformation across multiple sectors in different regions of Ukraine. However, thanks to the programme promoting a flexible approach, part-way through the year, the project was adapted to focus more directly on how disinformation impacts elections. The programme signed a Collaborative Agreement with Kyiv-based Committee of Voters of Ukraine to conduct cross-sector evidence-gathering meetings in different regions, commission an academic to write a policy paper and develop shareable tools (such as a short film and guide) for voters on recognising and avoiding disinformation in advance of the 31 March presidential election.

Rt Hon Sir Vince Cable MP,
Leader of the Liberal Democrats

The WFD Multi-Party Office

The Multi-Party Office (MPO) supports a group of UK political parties, currently including the Liberal Democrats, the Democratic Unionist Party, Plaid Cymru - The Party of Wales and the Green Party, to undertake international engagement and development programmes around the world.

By partnering with opposition parties in countries dominated by one or two major political parties, WFD Multi-Party Office projects help build truly multi-party democracies. The Office shares political experience that is relatable and can be adapted to local context by minority political parties campaigning on specific issues or representing a certain region or group.

Through WFD Multi-Party Office projects, UK parties work with their sister parties and regional networks to enhance internal party rules and procedures, strengthen party branches, improve membership outreach practices, adopt evidence-based and inclusive policy development processes, and increase opportunities for participation by historically marginalised groups.
LIBERAL DEMOCRATS: AFRICA LIBERAL NETWORK

The Liberal Democrats have supported the Africa Liberal Network for over 10 years. As a result of budget and staff changes within the Liberal Democrats in 2018-19, a new support project was designed to continue this long-standing partnership.

Following a full political economy analysis to determine the challenges, the new project aims to improve the representation and participation of women within the Network and within the member parties.

For the first time in its history, the network ran an open, competitive call for applications for the new Women’s Leadership Programme, which offered 15 places to women planning to stand for election in the next two years. The first training workshop was held in Morocco in March 2019 with delegates from 9 countries.

The annual Africa Liberal Network General Assembly took place in March 2019, with the theme Empowering Women: Starting in your Political Party. This was the first time that women’s participation was selected as the theme of the network’s general assembly and demonstrated recognition from the leadership that more needs to be done to support and enable women within the network and member parties.

PLAID CYMRU: ESTABLISHING LOCAL PARTY BRANCHES IN KOSOVO

Following a scoping visit in 2017, Plaid Cymru (Wales) and Alternativa (Kosovo) are working together to share best approaches to engage young people and women at the grassroots level, as well as exploring their approaches to policy making.
**DEMOCRATIC UNIONIST PARTY:**
**DISINFORMATION AND POLICY DEVELOPMENT IN GEORGIA**

The Democratic Unionist Party explored different areas of collaboration with its sister-party, the Conservative Party of Georgia, including how they can be perceived as leading the Georgian government’s response to threats of disinformation. This resulted in the first-ever parliamentary inquiry by the Georgian Foreign Affairs Committee on Disinformation and Propaganda for which the WFD Multi-Party Office provided technical support.

**THE GREEN PARTY:**
**GREEN ACADEMY IN NORTH MACEDONIA**

A new partnership between the Young Greens and the Youth Organisation of Democratic Renewal of North Macedonia was established in early 2019. The Green Academy was created following a study exchange with a delegation from the sister-party attending the Green Party conference in October 2018. This is the first time a youth wing of a UK political party has led and co-designed a WFD Multi-Party Office project directly with a sister-party, sharing unique experience of managing the under 30 training scheme – a development scheme offering young people in the Green Party of England and Wales one year of expert training and mentoring. The purpose of the Green Academy project is to increase the representation and impact of the Youth Organisation of Democratic Renewal of North Macedonia.
Elections
Credible elections increase the legitimacy of political institutions and can improve levels of trust in elected representatives. WFD’s strategy commits to increase existing work recruiting, training, and deploying UK election observers and launch new programmes to strengthen electoral institutions. These include election management bodies, civil society organisations, domestic observation networks, political parties, legislatures and media.

**Election Observation**

WFD is the public body responsible for the recruitment and selection of UK election observers for European Union Election Observation Missions, and one of the service providers for OSCE’s Office for Democratic Institutions and Human Rights (ODIHR) missions.

In 2018-19, WFD sent over 40 election observers to participate in 12 election observation missions, including in El Salvador, Malawi and Kosovo through the European Union. WFD also deployed observers to Azerbaijan and Armenia to participate in OSCE ODIHR missions.

**Democratic Republic of Congo**

WFD, in partnership with the Electoral Institute for Sustainable Democracy in Africa (EISA) and Democracy Reporting International (DRI), delivered an independent, technical report to the national electoral commission (Commission Électorale Nationale Indépendante) of the Democratic Republic of Congo ahead of the January 2019 vote.

The report set out a list of recommendations to the commission regarding how to use electronic voting machines in a safe, effective and transparent manner in the upcoming election.

WFD also worked with the Konrad-Adenauer-Stiftung (KAS) to help train political party polling agents, providing local partners with the skills needed to support a credible electoral process.

**Nigeria**

In the run up to the February 2019 election in Nigeria, WFD ran an awareness campaign targeting underrepresented voting groups. Called ‘Our Votes Count’, the campaign was implemented in partnership with the Nigerian Women Trust Fund (NWTF) and funded by the EU. The campaign informed women, young people and persons with disabilities about their rights before and on polling day.

The campaign used targeted messaging on social media, and the #OurVoteCountsNG hashtag, to target underrepresented groups and encourage them to vote. Social media messaging, flyers and other materials were produced with taglines such as ‘VOTE not FIGHT’, ‘Don’t Sell your Vote’, ‘No Electoral Violence’, while flyers explained how to collect the Permanent Voters Card (PVC) which was required to vote. Short animations were also produced to illustrate important messages on social media.

This was combined with more traditional outreach activities in local communities. Through WFD’s engagement, community groups were established in three states, Federal Capital Territory, Imo and Osun State, to help show voters why their vote matters.

**Colombia**

In Colombia WFD supported a local NGO, Mision Observacion Electoral, in their international observation mission for the Presidential election in 2018. We sent staff – including WFD’s CEO – to support their work on the ground.

WFD monitored the election in Cucuta, an area greatly affected by both Venezuelan immigration and guerrilla military activities in the surrounding regions, in Neiva, a formerly FARC controlled rural area of the country, and in Medellin, a hotly contested urban area that saw a very closely run campaign.
Research

In 2018-19, WFD’s in-house research programme focused on four areas: international democratic renewal, the cost of politics, parliamentary effectiveness and women’s political leadership.

INTERNATIONAL DEMOCRATIC RENEWAL

Most countries across the world today are nominally democracies. However, we are at a critical time in history where the resilience of democracy is being questioned. This is happening in the oldest and most established democracies as well as in emerging ones.

Supporting effective democratic institutions can be complex and often uncertain, which is why WFD’s research programme explored the idea of international democratic renewal in 2018-19.

In June, we supported a conference on populism – the political trend of recent years – in partnership with International IDEA, the Netherlands Institute for Multi-Party Democracy (NIMD), OSCE’s Office for Democratic Institutions and Human Rights and REPRESENT. The event, held in the Belgian Senate, saw leaders from politics, civil society and academia from across the world gather to shape a guide aimed at reinvigorating the relationship between people and democracy.

The debate surrounding populism inspired us to look at how to reconceptualise and reinvigorate democracy support. We invited the Overseas Development Institute’s Alina Rocha-Mencocal and Pilar Domingo to conduct a critical review of democracy support and reflect on what WFD and other actors could do better in the future.

Their review, Renewing representation: the role of international assistance, recommended closer integration between parliamentary and political party work, a more problem-focused rather than solution-based approach to context specific issues, and an increased focus on the body of research in this area. What works in practice remains an underdeveloped area of exploration, which WFD intends to develop.

COST OF POLITICS

WFD’s flagship research into the costs involved in seeking public office in Ghana – to be nominated, run a campaign and when in office – was released in late 2017 and saw significant uptake in the last year.

The unique approach this strand of research takes – looking at the whole cycle of costs associated with politics – led to increased interest from other democracy support organisations in 2018-19. For example, the Netherlands Institute for Multi-Party Democracy partnered with WFD to develop questionnaires for rolling out the survey in Mali and Benin, with an eye toward using it more regularly in their programming.

WFD also used the growing interest in political finance and cost of politics to develop partnerships with academics working in similar areas. In the coming year, WFD’s cost of politics methodology will be integrated into several candidate surveys across Africa, helping us for the first time to create an initial database of evidence around the influence of money on parliamentary politics in the region.
There is growing and generalized acknowledgment that effective parliaments contribute to stable and productive democratic systems. It is rare, however, for parliaments to take on a proactive role in assessing their own institutional performance by tracking formal metrics that capture their accountability, transparency and inclusivity, particularly in the decision-making process.

In 2018, using Goal 16 of the Sustainable Development Goals (SDGs) as a guiding principle, the Commonwealth Partnership for Democracy (CP4D), led by WFD in partnership with Commonwealth Parliamentary Association (CPA), updated the Recommended Benchmarks for Democratic Legislatures, a set of standards for parliaments to assess their own performance and functions. This update has galvanised a renewal of interest from legislatures in undertaking a self-assessment against these revised benchmarks, presenting an excellent opportunity to start to assess ‘parliamentary effectiveness.’

But the benchmarks can only take us so far in understanding the outcomes of parliamentary activity. To address remaining gaps, in March 2019, WFD and partner members of the Commonwealth Partnership for Democracy (CP4D) convened a roundtable on measuring parliamentary effectiveness. This event brought together academics, practitioners, and professionals to debate their ideas and experiences of measuring parliamentary effectiveness, and the democracy support community’s next steps in this endeavour. In the coming year, WFD will continue working with its partners to develop better ways of measuring parliamentary effectiveness.

In January, we supported the Gender, Political Participation, and Democracy workshop in Accra, Ghana, co-organised by local NGO ABANTU for Development, the University of Ghana and the University of Birmingham’s Institute for Global Innovation (which has partnered with WFD since 2016). The workshop explored practical ways to overcome the fundamental challenge a lack of women in leadership positions poses to democratic governance which a lack of women in leadership positions poses. The workshop reinforced the importance of addressing the power structures that impact on the number of women candidates putting themselves forward.

Building on this theme, a new policy paper under the Political Economy of Democracy Promotion project with the University of Birmingham is set for release later in 2019. This paper examines the extent to which parliamentary committees provide women in African parliaments with an avenue for influencing laws and policies in the health sector.
Key risks and uncertainties

Working on political governance in countries all over the world is complex and success rests on a multitude of factors which are beyond anyone’s ability to foresee and control. This is why the WFD Board of Governors acknowledges that accepting a degree of risk is a characteristic of WFD’s work when setting its risk appetite. Without this it would not be possible for WFD to carry out programme work in a number of the jurisdictions in which we operate.

WFD has in place a risk management policy as well as procedures to identify and manage risks. Key risks and uncertainties are those that could have a material impact on WFD in carrying out its work. During the year these key risks were reviewed and managed as part of a Corporate Risk Register under four categories: Governance, Programmes, Operations, and Resourcing. Risk management and key risks are reported in more detail on pages 132 to 137.
Finance Review

Incoming resources for the year, including our grant-in-aid from the Foreign & Commonwealth Office, totalled £15.5 million.

Total expenditure for the year was £15.0 million

Income

GRANT IN AID
WFD receives an annual grant-in-aid (GIA) from the Foreign & Commonwealth Office out of monies voted by Parliament, to enable us to achieve agreed objectives. As required by the Governmental Financial Reporting Manual, GIA is treated as financing and is taken directly to the core reserve, as opposed to being recognised as income. The conditions of the GIA require that it be applied for according to need and be spent in the year to which it relates. In the current year the GIA available to WFD was £3.5 million, consistent with previous years. Of this, £0.2m was drawn down in 2018-19 and will be spent in 2019-20. The overall value to WFD of the FCO GIA for the period 2019-20 will remain at £3.5 million.

OTHER FUNDING
2018-19 has been a year of growth for WFD, with our total income, excluding GIA, increasing by £5.1 million (74%) to reach £12 million. In part this is due to WFD securing new large grants including the two-year Commonwealth Partnership for Democracy grant and a three-year CSSF funded grant for a regional programme in the Western Balkans. Additional growth has come from an increase in the number of grants being managed, up from 38 in 2017-18 to 51 in 2018-19.
DFID continues to be an important strategic partner and funder for WFD programmes. This was the first year of a new three-year Accountable Grant (AG), to support inclusive and accountable politics. The grant commenced in August 2018 and DFID has committed up to a total of £12 million of funding to 31 March 2021, with an additional performance related amount of £2.8 million available. In the current year, £3.8 million of income was recognised under the new DFID AG (2017-18: £3.4 million from previous AG).

DFID also provided a separate grant of £1.2 million for activities in Myanmar (2017-18: £0.9 million). In addition, DFID provided several further grants totalling £0.5 million in 2018-19 for WFD work in the DRC, Nepal, Nigeria, and Sierra Leone (2017-18: £0.2 million).

Work in the DRC and Myanmar will continue to the summer of 2019, with budgeted income of approximately £0.7 million; extensions or new grants to continue WFD’s work in these two countries are being considered.

UK GOVERNMENT - FOREIGN & COMMONWEALTH OFFICE (FCO)

Overall income from FCO funds fell in the year to £0.9 million (2017-18: £1.6 million), but, as noted in the UK Government section below, income from cross-governmental funds increased in the year. The reduction in funding from FCO funds was in line with expectations, with several grants ending in 2017-18.

£583k of funding was awarded from the Arab Partnership Fund (APF) for programming in Morocco (2017-18: £582k). Other grants supported WFD’s work in number of countries, including Indonesia, Kazakhstan, and Laos. All existing grants ended by 31 March 2019, but new funding opportunities for several countries, including the DRC and Morocco are being explored.

UK GOVERNMENT - CROSS-GOVERNMENT FUNDS

UK Government funding from the Conflict, Stability and Security Fund (CSSF) provided total income of £2.0 million in 2018-19 (2017-18 £246k). This supported WFD programming and scoping missions in Algeria, Lebanon, the Maldives, Uzbekistan, and the Western Balkans.

The Western Balkans CSSF grant was awarded in September 2018 and is due to run to 31 March 2022, providing funding of up to £4.7 million to support embedding democratic culture for the benefit of citizens of the Western Balkans. In 2018-19 income totalling £0.7 million was recognised under this grant. For more information on this programme please see page 39.

The grants for Algeria and Lebanon ended on the 31 March 2019 but there is a strong interest in WFD’s work continuing and it is considered likely that funding will be secured in 2019.

On 17 April 2018, WFD secured funding for a new CP4D programme to build political engagement in 18 Commonwealth countries over two years. The programme is funded by the Commonwealth 18-20 Fairness Fund, a fund made available by the UK for the period that it is the Chair-in-Office of the Commonwealth of Nations. In 2018-19 WFD recognised under this grant income of £1.7 million. 2019-20 budgeted income is £1.8 million. For more information on this programme please see page 62.

OTHER FUNDING

During the year EU funding totalling £1.0 million (2017-18: £117k) was recognised. This relates to four grants to support programming in the DRC, Jordan, Macedonia, and Nigeria. The DRC and Nigeria grants were new in 2018-19. Inception work in Jordan started in 2017-18 but full implementation commenced in 2018-19, with a significant increase in activities and funding. All grants will continue in 2019-20, with total budgeted income from the EU of £1.9 million.
Third-party income of £1.0 million was recognised in the year (2017-18 £350k). This related to 16 grants from a range of donors. A number of these grants continue in 2018-19 and new funding opportunities aligned with WFD’s strategy will be pursued.

**Staff costs**

Staff costs are for UK-based WFD staff. As at 31 March 2019, WFD employed 48.5 full-time equivalent staff in the UK (2018: 37.3), an increase of 11.2 or 30%. This increase is directly linked to increased funding and programming, with staff directly responsible for the design, management, delivery and monitoring of programmes and for managing local and UK partnerships increasing by 8.5 to reach 30.5 by 31 March 2019. The remaining staff support programming with finance, HR, Operations, and Communications & External Affairs services. UK staff also include the executive management team.

Staff costs totalled £2.8 million in 2018-19 (2017-18: £2.2 million), an increase of 26%. This is in line with the increase in staff numbers but less than the funding increase in the year (49%) and overall expenditure increases (44%). Consequently, staff costs relative to total spend have fallen slightly, from 21% of total spend in 2017-18 to 19% in the current year.

Current staffing levels are considered appropriate and any changes in 2019-20 will be linked to changes in funding levels. Staff costs are, however, expected to increase in 2019-20 as several appointments were made part-way through 2018-19 and employer contributions to the Civil Service Pension Scheme increased on 1 April 2019.

**Expenditure**

In line with WFD funding increases, total expenditure has increased by £4.6 million to reach £15.0 million. The growth has been in programmes implemented directly by WFD, with proportional growth in WFD staff and operating costs.

**PROGRAMMES IMPLEMENTED DIRECTLY BY WFD**

Parliamentary and integrated project costs are those directly related to WFD programming, including all WFD staff working in offices based outside of the UK. Direct programme spend has increased by £3.8 million (70%) to reach £9.1 million (2017-18: £5.3 million). It accounts for 61% of total spend in 2018-19, up from 51% in the prior year. This increase is directly linked to the additional income secured in 2018-19, which funded WFD programming as opposed to Political Party programming.
Financial position and liquidity

There were no events during the year that adversely affected the financial position of WFD. Total net assets increased by £0.6 million to total £0.8 million at 31 March 2019. This increase was achieved through higher-than-budgeted recovery of staff and indirect costs as well as profit on contracts. WFD decided to retain the additional funds available, increasing reserves to ensure WFD’s has adequate working capital and reserves to support stability and sustainability as it grows and has increasingly complex funding.

WFD’s GIA funding requires the related cash balances be minimised, with funding used in the year in which it is received. WFD applies for GIA bi-monthly, based on latest cash flow forecasts. As at 31 March 2019, WFD had drawn down and accounted for £0.2 million of GIA funding through reserves which will be spent in 2019-20.

Other funding arrangements are agreed on a donor-by-donor, grant-by-grant basis with most large grants providing funding in advance.

During the year, WFD cash and cash equivalents increased by £0.9 million to total £2.2 million at 31 March 2019 (2018: £1.3 million). Please see the Statement of Cash Flows in the Financial Statements for further analysis.

Regularity of expenditure

In spending public money, WFD operates in accordance with the principles of HM Treasury’s Managing Public Money (MPM).

Creditors

WFD adheres to the Government-wide standard on bill paying, which is to settle all valid bills within 30 days. Whenever possible, WFD will settle valid bills within supplier payment terms if earlier. In 2018-19, the average time taken to pay invoices was 12.5 calendar days (2017-18: 19.3 calendar days). 99% of undisputed invoices were paid within the agreed credit terms. The proportion of the aggregate amount owed to trade creditors at the year-end compared with the aggregate amount invoiced by suppliers during the year was equivalent to 36.8 days (2018: 42.3 days).

On behalf of the board

Anthony Smith
Chief Executive and Accounting Officer
9 July 2019

Governors’ report

The purpose of the corporate governance report is to explain the composition and organisation of WFD’s governance structures and how they support the achievement of WFD’s objectives.

Board of Governors

Governors who served on the Board during the year ending 31 March 2019 and who were Directors under the Companies Act 2006 were:

<table>
<thead>
<tr>
<th>Board member</th>
<th>Appointment in the year</th>
<th>Resignation in the year</th>
<th>Appointment ends</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rushanara Ali MP</td>
<td>26-Jan-19</td>
<td>26-Jan-22</td>
<td></td>
</tr>
<tr>
<td>Mark Babington</td>
<td>23-Oct-18</td>
<td>23-Oct-21</td>
<td></td>
</tr>
<tr>
<td>Sir Henry Bellingham MP</td>
<td></td>
<td></td>
<td>6-Apr-18</td>
</tr>
<tr>
<td>Louise Collings (ex-officio)</td>
<td>4-Dec-18</td>
<td>4-Dec-21</td>
<td></td>
</tr>
<tr>
<td>Rt Hon Sir Jeffrey Donaldson MP</td>
<td>6-Jul-18</td>
<td>6-Jul-21</td>
<td></td>
</tr>
<tr>
<td>Patrick Grady MP</td>
<td>24-Mar-21</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Richard Graham MP (Chair)</td>
<td>6-Apr-18</td>
<td>6-Apr-21</td>
<td></td>
</tr>
<tr>
<td>Rt Hon Dame Margaret Hodge MP</td>
<td>25-Aug-18</td>
<td>25-Aug-21</td>
<td></td>
</tr>
<tr>
<td>Thomas Hughes</td>
<td></td>
<td>24-Apr-20</td>
<td></td>
</tr>
<tr>
<td>Susan Inglish</td>
<td></td>
<td>25-Apr-20</td>
<td></td>
</tr>
<tr>
<td>Paul Naismith (ex-officio)</td>
<td></td>
<td>01-Aug-18</td>
<td></td>
</tr>
<tr>
<td>Andrew Rosindell MP</td>
<td></td>
<td>17-Aug-19</td>
<td></td>
</tr>
<tr>
<td>Anthony Smith (ex-officio)</td>
<td>24-Jun-18</td>
<td>24-Jun-21</td>
<td></td>
</tr>
<tr>
<td>Simon Walker</td>
<td>25-Aug-18</td>
<td>25-Aug-21</td>
<td></td>
</tr>
</tbody>
</table>
The following change to the office of Company Secretary also occurred prior to 31 March 2019:

<table>
<thead>
<tr>
<th>Company Secretary</th>
<th>Appointment in the year</th>
<th>Resignation in the year</th>
<th>Appointment ends</th>
</tr>
</thead>
<tbody>
<tr>
<td>Paul Naismith</td>
<td>1-Aug-2018</td>
<td></td>
<td>N/A</td>
</tr>
<tr>
<td>Christopher Lane</td>
<td>29-Nov-18</td>
<td></td>
<td>N/A</td>
</tr>
</tbody>
</table>

Paul Naismith resigned as a Governor and Company Secretary, effective 1 August 2018, although his employment with WFD came to an end on 30 September 2018.

All Board members and senior managers are required to declare any interests they may have to enable possible conflicts to be managed. No Board member holds company directorships or has other significant interests which may conflict with their responsibilities. No Board member has undertaken any material transactions with related parties. The Board Declarations of Interests are available to the public on WFD’s website or at its registered office with 24 hours’ notice.

Audit and Risk Assurance Committee

During the year ending 31 March 2019 membership of WFD’s Audit and Risk Assurance Committee comprised:

- Thomas Hughes
- Mark Babington, Chair, Appointed 20-May-18
- Rt Hon Dame Margaret Hodge MP
- Simon Walker

Personal data

In 2018/19 there were no personal data related incidents that are required to be reported.

On behalf of the board

Anthony Smith
Chief Executive and Accounting Officer
9 July 2019

Statement of Governors’ and Accounting Officer’s responsibilities

In accordance with Company Law and with the Memorandum and Articles of Association, the Governors (who are also the directors of WFD for the purposes of company law) are responsible for preparing an annual report and financial statements in accordance with the Companies Act 2006 and the Accounts Direction given by the Secretary of State for Foreign and Commonwealth Affairs and relevant International Financial Reporting Standards.

Within the terms and conditions of a Management Statement agreed between the Foreign and Commonwealth Office and the Governors of WFD, the Governors, through the Chief Executive, are required to prepare financial statements for each financial year on an accruals basis which give a true and fair view of the state of affairs of WFD and of the incoming resources and application of resources, changes in taxpayers’ equity, and cash flows for the financial year.

In preparing the financial statements, the Governors and the Accounting Officer are required to comply with the requirements of the Government Financial Reporting Manual and to:

a. observe the Accounts Direction issued by the Secretary of State for Foreign and Commonwealth Affairs, including relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;

b. make judgements and estimates on a reasonable basis;

c. state whether applicable accounting standards as set out in the Government Financial Reporting Manual have been followed, and disclose and explain any material departures in the financial statements; and

d. prepare the financial statements on a going concern basis.

The Governors and the Accounting Officer are responsible for ensuring:

- proper accounting records are kept that disclose with reasonable accuracy at any time the financial position of WFD and to enable them to ensure the financial statements comply with the Companies Act 2006 and the Accounts Direction given by the Secretary of State for Foreign and Commonwealth Affairs and relevant International Financial Reporting Standards;

- the assets of WFD are safeguarded and for taking reasonable steps for the prevention and detection of fraud and other irregularities;

- sound financial systems and management controls are in place to safeguard public funds;

- funds from the Foreign and Commonwealth Office are used only for the purposes...
Governance Statement

Scope of responsibility

As Accounting Officer of WFD, I have responsibility for maintaining a sound system of internal control that supports the achievements of WFD's policies, aims, and objectives, whilst safeguarding the public funds and assets for which I am personally responsible, in accordance with the responsibilities assigned to me in Managing Public Money. I am therefore responsible for ensuring that WFD is administered prudently and economically and that resources are applied efficiently and effectively to deliver our agreed goals.

In addition, I am accountable to the Principal Accounting Officer of the Foreign and Commonwealth Office (FCO) to enable him to discharge his overall responsibility for ensuring that WFD as an FCO Non-Departmental Public Body has adequate financial systems and procedures in place. WFD's multi-year Strategic Framework, annual Corporate Plan, objectives, and associated risks are discussed regularly with the FCO.

During the reporting period, WFD carried out a comprehensive review of its current organisational capability, and has now commenced a “Building for the Future” change programme to expand and upgrade WFD's systems and processes, better support staff, maintain and increase the trust and confidence of our donors, and invest in better tools to deliver quality programmes. This includes a review of all current policies, the introduction of new policies and procedures as appropriate, and an awareness-raising and training campaign for staff and partners. These actions will further enhance WFD’s capacity to administer its resources efficiently and effectively.

The Governance framework

The relationship between WFD and the FCO is specified in the Management Statement and its associated Financial Memorandum. These framework documents also include specific guidance documents that WFD must comply with. The recent Tailored Review recommended that the Management Statement be updated and WFD and the FCO have started this process. WFD's relationship with the FCO will also become better structured and more strategic. The Review also made several other recommendations aiming to further improve WFD's governance arrangements, which will be taken forward in 2019/20. These actions include the appointment of a lead independent Governor or Vice-Chair, a renewed approach to induction of governors, agreed procedures with the FCO for appointment of Governors, further improving reporting, and clarifying formal procedures relating to Board business. These additional steps will be set out in a new Governance Handbook for WFD, which should improve further the consistency and effectiveness of the proceedings of the Board.

In addition, WFD has drawn on guiding principles published in the UK Government's
Corporate Governance code and HM Treasury’s Audit Committee Handbook in establishing its governance framework. The “Corporate governance in central government departments: code of good practice 2017”, published by HM Treasury and the Cabinet Office, is intended for the boards of government departments. The composition and role of a government department’s board, which includes ministers, senior civil servants and non-executives, differs from that of a board of an arms-length body, such as WFD, comprised of unremunerated Governors serving with two ex-officio executive members. However, WFD complies with a wide range of principles of the central government code, except that, rather than arranging a formal and rigorous annual board performance evaluation, from 2019/20 it will arrange an externally facilitated board effectiveness review every two years. The code’s other principles are less directly applicable as WFD is not a ministerial department; it is established as a mid-sized company limited by guarantee, which means the company and its directors act in accordance with the requirements of company law. The principles in section 6 are relevant to arms-length bodies such as WFD, but they are principally a matter for the Foreign & Commonwealth Office.

Accountability within WFD is overseen by and exercised through the Board and its committees, each chaired by a Governor. The Board met four times formally during the year, with an average attendance by Board members of 81%. At each meeting the Board received and agreed reports that demonstrated satisfactory approaches to managing risk and monitoring governance, operations, programmes, and resourcing matters. Throughout the year, they tracked delivery of organisational objectives, in line with the Strategic Framework, and received regular progress reports. The Board considered the quality of information provided to support its decision making to be of appropriate quality.

The Board regularly monitors, as a strategic risk on its Corporate Risk Register, a risk associated with the effectiveness of WFD’s governance arrangements. The Governors are satisfied that, at present, there are no causes for concern in relation to Board effectiveness. As noted above, the Board has commissioned a self-assessment exercise, involving all Governors, to form part of an externally facilitated Board effectiveness review in 2019/20.

The Audit and Risk Assurance Committee

The Audit and Risk Assurance Committee supports the Board to discharge its fiduciary, risk control, and governance responsibilities by monitoring and providing advice to me in the exercise of my duties, and by promoting a climate of financial discipline and control within the organisation. The Committee performs the key role of reviewing and monitoring the systems of internal control and receives regular reports on the work and findings of the internal auditors, Crowe LLP, and the external auditors, National Audit Office (NAO) assisted by Moore Stephens (now BDO). Minutes are prepared following each meeting and provided to the Board, together with an annual report.

The Programme Quality Committee

The Programme Quality Committee maintains an overview of all WFD programmes to assess the overall quality of WFD’s work and help shape and monitor initiatives to strengthen its impact. The Committee is chaired by Susan Inglish.

During the year, the Committee met three times. The Committee:
- Reviewed and provided recommendations on the decision-making process for changes to WFD’s geographic presence, culminating in a new Board-approved framework;
- Considered the regular outputs of WFD’s Programme Performance Review process, scrutinising progress in delivering outputs and outcomes across the programme portfolio and relevant mitigation plans;
- Advised on renewed approach to measuring and demonstrating the impact of democracy support programmes, supported by the new multi-year DFID Inclusive and Accountable Politics grant;
- Provided recommendations to strengthen WFD’s expert and UK Parliament engagement strategies; and,
- Carried out in-depth reviews of key programmes

The Committee is now chaired by Mark Babington and includes members with a range of audit and risk management experience.

During the year, the Committee met four times. The Committee:
- Reviewed WFD’s plans to expand its organisational capability to keep pace with recent growth;
- Advised on WFD’s more comprehensive approach to risk management, founded on a new Corporate Risk Register;
- Oversaw an internal audit programme to examine key risks and business practices, including local compliance, branch audits, procurement, oversight of political party offices, organisational performance monitoring, and programme management;
- Has overseen the work of the external audit to confirm the independence of the auditor and the effectiveness of the work done; and
- Monitoring audit recommendations and ensuring follow-up

The Audit and Risk Assurance Committee

The Audit and Risk Assurance Committee supports the Board to discharge its fiduciary, risk control, and governance responsibilities by monitoring and providing advice to me in the exercise of my duties, and by promoting a climate of financial discipline and control within the organisation. The Committee performs the key role of reviewing and monitoring the systems of internal control and receives regular reports on the work and findings of the internal auditors, Crowe LLP, and the external auditors, National Audit Office (NAO) assisted by Moore Stephens (now BDO). Minutes are prepared following each meeting and provided to the Board, together with an annual report.
The Terms and Conditions Committee

The Terms and Conditions Committee assists the Board to discharge its responsibilities relative to the terms and conditions of employment of WFD staff. The Committee works with me in my role as the Chief Executive to set policies relating to terms and conditions of service (which are linked to those of the FCO), health and safety, and security, to monitor the application of these policies, and to ensure transparency and fairness in the application of these arrangements. The Committee usually meets once per year and most recently met informally in February 2019. The Committee is kept regularly informed on matters relating to staff, including relevant issues identified by the Audit and Risk Assurance Committee. The Committee is chaired by Patrick Grady MP.

During the year, the Committee:

- Considered matters relating to staff engagement, safety and security, and the relationship with the recognised trade union;
- Determined to focus in future meetings on the gender pay gap, the scope and application of WFD’s Code of Conduct, and management/staff communications; and
- Reviewed its current membership and determined to request election of an additional member.

The committee structures reporting through to the Board have been clearly defined and the terms of reference, membership, and reporting arrangements are reviewed annually.

Board and subcommittee attendance (1 April 2018 to 31 March 2019 inclusive)

Attendance presented as: Actual attendance/Possible attendance

<table>
<thead>
<tr>
<th>Board Member</th>
<th>Board</th>
<th>Audit &amp; Risk Committee</th>
<th>Programme Quality Committee</th>
<th>Terms &amp; Conditions Committee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rushanara Ali MP</td>
<td>4/4</td>
<td></td>
<td></td>
<td>2/3</td>
</tr>
<tr>
<td>Mark Babington</td>
<td>2/2</td>
<td>4/4</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Louise Collings (ex-officio)</td>
<td>1/1</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rt Hon Sir Jeffrey Donaldson MP</td>
<td>1/4</td>
<td></td>
<td>3/3</td>
<td></td>
</tr>
<tr>
<td>Patrick Grady MP</td>
<td>4/4</td>
<td></td>
<td></td>
<td>1/1</td>
</tr>
<tr>
<td>Richard Graham MP</td>
<td>4/4</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rt Hon Dame Margaret Hodge MP</td>
<td>3/4</td>
<td></td>
<td>2/4</td>
<td></td>
</tr>
<tr>
<td>Thomas Hughes</td>
<td>2/2</td>
<td></td>
<td>4/4</td>
<td></td>
</tr>
<tr>
<td>Susan Inglish</td>
<td>4/4</td>
<td></td>
<td></td>
<td>3/3</td>
</tr>
<tr>
<td>Paul Naismith (ex-officio)</td>
<td>1/1</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Andrew Rosindell MP</td>
<td>4/4</td>
<td></td>
<td></td>
<td>0/1</td>
</tr>
<tr>
<td>Anthony Smith (ex-officio)</td>
<td>4/4</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Simon Walker</td>
<td>3/4</td>
<td></td>
<td>2/4</td>
<td></td>
</tr>
</tbody>
</table>
Key Risks

During the year, the Board and Audit & Risk Assurance Committee regularly reviewed WFD's key strategic risks in the form of a Corporate Risk Register. The review enabled the Board to rationalise its strategic risks to a more practicable number grouped under four categories: Governance, Operations, Programmes, and Resourcing. During the period, WFD also developed four new operational risk sub-registers corresponding to each of these four categories.

<table>
<thead>
<tr>
<th>Risks</th>
<th>Management</th>
</tr>
</thead>
<tbody>
<tr>
<td>WFD's reputation is materially damaged by failure to expect the unexpected, or to monitor the environment for unforeseen events.</td>
<td>WFD has adopted a communication strategy that aids informed awareness of WFD's activities within stakeholder groups and focuses on outcomes and key programme deliverables in its messaging, in the event of adverse publicity either directly or across our sector. WFD maintains relations with network of media contacts to ensure quick notification of adverse issues and develop interim holding responses.</td>
</tr>
<tr>
<td>Operations</td>
<td>Loss or misuse of funds under WFD management could expose WFD to reputational harm, legal/regulatory action, and/or deterioration in its reserves. WFD’s intranet now includes a Policy &amp; Practice Hub launched to ensure a one-stop shop of accessible policies, toolkits, due diligence assessments, and templates. New policies/procedures introduced to address policy gaps and relevant training provided. New incident report forms and investigation procedures launched. Basic orientation provided to all staff on key policies during induction process. Standard financial controls are regularly implemented, and new Country Office Self-Assessment tool developed. New standard template contracts introduced to ensure high standards from suppliers and grantees. In addition, the “Building for the Future” initiative will expand WFD’s capability to manage and monitor WFD’s programmes, including risk.</td>
</tr>
<tr>
<td>WFD's reputation amongst stakeholders suffers material damage owing to poor control over the behaviour and standards of the organisation, including in relation to safeguarding staff and beneficiaries, and compliance with applicable laws</td>
<td>Policy &amp; Practice Hub launched to ensure a one-stop shop of accessible policies, toolkits, due diligence assessments, and templates. New policies/procedures introduced to address policy gaps, including Safeguarding, Anti-Terrorism, Modern Slavery, Whistleblowing, and refreshed Code of Conduct. Rigour of recruitment processes reinforced. WFD nurture a close relationship with FCO and DFID, and their embassies and offices. Address adverse perceptions of inappropriate political interference in partner countries. Compliance Working Group established, informed by organisation-wide Compliance Tracker, Annual Declarations, and Annual Self-Assessments. Critical compliance review of all country offices underway to secure viable registration models. Special guidance issued for key risks (e.g. terrorism) in context of programme activities. New contract templates ensure partners are bound to maintain WFD standards. Vetting software introduced to support due diligence.</td>
</tr>
</tbody>
</table>
Inadequate systems and processes reduce productivity and efficiency, which can lead to reduced staff morale, poor value for money, and increased exposure to business disruptions, thereby reducing our impact.

WFD has appointed a Director of Operations and created an Operations Team. WFD also commissioned an external Systems Review, mapped all WFD core processes, and collected systems requirements. Following procurement processes, during the reporting period, WFD contracted partners to support implementation of a new finance system, HR system, MEL data solution, and an upgraded programme management system in 2019/20. A new central vetting solution has been implemented to assist with due diligence. New Hubs created for Policy & Practice documentation and Evidence & Impact. WFD has commissioned development of a new Competency Framework and Learning & Development Strategy to ensure that core competencies of WFD staff are identified and capacity enhanced.

Threats to the general health, safety, security, and wellbeing of WFD staff, contractors, or participants could lead to individuals suffering mental or physical harm, damage to WFD’s reputation, legal action, and breach of donor agreements

WFD has adopted a new Safety & Security Policy, promoted as part of the Policy & Practice Hub. Threat Assessment exercise carried out for all countries of interest to WFD and confirmed with FCO. Revised Security Approach, aligned to FCO travel advice, mandating a risk-based approach to (a) Country Office Local Security Plans, and (b) traveller safety. All other tools and templates reviewed and improved. Travel insurance in place. Security database and daily updates in place. Pre-departure briefings and training given for high-risk travel. WFD’s new Safeguarding Policy sets out a principled and practical approach to ensuring that WFD always offers a safe working environment for staff, particularly in relation to sexual harassment, abuse, or exploitation.

Programmes

WFD fails to deliver programmes of sufficient quality and relevance, or inadequately monitors, measures, and evidences impact

External effort towards political engagement, stakeholder management, schedule of thematic events, strong research partnerships with respected institutions, strengthened communications strategy, New Political Economy Analysis tool and adaptive programming based on continuous learning introduced. New monthly activity monitoring introduced and Corporate Plan (Key Deliverables, KPIs) reporting to Executive Management Committee (EMC) and staff. Programme Performance Review process ensures quarterly review of all programmes across the portfolio, with mitigation plans introduced where necessary, monitored by EMC. Programme Quality Committee provides further scrutiny of programme implementation/discussion of underperforming programmes, and to the Board as appropriate. Regular programme of external evaluation/review and internal quality reviews. New Programme Management Hub to be introduced based on standardised processes and a customised WFD methodology.

Resourcing

Inability to maintain adequate funding over the short, medium or long term (3-5 years), could result in liquidity - or sustainability challenges - undermining our ability to achieve impact.

WFD maintains funders’ confidence through political engagement, structured response to reviews, and engagement in the field. A new Head of Business Development has been recruited to sustain business development efforts, including more rigorous horizon scanning and advice, offering wider scope of specialisms, and targeting funders more accurately, looking to attract new funding in countries where WFD has established a reputation for its work. Seeking longer-term programmes or using cost sharing to leverage core funds. WFD is currently preparing a new Business Development Strategy, Policy and Toolkit for staff.
Risk management

WFD recognises that its Governors and employees have a duty to identify, assess, and manage the risks faced by the organisation in its strategic decision-making and day-to-day operations, and to ensure that WFD has a robust and documented risk management process in place. The purpose of risk management is to preserve and protect WFD’s assets, reputation, and staff; strengthen corporate governance by integrating risk management with operational systems and internal controls; and improve business performance. Integral to WFD’s approach is the identification of opportunities and the risk of not attempting something which would aid us in achieving our strategic ambitions. WFD believes that risk management is about taking conscious positive risks, as well as mitigating negative risk. This relies on creating a culture of risk awareness and transparency within the organisation, facilitating regular, open, and honest discussions across WFD about risk and proactive engagement of all leaders and senior managers in risk oversight and management.

Overall responsibility for the management of risk lies with me as Accounting Officer and I am assisted in this task by the Director of Operations. The WFD Board has responsibility to ensure that robust systems of internal control and management are in place. To this end, WFD will:

- identify, assess, manage, and review the nature and extent of the risks facing WFD;
- agree the extent and categories of risk which it regards as acceptable for WFD to bear;
- analyse the likelihood and impact(s) of the risks concerned materialising;
- regularly document the organisation’s ability to reduce the incidence of risks, and the impact on WFD of risks that do materialise;
- review the costs of operating controls relative to the benefit thereby obtained in managing the related risks; and
- always endeavour to adhere to relevant donor policies and requirements, legislation, and applicable regulations.

A framework for risk control is provided by the Risk Management Policy and Risk Management Procedures and one element is the Corporate Risk Register that is reviewed by the Executive Management Committee (EMC) and Board at each of its meetings.

The Board’s responsibility is supported through the sub-committees of the Board, with appropriate membership or input from members of the EMC. Risk is considered on the agenda at all meetings of the Audit and Risk Assurance Committee for them to review the action plans presented for each risk and the progress made towards reducing risk to the tolerance level set on a risk-by-risk basis.

The EMC ensures a consistent focus on operational risk management. This includes:
- An Annual Corporate Plan, with Key Deliverables and Key Performance Indicators linked to one or more sub-risk register, and an aligned budget approved by the Board.
- Monthly Corporate Management Reports, including dashboards to report progress on the Corporate Plan and management accounts providing analysis on programme and project expenditure, overheads, and variances. This ensures that we deliver our corporate and programme activities on time and within a balanced budget. These reports are reviewed by the Audit and Risk Assurance Committee and approved by the Board.
- A quarterly, comprehensive Programme Performance Review (PPR) process ensuring all programmes across the WFD portfolio are subject to detailed scrutiny; risk-assessed, and actively performance managed
- A requirement for all new programme proposals to include a risk assessment and, following approval, for risk assessments to be reviewed on a quarterly basis as part of the PPR.
- Staff training in the identification and management of risk appropriate to their authority and duties.

The Corporate Risk Register reports the current strategy for managing each strategic risk, the relative strength of that risk control, and the net risk outcome – whether low, moderate, high, or severe - and is a standing item on the monthly EMC agenda. The four sub-registers, covering Governance, Operations, Programmes, and Resourcing, are reviewed by risk owners on a quarterly basis.

WFD is in the process of introducing a “three lines of defence” methodology for risk mitigation, encompassing front-line controls, internal verification mechanisms, and external assurance. During the period, DFID confirmed its support for a new three-year term and the FCO continues to confirm its grant-in-aid on an annual basis. WFD regularly reports to the FCO in relation to its Strategic Framework for 2017-22 and its Annual Corporate Plan, to DFID on the Inclusive and Accountable Politics grant, and to other donors as required.

Review of effectiveness

As Accounting Officer, I have responsibility for reviewing and reporting the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by the work of the internal auditors and senior managers within WFD who have responsibility for the development and maintenance of the internal control framework, and by comments made by the external auditors in their annual management letter and other reports.

INTERNAL AUDIT

WFD has an internal audit function provided by an independent firm of auditors, which operates to standards defined in the Government Internal Audit Standards. Following a competitive tender for our internal audit services, from financial year 2018/19, we have welcomed Crowe LLP as our internal audit partner. This new relationship has commenced in a positive and constructive manner.
The work of internal audit is informed by an analysis of the risks to which WFD is exposed. An internal audit plan is proposed on an annual basis. I am responsible for approval of the analysis of risk and internal audit plans. The Audit and Risk Assurance Committee reviews these plans and they are endorsed by WFD’s Board of Governors. The rolling programme of internal audit provides me with regular reports on effectiveness of controls in WFD. Reports are also provided by me to the WFD’s Board of Governors, to the Human Rights and Democracy Department of the FCO and to the Head of the Internal Audit Unit of the FCO.

In each internal audit report, a level of assurance is normally provided for the overall system subject to review, and prioritisation of individual findings according to their relative significance depending on their impact to the risk environment. Assurance provided in the reports is classified as: Full Assurance, Substantial Assurance, Partial Assurance, and No Assurance. Each report contains detailed findings categorised as having high, medium, or low priority.

I am able to report that for the current year the Internal Auditors provided an overall opinion of reasonable assurance that there is a generally sound system of internal control and that these controls are generally applied consistently. During the reporting period, internal audit activities were focused on known areas of potential vulnerability or risk. Crowe LLP delivered six projects; four of which were commissioned as internal audits to provide a robust form of independent assurance for me and the Board, with two commissioned as advisory exercises, to facilitate more practical action to directly assess and address weaknesses. Across these projects, the majority of agreed Management Actions have been completed or are on track.

I am satisfied that an effective system of internal control has been in place at WFD throughout the year ended 31 March 2019 and up to the date of approval of the annual report and accounts and accords with Treasury guidance.

Anthony Smith
Chief Executive and Accounting Officer
9 July 2019
Devin O'Shaughnessy was a WFD employee during 2017-18 but was only appointed to the SCS grade on 1 April 2018. Devin O'Shaughnessy's remuneration for the prior period, 2017-18 has, therefore, not been disclosed.

Paul Naismith resigned as an employee of WFD on 30 September 2018. If he had continued, his full-time equivalent salary for the complete reporting period would have been in the range £75,000-£80,000.

There were no benefits-in-kind paid to staff in the year (2017-18: £nil).

Governors did not receive any remuneration or benefits-in-kind in respect of their roles during the period 2018-19.

Reporting bodies are required to disclose the relationship between the remuneration of the highest-paid employee in their organisation at the reporting period end date, and the median remuneration of the organisation’s workforce. The following table has been subject to audit.

<table>
<thead>
<tr>
<th>For further information see remuneration report.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mid-point of band of highest paid employee's total remuneration £'000</td>
</tr>
<tr>
<td>Median total remuneration £</td>
</tr>
<tr>
<td>Ratio</td>
</tr>
</tbody>
</table>

In 2018-19 no employees (2017-18: Nil) received remuneration in excess of the highest-paid director. Remuneration ranged from £25,000 to £100,207 (2017-18: £22,429 to £102,381). Total remuneration includes salary and non-consolidated performance-related pay but excludes severance payments. It does not include employer pension contributions and the cash equivalent transfer value of pensions.

Compensation for loss of office
During the year, no compensation was paid to staff members for loss of office (2017-18: Nil).

Pension benefits at 31 March 2019
The following table is subject to audit.

<table>
<thead>
<tr>
<th>Accrued pension at pension age as at 31 March 2019 and related lump sum</th>
<th>Real change in pension and related lump sum at pension age</th>
<th>CETV at 31 March 2019</th>
<th>CETV at 31 March 2018</th>
<th>Real change in CETV £'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Anthony Smith</td>
<td>40-45 plus a lump sum of £0-£125</td>
<td>0-2.5 plus a lump sum of £0-2.5</td>
<td>974</td>
<td>914</td>
</tr>
<tr>
<td>Paul Naismith</td>
<td>20-25</td>
<td>0-2.5</td>
<td>340</td>
<td>315</td>
</tr>
<tr>
<td>Devin O'Shaughnessy</td>
<td>5-10</td>
<td>0-2.5</td>
<td>57</td>
<td>33</td>
</tr>
</tbody>
</table>

CETV is the Cash Equivalent Transfer Value and is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a point in time. As the Principal Civil Service Pension Scheme (PCSPS) is a multi-employer fund, the CETV values will include accumulated accrued benefits from any previous employers that operate the PCSPS.

Real change in CETV reflects the increase/(decrease) in CETV that is funded by WFD. It does not include the increase in accrued pension due to inflation or the contributions paid by the employee and uses common market valuation factors for the start and end of the period.

Governors

Governors are appointed by the Secretary of State for the Foreign and Commonwealth Office for a term of three years. Appointments can be renewed for a maximum of three consecutive terms (nine years). As noted above, Governors are not remunerated and WFD does not pay allowances and benefits in kind to Governors. Details of the dates of appointments of new Governors and the dates that appointments end are shown in the Governor’s Report on page 123.
Staff numbers and composition

The breakdown of each gender as at 31 March 2019 was as follows:

<table>
<thead>
<tr>
<th></th>
<th>Female</th>
<th>Male</th>
</tr>
</thead>
<tbody>
<tr>
<td>Governors</td>
<td>3</td>
<td>7</td>
</tr>
<tr>
<td>Senior civil service staff</td>
<td>0</td>
<td>2</td>
</tr>
<tr>
<td>UK staff</td>
<td>28.5</td>
<td>20</td>
</tr>
<tr>
<td>Rest of world staff</td>
<td>48</td>
<td>41</td>
</tr>
</tbody>
</table>

Organisational structure

UK based staff are organised into regional operational teams covering Africa, Europe and Central Asia, Middle East and North Africa (MENA), Asia, and Latin America. These teams are led by Regional Directors responsible for strategy, policy, business development, and high-level engagement with strategic partners and stakeholders.

Programme management, communications, monitoring and evaluation, finance, HR and operational team support, as well as specialist technical advice is provided by WFD’s London office.

As at 31 March 2019, WFD employed 48.5 full-time equivalent staff in the UK (2018: 37.31), of whom 30.5 (2018: 21) were directly responsible for the design, management and delivery of programmes and for managing local and UK partnerships.

Overseas arrangements are continually assessed and determined by the scale and complexity of the programming. Most follow the model of a Country Representative leading a country team. Where programmes can be managed effectively from local hubs or the UK this alternative model is used.

In countries where WFD is represented, WFD employs local staff that are engaged either on contract of services terms or contract for services terms, as determined by the local circumstances and labour law requirements. As at 31 March 2019, there were 89 full-time equivalent appointments overseas (2018: 58).

For additional information on staff numbers and costs please see:
- The finance review of page 116; and
- Note 4 of the financial statements

Performance management and engagement

Each member of staff has their performance appraised annually against agreed objectives and behavioural competencies. An integral part of this review is the identification of learning and development needs. Staff can access internal knowledge sharing initiatives and are helped to pursue studies and learning opportunities which will support their career development and benefit WFD by improving performance.

Staff meetings held during 2018-19 provided the opportunity for consultation by providing information to employees and encouraging views to be expressed. Meetings between management and WFD’s (PCS) union representatives, also offered opportunity to receive feedback from staff on a range of organisational matters. WFD internal communications agenda has seen significant investment this year which has further contributed to stronger engagement with staff on WFD programme achievements and organisational progress.

Expertise

WFD’s Technical Advisory Unit provides in-house expertise on parliaments, governance, gender and politics, human rights, enhancing programme design, directly delivering aspects of WFD programmes, and to contributing to WFD’s research programme.

In 2018-19 WFD’s Research programme focused on four strands: analysing international democracy support and its role in encouraging global democratic renewal; documenting the drivers of the rising cost of parliamentary politics; formulating new metrics for measuring parliamentary effectiveness in the context of SDG 16; and studying the opportunities and barriers to supporting women’s political leadership. To find out more please see page 111.

Access to UK political parties’ expertise and trainers, and the ability to draw on specialist expertise in Parliament and the devolved UK Assemblies, provides WFD with an extensive network of skills and knowledge as well as a unique selling point.

Staff policies

Code of conduct

WFD have introduced a new staff code of conduct and a safeguarding policy, which recognise the organisation’s responsibility to provide a fair, respectful and safe working environment and specifically in terms of safeguarding, ensuring individuals that work for, and with WFD are protected from sexual exploitation and abuse. A whistle-blowing policy is in place and is part of new staff inductions. Existing staff are reminded of this policy periodically and encouraged to use it if they witness or experience any unethical or inappropriate behaviour.
EQUAL OPPORTUNITIES
WFD observes all aspects of the Equality Act 2010 and is committed to be an equal opportunities employer. Our aim is there will be no discrimination of any kind against any person on the grounds of age, colour, disability, ethnicity, gender, marital status, nationality, race, religion, belief, or lack of religion or belief, sexual orientation, being or becoming a transsexual person, or any other personal characteristics. We will make reasonable adjustments for people with disabilities and should a member of staff become disabled while working with us, we will do everything possible to ensure they can continue working with us.

RECRUITMENT AND SELECTION
WFD also complies with the principles set out in the Civil Service Commissioners’ Recruitment Code and manage our recruitment and selection processes based on openness, fairness and appointment on merit. This ensures there is no unlawful direct or indirect discrimination and enables the development of good employment practices. WFD’s application process for externally advertised vacancies is designed to ensure that applications from disabled candidates are given full and fair consideration.

GENERAL
WFD’s management and staff policies are maintained, reviewed, and updated on a regular basis and made available to all staff. They are also subject to internal audit to ensure compliance with legislation and best practice. WFD has a grievance procedure to be used by staff if they believe they may have been discriminated against.

SICKNESS ABSENCE
WFD does not, at present, systematically record and monitor sickness absence. In 2019-20, as part of its Building for the Future change programme, WFD is introducing a new HR system that will enable this data to be collected and reported for future periods.

OFF PAYROLL ENGAGEMENTS
There were no off payroll engagements in the current or prior year.

EXIT PACKAGES (AUDITED)
During this period, WFD paid redundancy in the amount of £9k (2018: £Nil) in connection with the expiry of a fixed-term contract following more than two years’ continuous service.

Anthony Smith
Chief Executive and Accounting Officer
9 July 2019

The certificate and report of the comptroller and auditor general to the members of the Westminster Foundation for Democracy LTD

OPINION ON FINANCIAL STATEMENTS
I certify that I have audited the financial statements of the Westminster Foundation for Democracy for the year ended 31 March 2019 under the Government Resources and Accounts Act 2000. The financial statements comprise the Statement of Comprehensive Net Expenditure, Statement of Financial Position, Statement of Cash Flows, Statement of Changes in Taxpayers’ Equity and the related notes, including the significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards as adopted by the European Union. I have also audited the information in the Remuneration Report that is described in that report as having been audited.

In my opinion:

▪ the financial statements give a true and fair view of the state of the company’s affairs as at 31 March 2019 and of its net expenditure for the year then ended; and
▪ the financial statements have been properly prepared in accordance with International Financial Reporting Standards as adopted by the European Union; and
▪ the financial statements have been prepared in accordance with the Companies Act 2006.

OPINION ON REGULARITY
In my opinion, in all material respects the income and expenditure recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

BASIS OF OPINIONS
I conducted my audit in accordance with International Standards on Auditing (ISAs) (UK) and Practice Note 10 ‘Audit of Financial Statements of Public Sector Entities in the United Kingdom’. My responsibilities under those standards are further described in the Auditor’s responsibilities for the audit of the financial statements section of my certificate. Those standards require me and my staff to comply with the Financial Reporting Council’s Revised Ethical Standard 2016. I am independent of the Westminster Foundation for Democracy in accordance with the ethical requirements that are relevant to my audit and the financial statements in the UK. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.
CONCLUSIONS RELATING TO GOING CONCERN

I am required to conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Westminster Foundation for Democracy’s ability to continue as a going concern for a period of at least twelve months from the date of approval of the financial statements. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor’s report. However, future events or conditions may cause the entity to cease to continue as a going concern. I have nothing to report in these respects.

RESPONSIBILITIES OF THE GOVERNORS’ AND THE ACCOUNTING OFFICER FOR THE FINANCIAL STATEMENTS

As explained more fully in the Governors’ and Accounting Officer’s Responsibilities Statement, the governors and Accounting Officer are responsible for:

▪ the preparation of the financial statements and for being satisfied that they give a true and fair view.
▪ such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
▪ assessing the company’s ability to continue as a going concern, disclosing, if applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

AUDITOR’S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

My responsibility is to audit, certify and report on the financial statements in accordance with the Government Resources and Accounts Act 2000.

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK), I exercise professional judgment and maintain professional scepticism throughout the audit. I also:

▪ identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
▪ obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Westminster Foundation for Democracy Limited’s internal control.
▪ evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
▪ evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit. In addition, I am required to obtain evidence sufficient to give reasonable assurance that the income and expenditure reported in the financial statements have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

OTHER INFORMATION

Management is responsible for the other information. The other information comprises information included in the Strategic Report and Governors’ Report, other than the parts of the Remuneration Report described in that report as having been audited, the financial statements and my auditor’s report thereon. My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon. In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

OPINION ON OTHER MATTERS

In my opinion:

▪ the parts of the Remuneration Report to be audited have been properly prepared in accordance with the Government Financial Reporting Manual;
▪ in light of the knowledge and understanding of the company and its environment obtained in the course of the audit, I have not identified any material misstatements in the Strategic Report or the Governors’ Report; and
the information given in the Strategic and Governors’ Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

MATTERS ON WHICH I REPORT BY EXCEPTION

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

▪ adequate accounting records have not been kept or returns adequate for my audit have not been received from branches not visited by my staff; or

▪ the financial statements and the part of the Remuneration Report to be audited are not in agreement with the accounting records and returns; or

▪ I have not received all of the information and explanations I require for my audit; or

▪ the Governance Statement does not reflect compliance with HM Treasury’s guidance.

REPORT

I have no observations to make on these financial statements.

Gareth Davies
Comptroller and Auditor General

July 2019

National Audit Office
157-197 Buckingham Palace Road
Victoria
London
SW1W 9SP

STATEMENT OF COMPREHENSIVE NET EXPENDITURE FOR THE YEAR ENDED 31 MARCH 2019

The result for the year arises from WFD’s continuing operations.

Income does not include grant-in-aid received in the year £3,500,000 (2018: £3,500,000).

In accordance with Note 1.9 Grant-in-aid is accounted for through reserves.

Notes to the accounts are on Pages 153 - 165

<table>
<thead>
<tr>
<th></th>
<th>31 March 2019 Total £</th>
<th>31 March 2018 Total £</th>
</tr>
</thead>
<tbody>
<tr>
<td>INCOME</td>
<td></td>
<td></td>
</tr>
<tr>
<td>European Union</td>
<td>993,195</td>
<td>116,838</td>
</tr>
<tr>
<td>UK Government funding</td>
<td>10,043,908</td>
<td>6,458,225</td>
</tr>
<tr>
<td>Other income</td>
<td>990,180</td>
<td>349,892</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL INCOME</td>
<td>12,027,283</td>
<td>6,924,955</td>
</tr>
<tr>
<td>DIRECT EXPENDITURE</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Direct expenditure on WFD projects</td>
<td>(11,441,171)</td>
<td>(7,653,615)</td>
</tr>
<tr>
<td></td>
<td>586,112</td>
<td>(728,660)</td>
</tr>
<tr>
<td>OTHER EXPENDITURE</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Staff costs</td>
<td>(2,772,736)</td>
<td>(2,199,162)</td>
</tr>
<tr>
<td>Depreciation</td>
<td>(16,561)</td>
<td>(28,966)</td>
</tr>
<tr>
<td>Property costs</td>
<td>(276,993)</td>
<td>(167,465)</td>
</tr>
<tr>
<td>Office consumables</td>
<td>(201,912)</td>
<td>(160,187)</td>
</tr>
<tr>
<td>IT and systems</td>
<td>(181,510)</td>
<td>(129,491)</td>
</tr>
<tr>
<td>Professional fees</td>
<td>(49,895)</td>
<td>(35,128)</td>
</tr>
<tr>
<td>Audit fees</td>
<td>(18,500)</td>
<td>(19,800)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL OTHER EXPENDITURE</td>
<td>(3,518,107)</td>
<td>(2,740,199)</td>
</tr>
<tr>
<td>NET OPERATING EXPENDITURE</td>
<td>(2,931,995)</td>
<td>(3,468,859)</td>
</tr>
<tr>
<td>Interest receivable</td>
<td>-</td>
<td>127</td>
</tr>
<tr>
<td>NET EXPENDITURE FOR THE YEAR</td>
<td>(2,931,995)</td>
<td>(3,468,732)</td>
</tr>
<tr>
<td>Total other comprehensive expenditure</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>COMPREHENSIVE NET EXPENDITURE FOR THE YEAR</td>
<td>(2,931,995)</td>
<td>(3,468,732)</td>
</tr>
</tbody>
</table>
## STATEMENT OF FINANCIAL POSITION AT 31 MARCH 2019

<table>
<thead>
<tr>
<th></th>
<th>31 March 2019</th>
<th>31 March 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>NON-CURRENT ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Notes 6</td>
<td></td>
</tr>
<tr>
<td></td>
<td>32,740 £</td>
<td>22,237 £</td>
</tr>
<tr>
<td><strong>CURRENT ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade receivables and other current assets</td>
<td>7</td>
<td>1,697,668</td>
</tr>
<tr>
<td>Cash at bank and in-hand</td>
<td>2,165,471</td>
<td>1,284,442</td>
</tr>
<tr>
<td><strong>TOTAL CURRENT ASSETS</strong></td>
<td>3,863,139 £</td>
<td>1,927,211 £</td>
</tr>
<tr>
<td><strong>CURRENT LIABILITIES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade payables and other current liabilities</td>
<td>8</td>
<td>(3,132,894)</td>
</tr>
<tr>
<td><strong>NET CURRENT LIABILITIES</strong></td>
<td>(3,132,894)</td>
<td>(1,754,468)</td>
</tr>
<tr>
<td><strong>TOTAL NET ASSETS</strong></td>
<td>762,985 £</td>
<td>194,980 £</td>
</tr>
</tbody>
</table>

**TAXPAYERS’ EQUITY**

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>General fund</td>
<td>762,985 £</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>762,985 £</td>
</tr>
</tbody>
</table>

Notes to the accounts are on Pages 153 - 165

These accounts are exempt from the requirements of Part 16 of the Companies Act 2006 by virtue of section 482 (non-profit-making companies subject to public sector audit) of that Act.

The accounts were approved by the Board on 9th July 2019.

Mark Babington
Governor

Anthony Smith
Chief Executive and Accounting Officer

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2019

<table>
<thead>
<tr>
<th></th>
<th>Notes</th>
<th>31 March 2019</th>
<th>31 March 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CASHFLOWS FROM OPERATING ACTIVITIES</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net expenditure for the year</td>
<td>6</td>
<td>(2,931,995) £</td>
<td>(3,468,732) £</td>
</tr>
<tr>
<td>Adjustment for depreciation</td>
<td>6</td>
<td>16,561 £</td>
<td>28,966 £</td>
</tr>
<tr>
<td>Adjustment for loss on disposal of fixed assets</td>
<td>6</td>
<td>-</td>
<td>516</td>
</tr>
<tr>
<td>Decrease/(increase) in trade receivables and other current assets</td>
<td>7</td>
<td>(1,054,899)</td>
<td>108,706</td>
</tr>
<tr>
<td>(Decrease)/increase in trade payables and other current liabilities</td>
<td>8</td>
<td>1,378,426</td>
<td>(26,122)</td>
</tr>
<tr>
<td><strong>Net cash outflow from operating activities</strong></td>
<td>6</td>
<td>(2,591,907) £</td>
<td>(3,356,666) £</td>
</tr>
<tr>
<td><strong>CASHFLOW FROM OPERATING ACTIVITIES</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Purchase of equipment</td>
<td>6</td>
<td>(27,064) £</td>
<td>(6,738) £</td>
</tr>
<tr>
<td><strong>Net cash outflow from investing activities</strong></td>
<td>6</td>
<td>(27,064)</td>
<td>(6,738)</td>
</tr>
<tr>
<td><strong>CASH FLOW FROM FINANCING ACTIVITIES</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grant-in-aid from FCO</td>
<td>3,500,000 £</td>
<td>3,500,000 £</td>
<td></td>
</tr>
<tr>
<td><strong>Net cash inflow from financing activities</strong></td>
<td>3,500,000</td>
<td>3,500,000</td>
<td></td>
</tr>
<tr>
<td><strong>NET INCREASE IN CASH AND CASH EQUIVALENTS IN THE PERIOD</strong></td>
<td>881,029</td>
<td>136,596</td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents at the beginning of the period</td>
<td>1,284,442</td>
<td>1,147,846</td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents at the end of the period</td>
<td>2,165,471</td>
<td>1,284,442</td>
<td></td>
</tr>
</tbody>
</table>

Notes to the accounts are on Pages 153 - 165
STATEMENT OF CHANGES IN TAXPAYERS’ EQUITY FOR THE YEAR ENDED 31 MARCH 2019

<table>
<thead>
<tr>
<th></th>
<th>Total £</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balances at 31 March 2017</td>
<td>163,712</td>
</tr>
<tr>
<td>CHANGES IN EQUITY 2017-18</td>
<td></td>
</tr>
<tr>
<td>Net expenditure</td>
<td>(3,468,732)</td>
</tr>
<tr>
<td>Total recognised Income and Expenditure 2017-18</td>
<td>(3,468,732)</td>
</tr>
<tr>
<td>Grant-in-aid from FCO</td>
<td>3,500,000</td>
</tr>
<tr>
<td>Balances as at 31st March 2018</td>
<td>194,980</td>
</tr>
<tr>
<td>CHANGES IN EQUITY 2018-19</td>
<td></td>
</tr>
<tr>
<td>Net expenditure</td>
<td>(2,931,995)</td>
</tr>
<tr>
<td>Total recognised Income and Expenditure 2018-19</td>
<td>(2,931,995)</td>
</tr>
<tr>
<td>Grant-in-aid from FCO</td>
<td>3,500,000</td>
</tr>
<tr>
<td>Balances as at 31st March 2019</td>
<td>762,985</td>
</tr>
</tbody>
</table>

Notes to the accounts are on Pages 153 - 165

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

1.1. Basis of Accounting

The financial statements have been prepared in accordance with International Financial Reporting Standards as applied in accordance with the provisions of the Companies Act 2006. The financial statements are prepared under the historical cost convention, and in accordance with those parts of the Government Financial Reporting Manual (FReM) that do not conflict with the Companies Act 2006. The format of the Statement of Comprehensive Net Expenditure (SoCNE) has been adapted from that prescribed by the Companies Act to better reflect the nature of WFD’s activities.

1.2. Critical accounting judgements and key sources of estimation uncertainty

In the application of WFD’s accounting policies, Governors are required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors considered to be relevant. Actual results may differ from these estimates.

There is an ongoing review of estimates and underlying assumptions. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period; or recognised both in the period of the revision and in future periods, if the revision affects the current and future periods.

The following areas involving judgment, estimations and assumptions are considered to have the most significant effect on the amounts recognised in the accounts:
• Accrued income / contract assets - this requires a judgement to determine the likelihood that income will be received; and
• Deferred income / contract liabilities - this requires a judgement to defer the recognition of income already received to the future period(s).

These areas are considered further in note 1.3 below. WFD does not consider the value or useful economic life of tangible fixed assets to be a significant issue for judgements, estimation, or assumption for WFD due to the low volume and value of such assets.
In the view of the Governors, no assumptions concerning the future or estimation uncertainty affecting assets and liabilities at the SoFP date are likely to result in a material adjustment to their carrying amounts in the next financial year.

1.3 Income

HM Treasury have mandated that the public sector retrospectively apply IFRS 15 with the cumulative effect being recognised as an adjustment to the opening general fund within taxpayer’s equity. Contract assets and liabilities (as defined below) have been recognised in replacement for accrued and deferred income.

IFRS 15 has now been implemented.

WFD partners with UK political parties, parliaments, electoral and financial audit institutions to help over 30 developing make their Governments fairer, more effective and accountable. WFD meets its obligations mainly through funding received from Department for International Development (DfID), the Foreign and Commonwealth Office (FCO) and the EU.

In accordance with the FReM, FCO grant-in-aid received in the year is accounted for through the reserves in the year to which it relates.

Other income is recognised when:
• WFD has entitlement to the funds;
• Any conditions attached to the item(s) of income have been met;
• It is probable that the income will be received; and
• The amount can be measured reliably.

WFD’s portfolio includes a mix of grants provided by institutional donors, such as the DFID Accountable Grant and FCO, for democracy assistance activities, some of which are paid in advance, with others paid in arrears. Grants received in advance of expenditure are recognised as income or carried forward at year-end as a contract liability (in accordance with IFRS 15) and released to the net expenditure account in the period in which costs are incurred. Grants awarded, but received after costs are incurred, are recognised as income or as a contract asset (in accordance with IFRS 15) in the period in which the costs are incurred.

WFD is also party to several contracts for services, including with the FCO, under which funders pay against invoices, in connection with the delivery of agreed democracy assistance services by WFD. Work undertaken has no alternative use for WFD and the contracts require payment to be received for the time and effort spent and other costs incurred on progressing the contracts. In the event of the customer cancelling the contract prior to completion for any reason other than WFD’s failure to perform its obligations, payment covering work and costs to date would be receivable.

On partially complete contracts, WFD recognises revenue based on the stage of completion of the project which is estimated by comparing the number of hours actually spent on the project with the total number of hours expected to complete the project (i.e. an input-based method). This is considered a faithful depiction of the transfer of services as the contracts are initially priced on the basis of anticipated hours to complete the projects and therefore also represents the amount to which WFD would be entitled based on its performance to date.

Within the Statement of Financial Position, a contract asset and contract liability have been recognised:
• Contract asset – the difference between the amount invoiced to the customer and the latest milestone achieved. An accompanying receivable will be recognised if the customer has yet to pay the invoice. This balance will also include recognition of a receivable for costs which have been incurred to support milestones that have not yet been fully achieved. Any impairment relating to this balance will be measured, presented and disclosed in relation to IFRS 9.
• Contract liability – the difference between the invoiced income and the latest achieved contracted milestone. An accompanying receivable will be recognised if they customer has yet to pay the invoice.

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

1.5 Grants Payable

WFD has no liability for claims for grants that are not received by the end of the financial year.

1.6 Pension costs

Pension contributions paid by WFD in respect of employees to a defined contribution scheme are charged to the SoCNE when they become payable. Differences between contributions payable in the year and contributions paid are shown in ‘Trade payables and other current liabilities’ in the SoFP.

Pension contributions paid by WFD in respect of employees to a defined benefit, multi-employer scheme are charged to the SoCNE when they become payable. This is line with IAS 19 requirements for multi-employer schemes where the assets are co-mingled for investment purposes and the benefits are paid out of the scheme’s total assets. Please see note 4 for further details.
1.7. Foreign exchange transactions

Foreign currency transactions are translated at the rate of exchange ruling at the date of the transaction. Foreign currency balances are translated into sterling at the rate of exchange ruling at the balance sheet date. All exchange differences are taken to the SoCNE.

1.8. Taxation

WFD is not liable to Corporation Tax on grants received but is liable to tax on investment income.

1.9. General fund

Core funds represent the unspent balances of income received, for use by WFD in the future at its discretion. Designated funds relate to grants received for specific purposes which may be spent only on those purposes. Grant in Aid is received from FCO and recognised directly in the General Fund.

1.10. Non-current assets and depreciation

Non-current assets costing more than £2,000 are capitalised and included at cost, including any incidental expenses of acquisition, on the Statement of Financial Position (SoFP). All such tangible assets are owned in full. Depreciation is provided to write off the cost of tangible fixed assets over their estimated useful economic lives on a straight-line basis as follows:

<table>
<thead>
<tr>
<th>Leasehold equipment</th>
<th>Over the life of the lease</th>
</tr>
</thead>
<tbody>
<tr>
<td>Computer equipment</td>
<td>3 years</td>
</tr>
<tr>
<td>Furniture and fittings</td>
<td>5 years</td>
</tr>
</tbody>
</table>

1.11. Reserves policy

WFD has recently agreed with its sponsor department, the FCO, that it is appropriate to retain reserves, recognised as the General Fund, to ensure the stability and sustainability of the organisation for the foreseeable future. This includes an assessment of current and future working capital requirements. WFD is currently in the process of developing, consulting on, and adopting a formal Reserves Policy based on the following principles: risk-based, justified and appropriate, current, and good governance.

1.12. Financial Instruments

This standard, which is effective from 2018/19, includes requirements for classification, recognition and measurement, impairment, derecognition and general hedge accounting. WFD’s financial instruments are trade receivables and payables. Receivables are shown net of expected credit loss. These accounts do not include transition disclosures in respect of IFRS 9, due to the effect of IFRS 9 on WFD’s accounts not being significant. This is because WFD holds receivables with customers with low credit risk (central government departments, overseas governments and organisations and other well-respected organisations), and other receivables are simple trade receivables held for collecting cash in the normal course of business.

WFD has financial assets and financial liabilities of the kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at the present value of future cash flows (amortised cost). Financial assets held at amortised cost comprise cash at bank and in hand and trade and other receivables, excluding prepayments and accrued income.

Financial liabilities held at amortised cost comprise trade and other payables, excluding accrued expenditure and deferred income.

No discounting has been applied to these financial instruments on the basis that the periods over which amounts will be settled are such that any discounting would be immaterial.

At the Statement of Financial Position date WFD held financial assets at amortised cost of £2,930k (2017-18 £1,631k) and financial liabilities at amortised cost of £1,105k (2017-18 £865k).

1.13. Operating leases

WFD leases its UK Head Office, the lease period started in April 2019 and is covers three years to March 2021 years, with a six-month break clause. Payments and any related lease incentives are charged to the SoCNE on a straight-line basis over the term of the lease.

1.14. IFRS in issue but not effective

IFRS 16 will be effective from the period 2019-20.

IFRS 16, Leases aims to report information that faithfully represents lease transactions and provides a basis for users of financial statements to assess the amount, timing and uncertainty of cash flows arising from leases. IFRS 16 is effective for years beginning on or after 1 January 2019 and, therefore, will apply to WFD for the next reporting period, financial year ending 31 March 2020.

IFRS 16 will introduce a single lessee accounting model and require a lessee to recognise assets and liabilities for all leases with a term of more than 12 months unless the underlying asset is of low value. A lessee will be required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments.
A lessee will recognise depreciation of the right-of-use asset and interest on the lease liability. The main impact on WFD is anticipated to relate to rental of WFD’s London office which will likely require the recognition of a right-of-use asset and corresponding lease liability, with depreciation and interest charges. WFD estimates that the values of the asset and liability in 2019-20 would be £196k.

2. INCOME

During the year WFD received £3.8 million (£3.4 million 2017-18) from DFID in relation to our Accountable Grant funding. This was part of a new £12 million, 3-year Accountable Grant, which commenced in August 2018.

3. DIRECT EXPENDITURE ON WFD PROJECTS

In the opinion of the Board, owing to the scale of activity there is a single segment of business activity which is strengthening pluralist democratic institutions, particularly political parties.

Programmes directly implemented by WFD costs include expenditure in respect of EU grants received totaling £1.1 million (2017-18: £117k).

4. STAFF COSTS

Expenditure on WFD projects costs include overseas locally engaged staff £1.5 million (2018: £1.2 million) and is included in Note 3.

The Governors did not receive any remuneration for their services. Travel costs of ENIL (2018: ENIL) were reimbursed in the year.

Staff numbers

The average number of employees (excluding Governors and vacancies) during the year was:

Pension commitments

As a publicly funded body listed in Schedule 1 to the Superannuation Act 1972, WFD is included in Civil Service pension arrangements. The Principal Civil Service Pension Scheme (PCSPS) is an unfunded, multi-employer defined benefit scheme. The Alpha Pension Scheme is also available to WFD staff. As a multi-employer scheme, it is not possible for WFD to obtain sufficient information to enable us to account for the PCSPS as a defined benefit scheme. Therefore, it is accounted for as a defined contribution scheme. Details of the scheme can be found in the “resource accounts” available on the Civil Service Pensions website: https://www.civilservicepensionscheme.org.uk/about-us/
For the current year employers’ contributions of £255k were payable to the PCSPS (2018: £181k) at one of three rates in the range 20.9% to 24.5% of pensionable pay, based on salary bands. The contribution rates are set to meet the cost of the benefits accruing during 2018-19 to be paid when the member retires and not the benefits paid during this period to existing pensioners. The Scheme Actuary usually reviews employer contributions every four years following a full scheme valuation. The report on the actuary valuation as at 31 March 2016 was released during 2018-19. As a result, employer contributions will increase from 1 April 2019, with WFD employer contributions to increase to one of three rates in the range 27.1% to 30.3%. The full valuation report can be found in the “scheme valuations” section of the Civil Service Pensions website.

Employees can alternatively opt to open a partnership pension account - a stakeholder pension with an employer contribution. For 2018-19, employers’ contributions of £78k were payable (2017: £68k). Employees select from the panel appointed stakeholder pension providers; in 2018-19 there was a change in the providers and all WFD employees with a partnership pension switched to a new provider from September 2018. Employer contributions were not impacted by this switch. Employer contributions are age-related and range from 8.0% to 14.75% of pensionable pay. In addition, WFD matches employee contributions up to 3% of pensionable pay.

During the year contributions of £3k were also made to other personal money purchase pension schemes (2017: £14k).

5. OTHER OPERATING CHARGES

<table>
<thead>
<tr>
<th></th>
<th>2019 £</th>
<th>2018 £</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loss/(Gain) on foreign exchange</td>
<td>21,289</td>
<td>28,348</td>
</tr>
<tr>
<td>Auditor’s remuneration</td>
<td>18,500</td>
<td>19,800</td>
</tr>
<tr>
<td>Operating lease rentals: property</td>
<td>164,698</td>
<td>94,789</td>
</tr>
<tr>
<td>Depreciation</td>
<td>16,561</td>
<td>28,966</td>
</tr>
</tbody>
</table>

NAO received no payments for any work carried on outside the normal annual audit. (2018: £1,800 for work as a partner organisation supporting WFD programmes in Morocco and Nigeria.)

6. NON CURRENT ASSETS

<table>
<thead>
<tr>
<th></th>
<th>Leased equipment £</th>
<th>Computer equipment £</th>
<th>Furniture and fittings £</th>
<th>Total £</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>COST</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>At 1 April 2017</td>
<td>-</td>
<td>84,437</td>
<td>47,013</td>
<td>131,450</td>
</tr>
<tr>
<td>Additions</td>
<td>-</td>
<td>6,738</td>
<td>-</td>
<td>6,738</td>
</tr>
<tr>
<td>Disposals</td>
<td>-</td>
<td>(27,491)</td>
<td>-</td>
<td>(27,491)</td>
</tr>
<tr>
<td>as at 31 March 2018</td>
<td>-</td>
<td>63,684</td>
<td>47,013</td>
<td>110,697</td>
</tr>
<tr>
<td>as at 1 April 2018</td>
<td>-</td>
<td>63,684</td>
<td>47,013</td>
<td>110,697</td>
</tr>
<tr>
<td>Additions</td>
<td>6,987</td>
<td>7,161</td>
<td>12,916</td>
<td>27,064</td>
</tr>
<tr>
<td>Disposals</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>as at 31 March 2019</td>
<td>6,987</td>
<td>70,845</td>
<td>59,929</td>
<td>137,761</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Leased equipment £</th>
<th>Computer equipment £</th>
<th>Furniture and fittings £</th>
<th>Total £</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>DEPRECIATION</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>At 1 April 2017</td>
<td>-</td>
<td>52,066</td>
<td>34,403</td>
<td>86,469</td>
</tr>
<tr>
<td>Change in year</td>
<td>-</td>
<td>16,356</td>
<td>12,610</td>
<td>28,966</td>
</tr>
<tr>
<td>Disposals</td>
<td>-</td>
<td>(26,975)</td>
<td>-</td>
<td>(26,975)</td>
</tr>
<tr>
<td>as at 31 March 2018</td>
<td>-</td>
<td>41,447</td>
<td>47,013</td>
<td>88,460</td>
</tr>
<tr>
<td>as at 1 April 2018</td>
<td>-</td>
<td>41,447</td>
<td>47,013</td>
<td>88,460</td>
</tr>
<tr>
<td>Change in year</td>
<td>1397</td>
<td>13,873</td>
<td>1,291</td>
<td>16,561</td>
</tr>
<tr>
<td>Disposals</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>as at 31 March 2019</td>
<td>1,397</td>
<td>55,320</td>
<td>48,304</td>
<td>105,021</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2019 £</th>
<th>2018 £</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>NET BOOK VALUE</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>At 31 March 2019</td>
<td>5,590</td>
<td>15,525</td>
</tr>
<tr>
<td>At 31 March 2018</td>
<td>-</td>
<td>22,237</td>
</tr>
</tbody>
</table>
7. TRADE RECEIVABLES AND OTHER CURRENT ASSETS

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade receivables and other current assets</td>
<td>614,225</td>
<td>302,575</td>
</tr>
<tr>
<td>Deposits and advances</td>
<td>150,007</td>
<td>43,695</td>
</tr>
<tr>
<td>Prepayments and accrued income</td>
<td>99,200</td>
<td>296,499</td>
</tr>
<tr>
<td>Contract assets</td>
<td>834,236</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>1,697,668</td>
<td>642,769</td>
</tr>
</tbody>
</table>

All amounts included in the above table fall due within one year.

If the prior year was restated, £232k would have been moved from accrued income to contract assets. In the year the full opening balance has been transferred to trade receivables. The closing contract assets includes all new contract assets.

Contract asset at 31 March 2019 includes £123k (2018: £13k) relating to EU grants.

8. TRADE PAYABLES AND OTHER CURRENT LIABILITIES

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade payables</td>
<td>1,104,894</td>
<td>809,140</td>
</tr>
<tr>
<td>Pension contributions payable</td>
<td>138</td>
<td>8,406</td>
</tr>
<tr>
<td>Taxation and social security</td>
<td>-</td>
<td>47,451</td>
</tr>
<tr>
<td>Accruals and deferred income</td>
<td>1,296,174</td>
<td>889,471</td>
</tr>
<tr>
<td>Contract liabilities</td>
<td>731,688</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>3,132,894</td>
<td>1,754,468</td>
</tr>
</tbody>
</table>

All amounts included in the above table fall due within one year.

If the prior year was restated, £383k would have been moved from deferred income to contract liabilities.

Contract liability at 31 March 2019 includes £123k (2018: £13k) relating to EU grants.

9. FINANCIAL EXPOSURE

As the cash requirements of WFD are substantially met through grant-in-aid provided by the Foreign and Commonwealth Office and DFID, financial instruments play a more limited role in creating and managing risk than would apply to a non-departmental public body. WFD, therefore, has low exposure to credit, liquidity, or market risk. WFD operates in many foreign countries, it is necessary to use foreign currency in order to run operations abroad. Foreign exchange risk is kept to a minimum by holding the least required cash in foreign bank accounts.

10. OPERATING LEASES

At 31 March 2019 WFD had annual commitments under non-cancellable operating leases as follows:

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land and buildings</td>
<td>196,420</td>
<td>47,563</td>
</tr>
</tbody>
</table>

11. LEGAL STATUS

WFD is a company limited by guarantee, not having a share capital. The liability of the two members, being the Secretary of State for Foreign and Commonwealth Affairs and the Treasury Solicitor, is limited to £1 each.

12. GENERAL FUND

The balance of Designated Funds at 31 March 2019 represents a donation designated for a specific purpose.

<table>
<thead>
<tr>
<th></th>
<th>Core</th>
<th>Designated</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fixed assets</td>
<td>22,237</td>
<td>-</td>
<td>22,237</td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>642,769</td>
<td>-</td>
<td>642,769</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>1,273,883</td>
<td>10,559</td>
<td>1,284,442</td>
</tr>
<tr>
<td>Trade and other payables</td>
<td>(1,754,468)</td>
<td>-</td>
<td>(1,754,468)</td>
</tr>
<tr>
<td><strong>as at 31 March 2018</strong></td>
<td>184,421</td>
<td>10,559</td>
<td>194,980</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fixed assets</td>
<td>32,740</td>
<td>-</td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>1,697,668</td>
<td>-</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>2,154,912</td>
<td>10,559</td>
</tr>
<tr>
<td>Trade and other payables</td>
<td>(3,332,894)</td>
<td>-</td>
</tr>
<tr>
<td><strong>as at 31 March 2019</strong></td>
<td>752,426</td>
<td>10,559</td>
</tr>
</tbody>
</table>
13. GOING CONCERN

The Board has reviewed WFD’s position based on known information and has concluded that WFD has sufficient access to resources to remain sustainable.

At the time of approving these accounts, the FCO has confirmed its ongoing commitment to providing core annual funding to WFD for 2019-20, in the form of a Grant-in-Aid at the level of £3.5 million, and WFD is part-way through the first year of a three-year Accountable Grant Arrangement with DFID, which expires on 31 July 2021 and makes available up to £14.5 million.

WFD has a budgeted plan for 2019-20 with projected expenditure either aligned directly to the receipt of confirmed or projected grant or contract income or covered by the confirmed grant-in-aid from the FCO. WFD also has an improved reserves position, classified as taxpayers’ equity in these accounts, going into 2019-20 compared to previous reporting periods.

The Board has considered the potential impact of two factors on this assessment. First, HM Government is expected (subject to the status of EU-Exit arrangements) to carry out a comprehensive spending review in 2019. The outcomes of this review are expected to guide departmental budgets for the financial year 2020/21 and beyond. This represents a potential opportunity or threat to WFD’s funding from the FCO and DFID. However, the Governors note that the recent Tailored Review, commissioned by HM Government, found that WFD’s purpose remains aligned with Government objectives, working in support of both FCO and DFID departmental objectives to champion democracy and to promote effective, accountable, and inclusive institutions. The Report also confirmed that WFD is effective, represents value for money for the taxpayer, and should be considered a trusted partner of FCO. Second, the Board has considered the impact of EU-Exit on WFD. At present, WFD benefits directly and indirectly from EU funding, although this does not represent a significant proportion of income. However, the Board notes that HM Government has issued a ‘No Deal financial assurance’ to UK agencies on current EU development funding, and that WFD is a member of a network, the European Partnership for Democracy, which would still have access to EU funding. As such, the Board does not consider that EU-Exit would have a material impact on WFD’s ability to act as a going concern.

Accordingly, WFD continues to adopt the going concern basis of accounting in preparing the annual accounts.

14. RELATED PARTY TRANSACTIONS

WFD is a non-departmental public body sponsored by the Foreign and Commonwealth Office (FCO). The FCO is regarded as a related party. Core funding of £3.5 million was received from the FCO as grant-in-aid. In addition, programme specific funding of £0.9 million was receivable from FCO and FCO embassies, which includes £50k from their Magna Carta funding and £0.6 million from their Arab Partnership Fund.

Funding of £3.8 million was receivable from the Department for International Development (DFID) in the form of an accountable grant. Programme specific funding of £1.2 million and £0.5 million from other grants for work in Myanmar and other countries respectively was also receivable from DFID in the current year.

All related party transactions were made on terms equivalent to those that prevail in arm’s length transactions.

15. LOSSES AND SPECIAL PAYMENTS

There were net realised foreign exchange losses totalling £21,289 in the year (2017-18 Loss £28,348). There were no other losses or special payments.

16. EVENTS AFTER THE REPORTING PERIOD

There have been no events after the reporting period which need to be noted in these accounts.

The accounts have been authorised for issue on the same date as the Comptroller and the Auditor General’s Audit Certificate.
REFERENCE AND ADMINISTRATIVE DETAILS

Westminster Foundation for Democracy

An Executive Non-Departmental Public Body of the Foreign and Commonwealth Office. The Secretary of State for Foreign and Commonwealth Affairs and the Treasury Solicitor are the two named subscribers to the Company's Memorandum of Association. The Secretary of State has formal powers of appointment to WFD’s Board of Governors but the Board operates independently and at arm's length from Government.

WFD receives grant-in-aid from the Foreign and Commonwealth Office provided out of monies voted by Parliament to enable it to achieve agreed objectives.

Domiciled in the United Kingdom

WFD is a company limited by guarantee and therefore does not have a share capital
Company registration: 2693163

Registered office: 8th Floor Artillery House, 11-19 Artillery Row, London, SW19 1RT

Company secretary: Christopher Lane

Principal bank: HSBC Bank, West End Business Banking Centre, 2nd Floor, 16 Kings Street, Covent Garden, London WC2E 8JF

Auditors: National Audit Office, 157-197 Buckingham Palace Road, Victoria, London, SW1W 9SP

For more information
Website: www.wfd.org
Twitter @WFD_Democracy
Facebook @WestminsterFoundation

Have a question or feedback?
Tel: +44 (0)20 7799 1311
Email: comms@wfd.org