Company Registration No. 06368740 (England and Wales)

Development Initiatives Poverty Research Limited

Annual report and financial statements
for the year ended 31 December 2022

Company information

Directors	Dr Alex Ezeh	
	Timothy Takona	
	Paul Stuart	
	Elizabeth Drew	
	Susan Wardell	
	Mary Chege	
	Kapil Kapoor	
	Zhi Huan Wu	
	Annie Namala	(Appointed 31 January 2022)
	Adrian Lovett	(Appointed 19 April 2023)
Secretary	Janet Reilly	
Company number	06368740	
Registered office	1st Floor Centre The Quorum Bond Street South Bristol BS1 3AE	
Independent auditor	Saffery Champness St Catherine's Court Berkeley Place Clifton Bristol BS8 1BQ	

Development Initiatives Poverty Research Limited

Contents

The directors present their annual report and financial statements for the year ended 31 December 2022.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Harpinder Collacott	(Resigned 19 April 2023)
Dr Alex Ezeh	
Timothy Takona	
Paul Stuart	
Elizabeth Drew	
Susan Wardell	
Mary Chege	
Kapil Kapoor	
Zhi Huan Wu	
Annie Namala	(Appointed 31 January 2022)
Adrian Lovett	(Appointed 19 April 2023)

Principal activities

Development Initiatives Poverty Research Limited ("DI") exists to provide data-drive evidence and analysis, technical support to strengthen data ecosystems, and advisory programmes to support partners to:

- Better respond to people’s needs through improved quality and use of data and evidence in policymaking
- Improve the quantity, quality and coherence of public finance and private investment
- Challenge systemic and structural barriers to equity and support the reform of existing systems.

Our purpose is to apply the power of data and evidence to build sustainable solutions that create an equitable and resilient world**.**

Our mission is to work closely with partners to ensure data-driven evidence and analysis are used effectively in policy and practice to end poverty, reduce inequality and increase resilience.

We work at global, national and local levels, through a global hub connected to a growing network of regional hubs and partners.

2022 Achievements

DI faced a challenging global environment in 2022. Estimates for 2022 indicate that poverty rates have likely returned to 2019 levels, with about 682 million people (8.5% of the world population) still living in extreme poverty. The World Bank stated that the goal of ending extreme poverty by 2030, the first promise of the U.N. Sustainable Development Goals, can no longer be achieved. Global inequality remained high and was increasing in most countries. U.N. Secretary-General General António Guterres said that national climate plans were “falling woefully short” amid a widening global emissions gap.

The conflict in Ukraine had a huge impact, both directly in humanitarian terms and beyond, as the ripple effects contributed to a global energy, food and economic crisis. While Ukraine commanded global attention, numerous other complex humanitarian crises persisted, and financing continued to fall far short of need. Amid these challenges, DI’s focus on unlocking the power of data, putting partnerships at the heart of our work, providing data-driven evidence and analysis and connecting the local to the global enabled us to add significant value.

In Uganda, we worked with local partners to strengthen sub-national data value chains, aiming to improve the effectiveness and accountability of local governments across health; agriculture; water, sanitation, and hygiene; education and youth employment. In Nepal, we supported municipalities to implement an Integrated Data Management System to improve the coherence and availability of data at the local level. On the Leave No One Behind agenda, we argued for a multidimensional approach to measuring poverty and highlighted global inequality trends.

On crisis financing, our Global Humanitarian Assistance Report showed how climate change, Covid-19 and conflict is driving unprecedented humanitarian need. We also highlighted the stark difference between the international response to crises in Somalia and Ukraine, tracked and advocated for greater funding for local actors to strengthen humanitarian response, and analysed the failure to adequately address gender-based violence in funding for emergencies. On development finance, we launched an interactive tool to track near real-time data on aid commitments and analysed the latest global trends in Official Development Assistance (ODA), the policies of major donors and the impact of cuts. At COP27, we highlighted the dire shortfall in the international response to the Pakistan floods and discussed the need to build much more accountability for climate finance commitments.

We worked with partners to produce the Global Nutrition Report and created a tool to track commitments on nutrition and food security. Responding to growing calls for urgent reform of the global financial architecture, we worked with partners to outline how a new concept for international public financing, Global Public Investment (GPI), could offer a new way to finance sustainable development fit for the 21st century. Reflecting on our achievements in 2022, we made substantial contributions to achieving our mission. In 2023, we will continue this work while exploring several exciting new growth areas.

Our experts continue to serve on multiple external advisory boards and committees, including the Expert Working Group and Steering Committee on GPI, the organising committee of the UN World Data Forum, the technical working group of the Global Partnership for Sustainable Development Data, and Bond’s Future Dialogues group on an international development system for a post-2030 world.

Supporting staff during high cost of living in 2022

With inflation biting in 2022, as a people-centred employer we wanted to support individuals during the cost-of-living crisis. Our hybrid way of working enabled individuals to take advantage of reducing commuting costs by working from home or reducing heating costs by coming into the office - it also allowed them to balance their home and working lives. Our buy/sell holiday scheme supported those who wanted to sell-back holiday or indeed, those who wanted more time with their family. We implemented the Real Living Wage earlier in the UK - in September 2022 - rather than waiting until May 2023 and we provided access to financial wellbeing advice/support through our bankers. We also provided two 'Cost of Living Support Payments' to all of our global Interns and those in our two lower Career Levels. These payments (of £250 gross) were made in October and December.

With regard to pay awards, with inflation soaring we knew that meeting the expectations and needs of our people would be a challenge due to competing upward and downward pressures. We wanted to respond to concerns, to retain our people, remain competitive and avoid pay compression. However, we experienced higher costs and changes to income patterns, and remained focused on long-term financial sustainability as critical to achieving our mission as a purpose-driven employer. We were cognisant of all of these factors when deciding pay.

Equality, Diversity & Inclusion

A new EDI Statement was approved by the board in 2022 which built on an EDI audit carried out in 2021. During 2022, we marked a number of events such as International Women's Day, Mental Health Awareness Day, Pride Month and Black History Month and these events helped us raise awareness, discuss ideas and issues and allowed some discovery. Our Disability Confident Employer status was renewed, we ran further bias awareness training and all role profiles now go through a gender de-coder before being advertised. Our EDI 3 year action plan was developed with clear KPIs which will help guide us to view our work through an EDI lens.

Gender is one part of our EDI strategy and whilst we are not legally required to report on our gender pay gap, we do so in line with our core value of being transparent, and will continue to monitor and share our gender pay gap as part of our annual progress report and board reporting.

Our gender pay gap increased at the end of 2022, with a mean gender pay gap of 23.2%, compared to a year end mean in 2021 of 3.2%. A key driver was the replacement of our previous female CEO with a male CEO, and there was a vacancy on the Executive Team which was later filled by a female who joined in January 2023, however, as we regularly monitor our gender pay gap, we know that one of the other drivers is a lack of male representation in the lower career levels, and so in 2023 we will be aiming for greater gender balance across all of our career levels through the development and implementation of a gender action plan. The gender action plan will look at equality and equity across career progression and reward, talent acquisition and inclusive culture.

Financial Review

Our income in 2022 decreased by £365,595 to £5,442,764. In the same period, our operating costs increased by £494,467 to £6,129,504. This included an increase in travel expenditure from £45,987 to £171,467. This is because of Covid travel restrictions being relaxed in 2022 and program activities returning to pre-covid levels.

In 2022, as in previous years, our highest expenditure remained our staff costs and professional services. Training costs rose significantly in 2022 to £66,799 from £29,516 in 2021. Our consultant costs were down from £999,163 in 2021 to £585,062 in 2022 as more of the work was undertaken by staff.

Subsequent to 2022, like many organisations in this tough financial climate, we started a process in July 2023 that we expect will reduce the size of our team. We are also reviewing our non-staff costs to ensure our expenditure is fully funded. This has become necessary because several significant programs and funding relationships are coming to an end in 2023 (particularly our convening role on IATI, our role as host of the Global Nutrition Report and our core grant from the Hewlett Foundation). We have been guided throughout the process by aligning our resources to committed income and a strong pipeline of prospective income for both 2023 and 2024.

We have gone through a process of forecasting income and expenditure for 2023 and 2024, sensitised the results for the key assumptions, and as a result we are satisfied that DI has sufficient resources to manage its working capital requirements over a 12-month period. On this basis, we are confident that the organisation is a going concern.

Auditor

Saffery Champness were appointed as auditor to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

Statement of directors' responsibilities

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board

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Adrian Lovett

Director

Date: August 1, 2023

Independent auditor's report
To the members of Development Initiatives Poverty Research Limited

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Opinion
We have audited the financial statements of Development Initiatives Poverty Research Limited (the 'company') for the year ended 31 December 2022 which comprise the income statement, the statement of financial position, the statement of changes in equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:
- give a true and fair view of the state of the company's affairs as at 31 December 2022 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion
We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC’s Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern
In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities:
We assessed the susceptibility of the company's financial statements to material misstatement and how fraud might occur, including through discussions with the directors, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the company by discussions with directors and by updating our understanding of the sector in which the company operates.

Laws and regulations of direct significance in the context of the company include The Companies Act 2006 and UK Tax legislation.

Audit response to risks identified
We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Michael Sf

Michael Strong
Senior Statutory Auditor
For and on behalf of Saffery Champness

Date: 01 August 2023

Chartered Accountants
Statutory Auditors

St Catherine's Court
Berkeley Place
Clifton
Bristol
BS8 1BQ

Income statement
For the year ended 31 December 2022

	Notes	2022 £	2021 £
Turnover		5,442,764	5,808,359
Operating costs		(6,129,502)	(5,635,035)
Operating surplus		(686,738)	173,324
Interest receivable and similar income	4	4,400	45,144
Interest payable and similar expenses		(36,790)	(38,756)
Surplus before taxation		(719,128)	179,712
Tax on surplus		(836)	(219)
Surplus for the financial year		(719,964)	179,493

Development Initiatives Poverty Research Limited

Statement of financial position
As at 31 December 2022

	Notes	£	2022 £	£	2021 £
Fixed assets					
Intangible assets	5		19,370		26,770
Tangible assets	6		124,075		156,335
Investments	7		72,000		72,000
			215,445		255,105
Current assets					
Debtors	8	775,311		1,416,475	
Cash at bank and in hand		1,581,074		1,179,130	
		2,356,385		2,595,605	
Creditors: amounts falling due within one year	9	(2,646,571)		(2,138,452)	
Net current (liabilities)/assets			(290,186)		457,153
Total assets less current liabilities			(74,741)		712,258
Creditors: amounts falling due after more than one year	10		(11,871)		(78,906)
Net (liabilities)/assets			(86,612)		633,352
Capital and reserves					
Total equity			(86,612)		633,352

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 01/08/2023 .... and are signed on its behalf by:

A. Lovett
....
Adrian Lovett
Director

Company Registration No. 06368740

Development Initiatives Poverty Research Limited

Statement of changes in equity
For the year ended 31 December 2022

	Share capital	Profit and loss reserves	Total
	£	£	£
Balance at 1 January 2021	-	453,859	453,859
Year ended 31 December 2021:			
Profit and total comprehensive income for the year	-	179,493	179,493
Balance at 31 December 2021	-	633,352	633,352
Year ended 31 December 2022:			
Loss and total comprehensive income for the year	-	(719,964)	(719,964)
Balance at 31 December 2022	-	(86,612)	(86,612)

1 Accounting policies

Company information

Development Initiatives Poverty Research Limited is a private company limited by guarantee incorporated in England and Wales. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the company in the event of liquidation. The registered office is 1st Floor Centre, The Quorum, Bond Street South, Bristol, BS1 3AE.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £1.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

These financial statements are prepared on the going concern basis. At the time of approval of the financial statements, the directors have undertaken a process of forecasting income and expenditure for 2023 and 2024 and started a process to reduce the number of employees. The forecasts have been sensitised for the key assumptions, and as a result the directors have a reasonable expectation that the company will continue in operational existence for the foreseeable future.

1.3 Turnover

Turnover comprises the fair value of the consideration received or receivable for the provision of services in the ordinary course of the Company's activities or grants made to the Company. Turnover is shown net of value added tax, returns, rebates and discounts.

The Company recognises revenue when:

- The Company has entitlement to the revenue, having discharged applicable restrictions on how the funds can be applied;
- Economic benefits have flowed or future economic benefits are reasonably certain to flow to the Company;
- The amount of revenue can be reliably measured.

Where a contract spans more than one reporting period, revenue for that contract is recognised in proportion to the total costs incurred to date, unless the contract assigns values for specific performance obligations.

1 Accounting policies (continued)

1.4 Intangible fixed assets - goodwill

Goodwill arising on the acquisition of an entity represents the excess of the fair value of the consideration over the fair value of the identifiable assets and liabilities acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is held in the currency of the acquired entity and revalued to the closing rate at each reporting period date. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which shall not exceed ten years if a reliable estimate of the useful life cannot be made.

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over the useful life as follows:

Asset class	Amortisation method and rate
Goodwill	20% straight line

1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and equipment	20%-25% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.6 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

1.7 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

1 Accounting policies (continued)

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.8 Cash at bank and in hand

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The company has elected to apply the provisions of Section 11 ‘Basic Financial Instruments’ and Section 12 ‘Other Financial Instruments Issues’ of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

1 Accounting policies (continued)

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.10 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.11 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company’s liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

1 Accounting policies (continued)

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.12 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1 Accounting policies (continued)

1.14 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the statement of financial position as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

1.15 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

1.16 Foreign exchange

Transactions in foreign currencies are recorded at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the closing rates at the balance sheet date. A liability is held as a foreign currency denominated liability so long as there is either a contractual obligation to do so or the funds giving rise to the liability are held in a foreign currency. Should neither apply, the liability will be converted into a Sterling denominated liability at the exchange rate actually attained. All exchange differences are taken into account in arriving at the operating result.

2 Critical accounting judgements and key sources of estimation uncertainty

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2022 Number	2021 Number
Total	94	93

Of the above employees, 7 (2021: 7) received salaries over £65,000.

4 Interest receivable and similar income

	2022 £	2021 £
Interest receivable and similar income includes the following:		
Income from shares in group undertakings	-	45,000

5 Intangible fixed assets

	Goodwill £
Cost	
At 1 January 2022 and 31 December 2022	208,000
Amortisation and impairment	
At 1 January 2022	181,230
Amortisation charged for the year	7,400
At 31 December 2022	188,630
Carrying amount	
At 31 December 2022	19,370
At 31 December 2021	26,770

6 Tangible fixed assets

	Plant and machinery etc £
Cost	
At 1 January 2022	361,298
Additions	34,667
At 31 December 2022	395,965
Depreciation and impairment	
At 1 January 2022	204,963
Depreciation charged in the year	66,927
At 31 December 2022	271,890
Carrying amount	
At 31 December 2022	124,075
At 31 December 2021	156,335

7 Fixed asset investments

	2022 £	2021 £
Shares in group undertakings and participating interests	72,000	72,000

8 Debtors

Amounts falling due within one year:	2022 £	2021 £
Trade debtors	5,975	13,691
Amounts owed by group undertakings	510,799	314,450
Other debtors	258,537	1,088,334
	775,311	1,416,475

9 Creditors: amounts falling due within one year

	Notes	2022 £	2021 £
Obligations under finance leases		67,035	60,360
Trade creditors		107,416	85,163
Corporation tax		863	27
Other taxation and social security		93,556	77,196
Deferred income		2,278,694	1,810,959
Accruals		99,007	104,747
		2,646,571	2,138,452

10 Creditors: amounts falling due after more than one year

	2022 £	2021 £
Obligations under finance leases	11,871	78,906

11 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2022 £	2021 £
Total lease payments due	203,820	383,270

12 Related party transactions

Remuneration of key management personnel

	2022 £	2021 £
Aggregate compensation	100,613	106,531

12 Related party transactions (continued)

During the year the company provided services to its subsidiary DI International Limited totalling £582,714 (2021:£696,104). The company also continued to provide a loan to its subsidiary which is interest free and repayable on demand. At the year end the company was owed £510,799 (2021: £314,450). The company received dividends during the year from its subsidiary of £nil (2021: £50,000).

Development Initiatives Poverty Research America Inc. (DIPRA) is a separately established US registered charity. There is substantial overlap between the boards of DIPR and DIPRA. In the prior year the company received a sub-grant from DIPRA totalling £997,064, of which £389,318 being recognised in the year. At the year end DIPRA owed the company £77,001 (2021: £857,599). DIPRA also provided services to DIPR totalling £160,458 (2021: £120,223).

Development Initiatives Poverty Research Limited

Management information
for the year ended 31 December 2022

Detailed income and expenditure account
For the year ended 31 December 2022

		2022		2021
	£	£	£	£
Turnover				
Foreign, Commonwealth & Development Office		-		4,008
Department for International Development		83,093		-
United Nations Office for Project Services (UNOPS)		1,031,287		821,792
Danish International Development Agency		227,200		-
Government of the Netherlands		273,311		475,989
Canadian International Development Agency		639,757		421,388
Bill and Melinda Gates Foundation		502,713		1,001,402
Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ)		-		308,433
Irish Aid		-		173,830
DI International Limited		542,842		855,249
William and Flora Hewlett Foundation sub-awarded from DIPRA		389,318		372,146
Sightsavers		1,354		119,034
The Asia Foundation		78,860		64,618
USAID		173,655		71,747
Swiss Agency for Development and Cooperation		157,897		384,473
Other income		17,233		133,379
SDG Kenya Forum		744,962		463,811
Food and Agriculture Organisation		56,646		137,060
United Nations		35,721		-
The Ministry for Economic Cooperation and Development (BMZ)		314,595		-
World Bank		76,684		-
The African Population and Health Research Center		95,636		-
		5,442,764		5,808,359
Operating costs		(6,129,502)		(5,635,035)
Operating surplus/(deficit)		(686,738)		173,324
Investment revenues				
Bank interest received	4,400		144	
Dividends receivable from group companies	-		45,000	
		4,400		45,144
Interest payable and similar expenses				
Hire purchase interest payable	11,814		14,462	
Foreign exchange gains/(losses)	24,976		24,294	
		(36,790)		(38,756)
Surplus/(deficit) before taxation		(719,128)		179,712

This page does not form part of the financial statements on which the auditors have reported.

Development Initiatives Poverty Research Limited

Schedule of operating costs
For the year ended 31 December 2022

	2022	2021
	£	£
Operating costs		
Wages and salaries	3,271,502	2,875,922
Social security costs	295,809	264,324
Staff recruitment costs	243,513	96,231
Staff welfare	37,989	22,176
Private health insurance	27,018	17,606
Staff training	66,799	29,516
Staff pension costs defined contribution	157,132	134,434
Other staff costs	9	-
Directors' remuneration	100,613	106,531
Directors' social security costs	12,188	12,506
Disbursements	204,599	182,760
Rent and rates	215,086	220,958
Cleaning	10,319	7,485
Power, light and heat	(277)	(1,554)
Premises insurance	30,587	26,058
Computer running costs	298,873	293,941
Travelling expenses	171,467	45,987
Professional subscriptions	26,759	30,483
Legal and professional fees	29,615	24,264
Accountancy	8,871	7,708
Audit fees	36,480	14,265
Charitable donations	874	48
Bank charges	5,485	5,645
Bad and doubtful debts	-	(9,788)
Advertising	740	3,570
Telecommunications	29,051	10,421
Office expenses	87,249	57,157
Entertaining	238	-
Freelance and outsourced contracts	585,062	999,163
Irrecoverable VAT	102,688	74,202
Sundry expenses	(1,163)	(21)
Amortisation	7,400	29,430
Depreciation	66,927	53,607
	6,129,502	5,635,035

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