Registered No. 10505963

# TONY BLAIR INSTITUTE

(A Company Limited by Guarantee)

Annual report and consolidated financial statements

Year ended 31 December 2021

# CONTENTS

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# GROUP INFORMATION

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# STRATEGIC REPORT

The directors present their Strategic Report for the year ended 31 December 2021.

## A YEAR OF EXPANSION AND IMPACT

Our work is guided by a central belief in the power of progressive policies to deliver for people, especially when they embrace the transformative potential of technology. We approach challenges positively and with rigour, determining what is possible and how to achieve it – even in the most difficult circumstances. This is a belief exercised through our policy and advisory work, and actively practiced in our projects around the world.

We deliver policy solutions built on expertise and never shy from challenging the status quo. We see radical as a virtue but only when it is credible, enabling us to support leaders to confront today's challenges and seize tomorrow's opportunities. This modus operandi was forged in our cross-Institute response to Covid.

In a year dominated by the pandemic, we were proud to be recognised for our insight and analysis. Alongside our contributions to British and global pandemic policy, our Government Advisory practice stood shoulder-to-shoulder with the leaders we work with around the world as they transitioned their populations to live alongside the virus.

This report also tells a story of how the Institute continues to evolve – from providing cutting-edge ideas in the pandemic to actively contributing to the renewal of progressive policies in Britain and around the world. It's this ambition for change and a commitment to working with leaders to improve the lives of their people that runs through every example of our advisory, programmatic and policy work.

We are proud of what we and our partners have achieved and, with our year-end global headcount growing from 263 in 2020 to 440 and hubs launched in Accra, San Francisco and Singapore in addition to our London footing, we approach our next year with a fortified belief in our mission to equip leaders to build open, inclusive and prosperous societies in an increasingly interconnected world.

This is essential now more than ever –as the technological revolution transforms the world we live in, and leaders worldwide rebuild after the pandemic, harnessing technology to create new jobs, improve public services and improve lives. We look forward to working with governments to deliver on this and ultimately for their people. Our strategy and approach are driven by the insights and progressive vision of Executive Chairman Tony Blair and we are confident in delivering even greater impact next year.

## COVID-19: RECOVERY, RESILIENCE AND PREPARING FOR THE FUTURE

### Policy Impact in the UK

As the world learned to live alongside Covid-19 and respond to new challenges in 2021, we built on the strength, relevance and increased external profile of our 2020 Covid work. In November 2021, for example, TBI authors argued in favour of vaccine passports and Covid passes in the BMJ. We also saw a number of the recommendations that we have championed since early in the pandemic come to fruition and be adopted as policy in the UK. For example, Tony Blair's recommendation that the UK use all available vaccine supply to administer first doses to as many people as possible as quickly as possible (rather than hold back stocks for second doses – the objective being to provide immunity more widely across the population and to do so more rapidly) was reflected in a new national vaccination strategy set forth by the Joint Committee on Vaccination and Immunisation and accepted by the government in January 2021. All our work on Covid policy was informed by our understanding of government combined with the most robust and up-to-date evidence, and benefitted from our formal and informal partnerships with life sciences and bioscience experts and institutions.

We followed the recommendation to administer as many first doses as possible with a comprehensive blueprint for vaccine rollout, which raised the ambition for the number of vaccines that could be administered per day – an approach reflected in the government's vaccination framework. As part of our effort to make the case for accelerating vaccine rollout to save lives and livelihoods, we also developed the TBI Total Covid Cost model, linking the spread of the virus to the performance of the economy. This model formed the basis of a paper on vaccine rollout and the return to normality, illustrating the benefits the UK population would see from an accelerated vaccine rollout plan. This model was the basis of two sessions with the UK Treasury select committee and influenced their enquiry's recommendations to the Treasury; we proposed that the government should publish

STRATEGIC REPORT

a modelling assessment to guide its steps in lifting restrictions, which it subsequently did. We also produced several pieces modelling options for dealing with the Delta wave of Covid-19.

From the outset of the pandemic, the Institute also advocated for the importance of mass population-level testing, particularly drawing on rapid-testing capability, in a series of influential reports in 2020; reflecting this, the UK government introduced free twice-weekly rapid testing across the population in April 2021. Additionally, in July we showed how mandatory use of the NHS COVID Pass at large events could slow the spread of the virus (a recommendation that was implemented by the government in December), and we recommended that the government allow full vaccination of children aged 12 to 15 two months before this was enacted as policy. We also built on our 2020 efforts to raise awareness of Long Covid, working together with Professor Tim Spector and the team at King's College London to set out a long-term plan to confront the impact of this "hidden pandemic". Our Covid work in 2021 drew on expertise from across the Institute, including medical, public-health, economic and international-development professionals from our Government Advisory division; experts from our newly established Political Team; and analysts and economists from our UK Policy and Technology and Public Policy units.

This cross-Institute work had significant impact in helping the world learn to live safely alongside Covid.

**Promoting Vaccine Equity and Pandemic Preparedness Worldwide**
Building on our pandemic response in the UK, 2021 also saw the Institute launch the Global Health Security Consortium (GHSC) in partnership with the Ellison Institute for Transformative Medicine (EITM) and a team of scientists at the University of Oxford, directed at the highest level by principals from each of the three partner organisations: Tony Blair, Dr David Agus and Sir John Bell. The consortium provides insight, analysis and support for leaders around the world to help them deal with Covid-19 today and prepare for the health-security challenges of tomorrow. In 2021 the GHSC published reports on topics that are key to present and future pandemic responses, such as global genomic sequencing and surveillance and an equitable plan for vaccinating the world, and has gained high-profile media coverage, including reaching millions on The Late Show with Stephen Colbert in the United States. This innovative partnership brings together expertise and leadership in science, medicine and geopolitics, and in 2022 will turn to the opportunity to build and implement a global adult-vaccination programme out of the Covid-19 vaccine infrastructure to target the 10 million annual deaths caused by preventable diseases. As part of the GHSC partnership, in 2021 TBI and EITM also worked in coordination with Oxford University and Oracle to support the development of the Global Pathogen Analysis Service (GPAS) – uniting a world-class pathogen genomics team with cloud-computing, bringing scale and security. The GPAS platform provides rapid, standardised genomic analysis for a range of pathogens, starting with SARS-CoV-2, and was made accessible for free at the point of service for academic and research laboratories in low- and middle-income countries, with the ultimate aim of improving global health.

As multiple reports published by the GHSC and the Institute reflected, the rollout of Covid-19 vaccines in 2021 exposed deep global inequalities – initially in supply and distribution and later in infrastructure and delivery systems required to get vaccines into people's arms (a bundle of factors that together we refer to as vaccine-absorption capacity). The impact of these inequities has been particularly profound in Africa, the continent with the slowest vaccination rate in the world.

In response, the Institute and our Government Advisory teams supported countries worldwide but primarily across Africa with their public-health and economic responses to the ongoing pandemic, with a particular focus on promoting equitable access to vaccines and capacity to manufacture vaccines in Africa. In 2021, we continually sounded the alarm in our own reports and in global media on the risks posed by vaccine inequity and the importance of protecting underlying health systems in Africa as new Covid-19 variants of concern emerged and caused further waves of infection. Prior to the pandemic, less than 1 per cent of all vaccines used in Africa were locally produced, demonstrating a stark vulnerability and reliance on foreign assistance and supplies. In response, our Africa advisory teams commenced new work supporting African countries to develop their local vaccine manufacturing base to build resilience and preparedness for potential future pandemics. Currently, the Institute is supporting Senegal and Rwanda in this agenda and scoping potential support for Kenya. TBI also had representation on key continental initiatives, such as Africa Union's Partnerships for African Vaccines Manufacturing (PAVM), coordinated by the Africa Centres for Disease Control and Prevention (Africa CDC); Institute representatives both supported PAVM leadership and contributed to the stakeholder forum.

# STRATEGIC REPORT

Building on this, in September 2021, we responded to demand from countries across Africa and launched the Institute's Africa Vaccines Programme in partnership with the Bill & Melinda Gates Foundation. In 2021, the programme worked with governments representing more than 220 million citizens in 2021, as well as the Africa CDC, to build capacity to support Covid-19 vaccine rollouts across the continent, with additional countries added to the programme in 2022. This programme seeks to address what the Institute and the GHSC call the "absorption-capacity challenge" – that is, the capacity that countries have to vaccinate their citizens and which comprises everything from cold-chain storage capacity to trained staff available to administer vaccinations. Aside from the moral imperative to distribute life-saving vaccines equitably across the globe, the importance of this work was highlighted by the emergence of the highly transmissible Omicron variant of Covid-19 in late 2021 and its impacts on health-system capacity globally. Until everyone in the world has access to Covid-19 vaccines, the risk remains that variants can continue to emerge from pockets of unvaccinated populations and spread between countries. This programme, and much of our work on the global Covid-19 response, seeks to put an end to this cycle.

## THE TRANSFORMATIVE POWER OF TECHNOLOGY

### Helping Governments to Scale Tech-Enabled Solutions

At TBI, we believe that tomorrow will belong to the countries and communities that work together to harness the power of technology for the good of all people. But this can only happen when leaders and policymakers are brought together with innovators to deliver and accelerate transformational change for their people.

This is why we are working with political leaders and governments to find tech and digital solutions to tackle their biggest challenges. By brokering strategic partnerships between governments and leading tech organisations and innovators, our ambition is to scale tech-enabled solutions so that millions of people can prove their identity, access better health care, improve government services and access affordable and nutritious food.

In the inception year for our ambitious Tech for Development programme – now rebranded as The Tomorrow Partnership – we built on our philanthropic partnership launched in 2020 with the Larry Ellison Foundation and used 12 months of action and deep learning to deliver and shape our vision for supporting countries to build comprehensive digital infrastructure. We also built out a global team, which continues to grow in 2022.

The programme began with rollout of the Oracle Health Management System (OHMS) – which supported national vaccination programmes in three African countries on a pro-bono basis in 2020 to 2021. Bringing a value-added solution to legacy systems or feeding into the broader digitalisation of health care, the OHMS enabled Ghana, Rwanda and Senegal to create electronic health records for their vaccination programmes for yellow fever, HPV and Covid-19. In Ghana, 70,000 people were vaccinated against yellow fever and registered in the country's OHMS in just one week after the programme was launched; in Rwanda, the OHMS was used to administer and record nearly 200,000 Covid-19 vaccinations in three days in March 2021; and Senegal has been using the OHMS at the national level to create real-time Covid-19 vaccination data and digitally capture vulnerable groups with underlying conditions for the first time.

The Tomorrow Partnership for tech transformation leverages TBI's track record of policy, advisory and delivery support to governments. Moving forward, our work will extend beyond areas of health care to the building out of digital infrastructure in partner countries, from data-governance frameworks to national digital-identification systems, patient-portal projects to management of infectious disease. We believe a cloud-first approach is transformative.

### Harnessing the Power of Technology in Public Policy

The events of 2021 – from the ongoing response to the Covid-19 pandemic to the global push to address the climate crisis – highlighted not only the importance of technology in finding solutions to the challenges governments face, but also how critical it is for policymakers to be able to engage with innovators. Our Technology and Public Policy (TPP) unit therefore continued its work to bridge this gap and expanded from a team of approximately 30 in 2020 to more than 40 policy analysts and experts in 2021. The team now has a global footprint, with staff based in the Institute's London headquarters, plus newly established regional hubs in Accra, San Francisco and Singapore – helping to position the Institute as a leader in technology policy and working closely with the countries we support through our Government Advisory division.

# STRATEGIC REPORT

In July 2021, for example, the team convened a roundtable on digital ID in collaboration with Amazon Web Services Institute (AWSI) to build on a report that set out five recommendations for policymakers building digital-ID systems, as well as to inform AWSI's future work in this area. The team engaged with the G20 and G7 forums, providing an opinion to the communications chair about the usefulness and promise that digital-ID tools like the Covid Pass in the UK have to offer.

## BUILDING A PROGRESSIVE POLICY AGENDA

The events of 2021 – from a G7 summit focused on the climate crisis and global pandemic response, to the US and UK withdrawal from Afghanistan, to the UK's new relationship with the EU following the end of the Brexit transition period – demonstrated the urgent need for the renewal of centre-ground politics rooted in the ideals of good governance, global coordination and cooperation. To support in this renewal, the Institute's Policy Futures teams and Political Team dedicated their efforts to shaping the debate with bold ideas and practical policy solutions grounded in deep research, original analysis and politically informed insights to address the major policy challenges facing progressives around the world.

### UK Policy

Our UK Policy unit continued to develop cutting-edge policy insights across a range of issues.

As well as continuing to shape Covid policy in the UK and abroad by modelling vaccination rates, vaccine-pass efficacy and the impact of further waves, we focused on some of the biggest challenges facing the country and on generating progressive policy responses to help renew the centre ground. The influence of our reports on climate action, industrial strategy and the UK's economic model is evidenced by significant cross-party endorsements. In addition, the policy work we published on the UK's exit from the European Union provided assessments and analysis of all aspects of the situation as it developed. Our responses include a package of recommended proposals to address tensions over the Northern Ireland Protocol, which would put the agreement on a more stable footing, and a consideration of the UK's regulatory policy post-Brexit.

Our analysis on the economy, including the future of work, showcased in *Anywhere Jobs: Reshaping the Future of Work*, received a positive reception from the Labour party. Our experts gave evidence at three select committees: a House of Commons Treasury committee on the economic impact of Covid-19, a House of Lords Industry and Regulators on Ofgem and net zero, and the UK Trade & Business Commission on regulatory approaches (pharmaceuticals, medicines and chemicals). Members of the unit also briefed frontbenchers from both sides of the House on topics ranging from Northern Ireland to net zero.

Our work was regularly covered by some of the most influential media outlets in the country, including the Financial Times, the Telegraph, the Times and New Statesman. More detail on our net-zero and climate-focused work will be covered later in this report under our cross-Institute "Time to Zero In" campaign.

### Political Insight and Engagement

The value of politically informed analysis and clear policy recommendations linked to strategic stakeholder engagement lay at the heart of the impact the Institute had in response to Covid-19 from 2020 into 2021. As a result of this success, we set up our Political Team with a dedicated research unit, which grew from four people to 12.

Its focus expanded over 2021 to examine the reinvigoration of progressive policy and the radical centre ground. In June the team contributed research to a submission by Tony Blair and Andrew Adonis to the Times Education Commission. In October, the team published a detailed report on how the NHS could bounce back from Covid, *Levelling Up Health Care: Build the NHS Back Better*. By the end of 2021, the Political Team had a clear plan to transfer the impact it had during Covid onto the wider renewal of progressive policy – through the sharing of radical but sensible ideas and building the right network globally. This would become the genesis and foundation of the Institute's ambitious Future of Britain initiative in 2022.

### Technology and Public Policy

Our global Technology and Public Policy (TPP) team has continued to develop a bold new progressive agenda on the impacts of the tech revolution – engaging with policymakers both in the UK and worldwide. The team has advocated for tech solutions for education, health and climate issues, which will remain pressing challenges for governments around the world. In 2021, TPP's experts and policy analysts published more than 100 reports, white papers, essays, op-eds, commentaries and briefings. They also continued to engage with decision-makers and opinion-formers around the world, contributing to more than 110 events, delivering 25 events across our four regions, and building relationships with a number of high-level key stakeholders, including Stripe, the Institute for Progress, the Day One Project, the Oxford Net Zero initiative at Oxford University and producing joint publications.

TPP works on four core areas – Internet Policy, Digital Government, Science and Innovation, and Tech for Development. Over 2021 these units put forward proposals to help communities and their leaders alleviate deep-rooted inequalities, scale up services, facilitate connectedness, and shape how people live and work. For example, we set out how to provide universal internet access worldwide, expand healthy life expectancy, build a minimum viable education system for all, preserve the open global internet, manage disasters in climate-vulnerable countries and introduce pioneering alternative-food systems to sustain the global population.

Our papers and ideas have received media attention from outlets around the world. Our work calling for global changes to protect the open internet and for tech to be seen as a key pillar of foreign policy featured in TechCrunch and Africa Business Magazine. In Forbes, Politico, the Financial Times and the Miami Herald, we encouraged policy leaders to take smart steps to harness the power of crypto while mitigating risks. In New Humanitarian and Devex, we advocated for leaders to use technology to manage the climate crises hitting the most vulnerable people and communities. And our work on the future of food, from meat alternatives to food-resilient cities, was covered in Wired and several industry publications.

TPP has also engaged the global tech community to influence policy directly by connecting with key industry players and governmental entities. In 2021, the Science and Innovation Unit consolidated its relationship with Stanford University, building on a number of joint projects with the Stanford Healthcare Innovation Lab (SHIL), including a joint body of work on Progress in Personal Health; members of the Digital Government Unit were invited to join the UK Department for Digital, Culture, Media & Sport's Digital ID expert stakeholder group, and to contribute to the Cabinet Office review of Digital Covid Certificates.

TPP's fortnightly Substack, Progress, has been a place where the team dives deeper into key issues to a subscriber audience of experts from across business, policy, academia and other spheres. Additionally, TPP launched an initiative in 2021 to build a supportive community of women from industry, policy and advocacy to connect, learn and celebrate the valuable work that women are doing in tech policy. The inaugural event brought together 100 women from around the world who are revolutionising the workplace or championing female-led innovation. Since then, the community has more than doubled, and is united by the goal of influencing policymakers and change-makers.

**Insights on Global Challenges and Counterextremism**
Our Extremism Policy Unit (EPU) provides expert analyses on instability and evolving terrorist threats around the world and works to equip leaders to develop effective, timely and proportionate policy responses.

2021 saw the unit work on a key event – the 20-year anniversary of the 9/11 attacks. Our "9/11 – 20 Years On" series of companion papers and resources derived learnings and insights from the Middle East, Africa and the wider Muslim world – all of which have been deeply affected before and after the events two decades ago. Our work for the 9/11 anniversary brought together a team of experts and researchers to reassess counterextremism policies while putting forward proposals to support a more positive, peaceful and enterprising future for the Middle East.

As well as receiving positive feedback from influential peers, the 9/11 work was featured by prominent media in the West and the Middle East and Arab world, including Sky News, the BBC, Al Arabiya and Arab News.
The Extremism Policy Unit continues to deliver insight and analysis to international stakeholders by providing briefings to both government (including the UK Foreign, Commonwealth & Development Office, the UK Home Office and the US State Department and Pentagon) and multilateral bodies (including ECOWAS and United Nations departments), and at international conferences and events.

In addition to the work specific to the 9/11 anniversary, this year saw other EPU projects gain important traction, with reports on Iran and Boko Haram generating significant media coverage from around the world, bolstered by active engagement via media commentary, and appearances for Al Jazeera, Time, the Washington Post and other major and specialist outlets.

Our programme of work in 2021 initiated growth in new areas, broadening our approach to tackling extremism and placing it within the greater context of other interconnected global challenges. Therefore our work has continued into 2022 with greater emphasis on geopolitical trends and socioeconomic opportunities, and especially how these relate to extremism and other security threats. We established and defined programmes of work on Africa and the Middle East, and identified plans to develop greater expertise on Central and South Asia into next year.

**TIME TO ZERO IN: OUR WORK ON THE CLIMATE CRISIS AND ENERGY TRANSITION**

Climate change – and the transition to a net-zero economy and society – is the biggest challenge the world faces. Unless governments have a clear route map, this transition will be all the more difficult.

In 2021, a cross-Institute coalition of specialists in climate policy, technology, innovation, international development and UK policy worked to help governments navigate the challenges posed by climate change and the net-zero transition. As all eyes turned to COP26, contributors to our Time to Zero in campaign were assessing pledges, setting out how technology, innovation and behavioural change could be harnessed to close the gaps. Crucially, our approach recognises the unique needs of low-and middle-income countries alongside developed economies, while also pushing countries like the UK to be climate leaders and innovators.

In the UK specifically, we focused on the COP26 summit, first articulating our vision for the net-zero transition, then examining the politics of net zero, before setting out a roadmap for what must follow COP26 if we are truly to set the world on a sustainable path. We also proudly partnered with the Royal Foundation's Earthshot Prize.

Globally, our work championed a just transition for climate-vulnerable countries in Africa. We highlighted the inequity of the fact that Africa has contributed least to climate change but faces the greatest consequences, and urged developed nations to make good on their climate-finance commitments. Tony Blair supported this approach with an op-ed in the Evening Standard and in a leadership panel discussion featuring Tanzanian President Samia Suluhu Hassan, Nigerian Vice President Yemi Osinbajo and UNECA's Dr Vera Songwe. The team also published a paper exploring the industries that contribute the most to the climate crisis and pollution, plus the viable solutions and policies that African countries could adopt to help make such industries greener while continuing on the industrialisation path.

Beyond this, we provided practical support to governments across Africa. Our staff accompanied the official envoys from the Democratic Republic of Congo (DRC), Togo and Sierra Leone to the COP26 conference, having assisted those governments' climate agendas ahead of the summit, and provided support and advice while in Glasgow. We partnered with the African Development Bank to support their "Desert to Power" initiative, which aims to deliver around 10GW or around $15 billion of investment in solar across the Sahel – supporting founder countries to access $150 million in funding from the Green Climate Fund. We also supported projects and reforms across the continent that will deliver major climate benefits: our support to the government of Nigeria to address structural issues in the power sector reduced emissions by around 3.5 million tonnes of carbon-dioxide equivalent per annum (equivalent to the annual emissions of Mauritius). This is more than the total solar investment in Africa over the past five years, evidencing the value of working with governments on fundamental reform. We helped the governments of Mozambique and the DRC advance vast hydro projects (1.5GW of installed power in Mozambique; and up to 44GW in DRC – equivalent to the annual power production of Spain) with the potential to drive the continent's energy transition. TBI also advanced power trades in west Africa that will displace the need to burn around 2 million tonnes of diesel per year with surplus hydro power from Guinea.

**PROMOTING EFFECTIVE GOVERNANCE AND DELIVERY THROUGH OUR GOVERNMENT ADVISORY DIVISION**

In addition to the work described above, our Government Advisory division continued to support leaders to implement and accelerate their transformation visions and priority agendas. We provide both leader-to-leader support from Tony Blair and shoulder-to-shoulder support through teams of advisors embedded within governments around the world. We tailor our approach to meet the needs of each government, with a focus on seven key areas: strengthening of the centre of government; technology and digitalisation; industrialisation and job creation; agriculture and food-systems transformation; energy, infrastructure and climate; private investment; and human-capital development.

As examples of the transformative effect of our work, our team at the Ministry of Agriculture in Sierra Leone supported a programme to improve rice production and, after a year of implementation, initial results showed a 12 per cent increase in yields in 2021. In the industrial sector, we expanded our support to textiles and apparel manufacturing with the governments of Togo, Ghana and Côte d'Ivoire, focusing on policy and investment facilitation. TBI supported the three governments to define their sector strategy and policy, and organised three investment roundtables, including in partnership with the American Apparel & Footwear Association. The roundtables enabled us to expand our networks of industry actors to more than 35 brands and suppliers and to build strategic partnerships with experts in the industry, such as PVH and H&M. These roundtables and our support to governments facilitated at least ten connections between retailers, manufacturers, IP operators, circularity actors and more. TBI has also built a consortium of organisations to develop the West Africa Regeneration Zone project (a project requiring about $500 million in investments over five years), and we are currently advancing a pilot for the first recycled-clothing plant in the region through a partnership signed with a greentech provider in the United States. At the centre of government, we supported President Lazarus Chakwera of Malawi to set up the Presidential Delivery Unit and co-organised delivery labs to define the government's priorities and flagship projects.

**Spotlight on Our Work in Africa**

*Power Africa*
In 2021 we continued our work with Power Africa, a flagship US Agency for International Development (USAID) initiative, to support governments and regional institutions in building a sustainable and efficient energy sector. In Senegal, for example, the Institute helped the government secure $420 million of pledged funding from development-finance institutions. In Nigeria, our energy advisor worked on the design and implementation of a mass solar-connection programme called Solar Power Naija that aims to provide electricity access to 25 million Nigerians while creating 250,000 jobs in the near term; this programme was launched officially by the Nigerian vice president in April. TBI also worked with the federal government of Nigeria to introduce innovative tariff reforms that incentivise distribution companies to sell more power to consumers. These reforms have led to a 20 per cent increase in the energy sold to consumers and made the sector more environmentally, as well as financially, sustainable.

*The Sahel*
We also continued our work in the Sahel, where we support efforts to sustain lives and maintain social and political stability. The Sahel has been a priority for the Institute because it is the region with the fastest-growing population in the world, significant food insecurity and chronic poverty that is compounded by climate change – and because of its geopolitical importance in west Africa and northern Africa. The region has been burdened with increasing instability and conflict, which threaten to impede its developmental goals. In partnership with others, including the Bill & Melinda Gates Foundation and USAID, we supported the government of Burkina Faso to improve the country's agriculture and agri-business outcomes, helping to increase the country's fertiliser-blending capacity and helping the government with securing an investor to set up an in-country farm-equipment assembly plant expected to create 6,000 jobs. In addition, TBI's assistance to the Ministry of Public Health and Hygiene resulted in the implementation of a web and mobile application for tracking Covid-19 testing and results, delivering a Covid-19 vaccination card and ensuring payment for testing was recuperated by the government. TBI also worked closely with the ministry on human capital development, implementing a digital platform for staffing, mission orders and mapping financial resources of all technical and financial partners. Energy is another key area where TBI supported results, improving energy access in the country by supporting development of a national electricity-generation model as the government sought to increase access to electricity from 19 per cent to 50 per cent by 2025. This work also included analytical and commercial support to the government to help it prioritise and advance investments in power generation to meet its goal. (The work in Burkina Faso detailed in this section took place in 2021, prior to the coup d'état in January 2022.)

*Regional and Continental Public-Health Agencies*
2021 saw the Institute kick off an innovative programme to protect the long-term health security of the African continent: the Health Institutional Capacity Strengthening Programme. This programme was established to

# STRATEGIC REPORT

support the Africa CDC and the West African Health Organization (WAHO), the continent's key public-health agencies. These organisations ensure that governments have the policies and structures in place to make effective public-health interventions and are together responsible for the health of more than 1 billion people in Africa. Our objective has been to address the significant structural weaknesses that have proven to be barriers in ensuring the delivery of this support to African member states. To date, we have helped both organisations shape new strategies. We have supported WAHO in its positioning and engagement with its member states, helping to deliver its Assembly of Health Ministers meeting, which brought together the representatives of 15 member states to address critical public-health issues such as cross-border health security, vaccine passports and more.

In 2021 we also concluded the first phase of our partnership with the Nigeria Centres for Disease Control and Prevention (NCDC) and the Bill & Melinda Gates Foundation to support this national public-health agency on a process of organisational transformation. During this multi-year project, we provided embedded support on institutional strengthening and capacity building. As a result of this journey and in collaboration with other partners, the NCDC was able to significantly strengthen its systems and support its workforce into a higher-performing cadre prior to the Covid-19 pandemic, which meant the agency was much better equipped to handle the crisis than it otherwise might have been. Through this experience supporting the NCDC, we learned key lessons and identified steps that other national and regional public-health organisations and their partners can take to transform and strengthen their operations, providing the foundation of our formal Health ICS programme. We published a series of articles on the NCDC's organisational transformation, and it was also covered in Devex.

*Africa Delivery Exchange 2021*
We delivered the third annual Africa Delivery Exchange (ADX) event in partnership with the African Development Bank (AfDB) on 15 and 16 December 2021. ADX is an annual workshop for leaders of African governments and development partners. It aims to build the delivery capacity of African governments, and to serve as a platform for leaders to connect, learn and exchange experiences and ideas to enhance government effectiveness in service delivery.

ADX 2021 explored emerging trends and best practices, including the role of technology to accelerate public-service delivery, resource mobilisation approaches for Delivery Units, and deep dives into delivery for two sectors – agriculture in partnership with the Alliance for a Green Revolution in Africa (AGRA), and energy in partnership with USAID-Power Africa.

The event featured an esteemed line-up of speakers and panellists over two days, including Tony Blair; Ellen Johnson-Sirleaf, the first female president of Liberia and Nobel Peace Laureate; and Hailemariam Desalegn, former prime minister of Ethiopia and board chair of AGRA, among others.

**Spotlight on Our Work in the Middle East**
Our team engages with leaders and stakeholders on both sides of the Israeli-Palestinian conflict, as well as across the region, to inform and guide thinking and decision-making, ensuring that the two-state solution remains viable. The team develops and promotes practical recommendations and initiatives for the peace process, and to improve the economic, political and humanitarian realities on the ground in the West Bank and Gaza Strip. As a result of developments like the establishment of a new government in Israel, the regional shift towards greater openness to Israel and the sometimes-fragile security situation, our work remains as important as ever. This complex and fast-evolving situation requires adaptable, politically insightful responses.

Over the past year the team on the ground in Israel has produced more than 90 reports examining the political and security situation in Israel and the Palestinian territories, as well as briefs reviewing the Arab media's reporting trends on Israel, and has prepared further papers outlining practical steps that can be taken in the West Bank and Gaza in light of the political and security realities in the region. These have been shared with leaders in the Gulf, as well as US, European and Egyptian diplomats and multilateral organisations working on the Middle East peace process. Similarly, we continue to provide the UK, European and Egyptian missions to Israel with regular briefings for our work on mapping, the Palestinian economic and fiscal situation, Palestinian politics in crisis, and mechanisms to activate and upgrade Israeli-Palestinian economic relations.

# STRATEGIC REPORT

## EDUCATING THE NEXT GENERATION IN GLOBAL CITIZENSHIP

Generation Global, the Institute's global-citizenship education programme, equips young people with the knowledge, skills and attitudes to become active and open-minded global citizens. In 2021, young people across the planet continued to be affected by school and university closures, highlighting the need for virtual exchange and learning platforms. We made a significant number of improvements to our digital platform the Ultimate Dialogue Adventure (UDA) and introduced a new online teacher portal. These new offerings allowed us to provide a simpler, more efficient service, bringing young people and educators onto one online platform.

350 video conferences were delivered between January and December 2021, representing a 46 per cent increase on the number held in 2020. A significant boost came from a new model for holding a special series of video conferences on the UN Sustainable Development Goals (SDGs): in July alone, 67 video conferences were held as part of the series, enabling more than 1,700 young people from more than 30 countries to learn about the SDGs through intercultural dialogue. The Generation Global team cultivated three new partnerships in the second half of the year with youth groups and not-for-profits, namely SOS Children's Villages, Children Believe and The Dais. The Wahda project, in partnership with USAID, sought to facilitate youth-led group discussions on tolerance and the power of acceptance and pluralism, and to encourage peaceful and productive community engagement; it was completed successfully in December 2021. According to specialist strategic-advisory firm Aleph Strategies, the Wahda programme proved to be "highly effective at the immediate outcome level".

## OUR PEOPLE

Our financial statements show an average total of 337 staff in 2021. Our staff members are based in many locations throughout the world, including in countries across sub-Saharan Africa, the UK, the United States, Eastern Europe and the Middle East. They bring a wide range of expertise and experience, and we collectively benefit from a diverse workforce that comprises over 55 different nationalities.

Gender balance is incredibly important to us and we are proud that our commitment is reflected in our workforce. Throughout 2021, 50 per cent of our employees were women, including our Chief Executive Officer.

We remain committed to investing in our people wherever in the world they work. They are our greatest asset and the key to turning our mission into a reality.

Tony Blair is the central source of leadership for the Institute. Mr Blair receives no remuneration for his work on behalf of TBI, to which he devotes the majority of his time.

## FINANCIAL REVIEW

In the year to 31 December 2021, the Institute consolidated its financial position. It built up reserves to protect the Institute from future shocks and equip itself for long-term success. This has been achieved alongside continued growth and an expanding project portfolio, which has seen the Institute expand its operations globally.

The Institute continued to manage and support projects across the world, including helping leaders to tackle the ongoing impacts of Covid-19, and to work with governments on their wider strategic aims and policy delivery. We entered into an exciting partnership with the Larry Ellison Foundation, which has supported our Tech for Development programme (renamed the Tomorrow Partnership in 2022). Our partnership with the Bill & Melinda Gates Foundation continued to support work predominantly in health, and this track record enabled us to pivot to Covid support so swiftly.

The group turnover has grown by $35.7 million (+79 per cent) largely reflecting the increased demand for our Government Advisory work and the advisory teams' growth to meet that demand for strategy, policy and delivery – with technology as an enabler. Overall staff numbers have grown, increasing to an average of 337 in 2021 (+70; 26 per cent).

The increase in staffing has been the largest driver of increased costs in the year. Throughout 2021, the Institute continued to be impacted by the Covid-19 pandemic and the restrictions in travel and movement. The Institute

STRATEGIC REPORT

has continued to adapt working practices and programmes to ensure continued achievement of objectives, which has incurred additional expenses.

The directors have formed an assessment of the Group's ability to continue its operations into the foreseeable future, considering a range of modelled scenarios and outcomes. They have concluded that TBI remains a going concern. As of 31 December 2021, the Group's reserves stood at $22.8 million and the Group is fortunate to report healthy cash balances of $49.1 million. TBI is confident in its ability to deliver on the commitments into which it has entered, and to secure sufficient funding in the future to take on new commitments as its programme evolves to meet the ever-changing needs of political leaders and governments.

**RISK MANAGEMENT**

The Board is ultimately responsible for identifying risks and ensuring that they are managed effectively. TBI maintains a risk register to define and assess the principal risks facing the organisation. Those risks include the following:

**Financial risk**

*Liquidity risk*
TBI aims to maintain a minimum level of cash balances in order to ensure that obligations to employees and suppliers can always be met. Financial forecasts are reported to the Board on a regular basis and the Board regularly reviews work plans and budgets in order to ensure that they are realistic and commensurate with funding. Cash is placed on short-term deposit so that it remains accessible. TBI has few fixed assets and asset liquidity is therefore not a significant risk.

*Foreign exchange risk*
TBI is exposed to foreign exchange risk due to conducting transactions across multiple currencies, a necessary part of operating in a wide range of countries and currency zones. Foreign exchange risk is reduced to some degree by holding cash balances in various currencies, which also helps to keep transaction costs to a minimum. TBI's functional currency is the US dollar, which is generally stable and remains the principal global reserve currency. The majority of TBI's income is denominated in US dollars, limiting exposure to more volatile currencies. TBI does not enter into currency hedging transactions.

*Credit risk*
TBI faces the risk that clients and counterparties fail to meet their contractual obligations. Credit risk is generally considered to be low, due to the nature of our contracts and the profile of our funding partners. Credit risk is mitigated further by ongoing monitoring of debtor balances (credit control) and by the performance of due diligence prior to entering into new contracts. TBI has a policy of providing for aged debts based on the number of days outstanding of individual debts and any other relevant information.

**Operational risk**

*Information security and data protection*
Cyber-security is an increasingly important consideration for TBI's Board and management. While the risk of data loss or misappropriation can never be eliminated entirely, the Board considers that adequate systems and processes are in place to reduce the risk of data loss or misappropriation to an acceptable level.

TBI has policies in place in respect of data protection, in accordance with the UK Data Protection Act and the EU's General Data Protection Regulation (GDPR), and regarding the organisation's storage and use of personal data in connection with employees. These policies set out the organisation's responsibilities and approach to ensuring compliance with relevant legislation and protecting the rights and security of employees and other stakeholders, as well as providing practical guidance to employees with regard to individual responsibilities and best practices.

# STRATEGIC REPORT

*People*
TBI is a global organisation, and each region and country in which we operate presents its own unique challenges. TBI takes its duty of care to its employees extremely seriously, as well as its responsibilities to the communities and environments in which we operate.

TBI has developed extensive policies and protocols regarding security, ensuring that all employees are safe, educated in how to respond to threatening situations, and aware of the resources available both in emergencies and throughout the course of their employment. TBI continues to promote wellbeing initiatives for employees in the UK as well as overseas, which has proved particularly valuable in the months since the Covid-19 pandemic took hold.

With regards to external stakeholders, TBI has policies regarding the environment and the safeguarding of young and vulnerable people and anti-human trafficking and anti-slavery policies. Policies are also in place concerning supplier management and procurement, conflicts of interest and whistleblowing, as well as anti-money laundering and anti-corruption measures.

*Legal*
Compliance with local laws and regulations is of paramount importance. TBI actively monitors the legal and regulatory environments in which it operates and obtains specialist professional advice where necessary. Significant emphasis is also placed on compliance with the requirements stemming from donor and funding agreements.

**PARTNERS AND DONORS**

In 2021, we partnered with a record number of organisations to further scale the breadth and impact of our work. As we continue to grow and deliver on our mission, we are reminded of the generous intellectual and financial support from all our donors and funding partners.

**Our partners**

We have developed partnerships with aligned organisations. We would like to thank the staff and leadership of every partner organisation for their thoughtful and collaborative work and support. Across all areas of our work, TBI partnered formally and informally – often through joint convening, research or reports – with a variety of external stakeholders. In 2021 we worked with:

- The Africa Centres for Disease Control and Prevention (Africa CDC)
- African Center for Economic Transformation (ACET)
- The Anti-Defamation League (ADL)
- The Global Community Engagement and Resilience Fund (GCERF)
- Institut Pasteur, Senegal
- Invest Africa
- Muslim World League
- Oracle
- Stanford Healthcare Innovation Lab at Stanford University
- The Rockefeller Foundation
- United Nations Development Programme (UNDP)
- United Nations Economic Commission for Africa (UNECA)
- University of Oxford
- West African Health Organization (WAHO)

# STRATEGIC REPORT

**Our donors and funding partners**

They include philanthropists, foundations, governmental donors, corporates and clients. Many have been supporting us since inception, while others came onboard this year. We thank them all. Examples of our donors and funding partners include:

- The Aall Foundation
- The African Development Bank (AfDB) Group
- African Population and Health Research Center (APHRC)
- Alliance for a Green Revolution in Africa (AGRA)
- Altai Consulting
- The Anne Wojcicki Foundation
- Bill & Melinda Gates Foundation
- Blavatnik Family Foundation
- CrossBoundary
- Digital Impact Alliance
- European Council on Tolerance and Reconciliation (ECTR)*
- Government partners who contract directly with TBI
- The International Fund for Agricultural Development (IFAD)
- The Kirsh Foundation
- The Larry Ellison Foundation
- Nathan Associates
- United States Agency for International Development (USAID)
- Victor Pinchuk Foundation

*TBI and ECTR ended their relationship in April 2022 following the UK government's addition of Moshe Kantor to the sanctions list. The ECTR, which Mr Blair had previously co-chaired, was principally concerned with the rise of anti-semitism in Europe and the need for vigorous action to counter it. Mr Blair received no remuneration for this position. Dr Kantor gave an annual charitable donation to TBI for its work on combatting extremism and anti-semitism, equivalent to supporting around two members of staff.

**s.172 STATEMENT**

The Institute's mission is to equip government leaders to deliver ambitious transformation agendas by harnessing the power of technology to enable delivery in a digital age. We do this by shaping the debate, offering expert advice and providing embedded support in countries around the world. We have refined this mission and our offering to the leaders and decision-makers we support and have organised ourselves to best achieve deep impact.

The directors are mindful of their duties under s.172 to ensure that decisions are made considering their long-term implications and their impact on various stakeholder groups including our employees, stakeholders and suppliers. The impact of our work on the environment and the communities among which we operate are considered in the ways set out below. The reputation of the company is key to ensuring we are able to achieve our purposes in the long term.

**Key Decisions Made in 2021**

*Established Our Tech for Development Programme and Expanded Our Global Footprint*
In 2021 we launched our Tech for Development programme (renamed the Tomorrow Partnership in 2022), which catalysed growth across the Institute. The programme deploys a diverse team of experts globally to work with political leaders and governments to find tech solutions to their biggest challenges, from the management of large-scale vaccination programmes through digitisation of health records to the improvement of agriculture. The programme is active in several countries around the world, particularly across Africa, with further growth planned

for 2022. This programme has enabled the Institute to more effectively and impactfully support governments in delivering ambitious transformation agendas, underpinned by technology. It also led to growth of our global headcount and the expansion of our global footprint, including the opening of new tech policy hubs in Accra, San Francisco and Singapore.

*Upgraded the Institute's Systems and Facilities to Accommodate Growth*
In response to the Institute's global scale-up, the Institute Resources division (comprising finance, human resources, IT, facilities, operations and security functions) made it a strategic priority in 2021 to support this growth. This included expanding the size of the recruitment team to enable the attraction and retention of new staff, opening new offices in key locations globally (including in Accra, San Francisco and Singapore), refurbishing the London headquarters to be more Covid secure and to accommodate increased headcount, and upgrading and replacing critical IT, among other projects.

**Employees, Customers and Suppliers**

*Employees*
In 2021 the Institute continued to support employees through the ongoing impacts of the Covid-19 pandemic while implementing new systems, structures and processes to enable the organisation to deliver its strategic objectives during a year of increased ambition and expansion.

As mentioned above, growth led to a number of internal initiatives to support it. We enhanced our onboarding procedures, updated our internal-communications platform to include a new central Institute Wiki and weekly all-staff newsletter, and migrated performance reviews and personal objectives-setting to the Lattice platform.

We launched Peakon – an online employee-engagement tool – which allows leadership to track engagement across the organisation on a regular basis, gather robust data, and respond to themes and feedback given through the system. In response to feedback gathered on the Peakon system, leadership identified a desire for wider input into decision-making and strategy, and as a result launched the Senior Leadership Group – a new forum of approximately 40 senior leaders from across the Institute and representing the global footprint of the organisation – to collaborate, problem solve, and support delivery of the Institute's objectives and growth. We also initiated the development of an organisational reward framework and an Institute-wide salary benchmarking audit with the support of global organisational consulting firm Korn Ferry, with implementation to follow in 2022.

Recognising the ongoing impact of Covid-19 in 2021, the Institute continued to support staff with a range of homeworking, hybrid-working and Covid-safe office-based arrangements, responding with flexibility and care to the evolving pandemic situation. We also continued the Weekly All Staff meetings introduced in 2020, including a town-hall-style Q&A session with Mr Blair, to create a sense of cohesion and shared purpose across a globally dispersed workforce.

Also in 2021, we formalised the creation of our Equity, Diversity and Inclusion (EDI) group including a clear governance structure, with priorities to include coordinating EDI efforts across the organisation, evaluating existing institutional structures and processes, and identifying opportunities for data collection and analysis. We partnered with social-mobility charity Talent Tap on a scheme for UK students from lower socioeconomic backgrounds .The scheme included training in CV-writing skills, shadowing of Institute experts and networking opportunities. We continued to evolve the wellbeing tools offered to employees, including expanding the list of partners we work with to provide this, and staff also held weekly meditation sessions. And to encourage staff development, we continued to roll out and promote our partnership with LinkedIn Learning, giving employees access to a database of more than 16,000 online courses.

*Clients and Partners*
Throughout 2021, we focused on delivering for our government clients, partners and donors in response to the challenges presented by Covid-19 and climate change. We adapted our services to help governments coordinate a response, plan for recovery as well as lay the foundations for responding to another pandemic in the future. This has meant widening our support to key national regional health institutions such as Institut Pasteur in Senegal, the Africa Centres for Disease Control and Prevention, and the West African Health Organization to develop strategies and respond to challenges more quickly and effectively. In the lead up to COP26 we shared insights and recommendations with policymakers in high-income countries on how best to support governments in Africa with

# STRATEGIC REPORT

their development agendas while simultaneously working to mitigate climate change and its worst impacts. We partnered with USAID to support the African Development Bank's Desert to Power initiative, working with governments to deliver climate-friendly energy solutions and increase access to power in the Sahel region.

Technology solutions have become a central part of our support to governments. Our approach includes brokering strategic partnerships between governments and leading tech organisations, engaging tech innovators to help deliver practical solutions, helping leaders to grow tech-friendly environments that unlock opportunity, economic growth and development, and bringing leaders together across the African continent to scale solutions so that millions of people can access services like digital ID, vaccinations and banking.

The Institute has seen a rapid increase in demand for our support, by way of partnerships with governments and leaders to strengthen infrastructure and delivery across areas including, but not limited to, health care, education, economic growth and development – to build back better from the Covid pandemic. We have also diversified our income base, which now includes prior and new partners such as the Bill & Melinda Gates Foundation, USAID, and multilateral agencies such as the AfDB, UNDP and UNECA. We have adapted our model and will continue to adapt to meet growing and changing demand for our work. As the world transitions to respond to complex issues beyond the pandemic, we have leveraged the trust gained from our Covid-19 response, the power of technology and our years of prior expertise in these fields to shape the debate and offer expert advice, equipping political leaders and governments.

*Suppliers*
We maintained our supplier relationships – both with UK suppliers and with our growing network of suppliers that we engage with internationally and in-country overseas. As the Institute has continued to grow, we have increased our use of suppliers in that time, including recruitment agencies, IT suppliers, service suppliers and property-rental suppliers for our hubs, offices and staff housing in the countries that we operate.

**Communities & the Environment**

**The Environment**
As an organisation dedicated to helping leaders build prosperous and inclusive societies around the world, we are committed to becoming a greener business and operating in an environmentally responsible way across all of our activities. To that end, we continued taking steps in 2021 to address our environmental impact, which these efforts ongoing into 2022.

*Carbon offsetting*: The Institute has continued to work with our carbon-offsetting partner ClimateCare, which we use to address our carbon footprint from international travel. We offset our carbon emissions by supporting carbon-offsetting projects that seek to reduce the impact of climate change.

*Suppliers and procurement*: Where possible, we support local suppliers, and this is reflected in the distribution of our procurement of goods and services by location. Wherever possible and practical, we believe in supporting local communities through our procurement decisions. We also prioritise suppliers that have environmentally sustainable products and ways of working, and we encourage partners and suppliers to support best practices regarding environmental impact.

*Looking ahead to 2022*: The Institute will continue to deliver analysis and reports about environmental policies in order to support global leaders in tackling climate change.

**Environmental Reporting**
Large UK companies are required to report their UK levels of greenhouse gas (GHG) emissions in their annual report and accounts. This obligation is for Scope 1 (direct), Scope 2 (indirect) and Scope 3 (other indirect) emissions, only to the extent that emissions are the responsibility of the company. Direct emissions originate from combustion of natural gas and transportation, while energy indirect emissions are based on purchased electricity, other indirect emissions as the result of the transmission and distribution of electricity to TBI, and employee travel for Institute activities.

Emissions are calculated following the UK Government GHG Conversion Factors for Company Reporting 2019 and the UK Government Environment Reporting Guidelines. An intensity ratio of carbon dioxide equivalent per

# STRATEGIC REPORT

million dollars turnover has been selected, which will allow a comparison of performance over time. In line with Energy and Carbon Reporting guidelines, our disclosures relate to UK energy use only.

| Source of emissions | **2021**<br>**UK & offshore areas only**<br>**Tonnes, CO2e** | **2020**<br>**UK & offshore areas only**<br>**Tonnes, CO2e** |
|---|---|---|
| **Direct emissions (scope 1)** | | |
| Gas | 30 | 27 |
| Transport | - | - |
| **Energy indirect emissions (scope 2)** | | |
| Electricity | 47 | 68 |
| **Other indirect emissions (scope 3)** | | |
| Electricity – transmission & distribution | 4 | 6 |
| Transport | 0 | 0 |
| **Gross emissions** | **81** | **101** |
| Total turnover ($m) | 82 | 46 |
| **Intensity ratio** | **0.99** | **2.20** |
| **Electricity** | | |
| Electricity purchased for own use or consumption | 219 MWh | 291 MWh |
| **Heat** | | |
| Gas purchased for own use or consumption | 152 MWh | 132 MWh |

TBI strives to operate in a climate-friendly manner and to incorporate this into how the Institute goes about our work. We actively monitor the Institute's environmental impact and work to reduce this as much as possible.

**Safeguarding and Modern Slavery**

The Institute is committed to safeguarding all people, particularly at-risk adults and children from any harm, including but not limited to sexual exploitation and any forms of abuse, that may be caused due to contact with the Institute. This includes any harm arising from the conduct of our staff, volunteers, consultants and others working with/on behalf of the Institute; and design and implementation of programmes and activities.

We are also committed to safeguarding staff, volunteers, consultants and others working with/on behalf of the Institute from any forms of bullying, harassment, sexual harassment, discrimination, and abuse of power. We have a group of safeguarding focal points across our organisation who reflect the TBI community.

The Institute also recognises that modern slavery is a serious crime against an individual's fundamental human rights and an issue of global significance. We are committed to ensuring that modern slavery does not take place within the Institute, as a result of our work, or in our supply chain.

This concludes the strategic report for 2021, a year of growth and results in support of our mission. The board extends its gratitude to all our government partners, donors and programme partners, and to our dynamic staff.

By order of the board,

Catherine Rimmer

CJ Rimmer
Director
26 September 2022

# DIRECTORS' REPORT

The directors present their report and financial statements for the year ended 31 December 2021.

**REVIEW OF THE BUSINESS**

A review of the business has been provided in the Strategic Report on pages 2 to 16.

**DIRECTORS**

The directors who held office during the year were:

A Ablo
ACL Blair
DJ Collins
CJ Rimmer

**POLITICAL CONTRIBUTIONS**

The Group and Company made no political contributions during the year.

**DIRECTORS' STATEMENT AS TO DISCLOSURE OF INFORMATION TO THE AUDITOR**

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Group and Parent Company's auditor is unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Group and Parent Company's auditor is aware of that information.

**AUDITOR**

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

By order of the board

C J Rimmer
Director
26 September 2022

One Bartholomew Close
London
EC1A 7BL

# STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ANNUAL REPORT AND THE FINANCIAL STATEMENTS

The directors are responsible for preparing the Strategic Report, the Directors' 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 they have elected to prepare the Group's financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

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 Group and of its surplus or deficit for that period. In preparing each of the Group and Parent Company financial statements, the directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Assess the Group and Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- Use the going concern basis of accounting unless they either intend to liquidate the Group or Parent Company or to cease operations or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group's transactions and disclose with reasonable accuracy at any time the financial position of the Group and enable them to ensure that its financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

# INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TONY BLAIR INSTITUTE

*For the year ended 31 December 2021*

**Opinion**

We have audited the financial statements of Tony Blair Institute ("the company") for the year ended 31 December 2021 which comprise the Consolidated Statement of Comprehensive Income, Consolidated Statement of Financial Position, Company Statement of Financial Position, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Statement of Cash Flows and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2021 and of the group's profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the group in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

**Going concern**

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the group or the company or to cease their operations, and as they have concluded that the group and the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the directors' conclusions, we considered the inherent risks to the group's business model and analysed how those risks might affect the group and company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the group or the company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the group or the company will continue in operation.

**Fraud and breaches of laws and regulations – ability to detect**

*Identifying and responding to risks of material misstatement due to fraud*

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of directors and inspection of policy documentation as to the Group's high-level policies and procedures to prevent and detect fraud, as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board minutes.

# INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TONY BLAIR INSTITUTE
*For the year ended 31 December 2021*

- Consultation with our own forensic professionals regarding the identified fraud risks and the design of the audit procedures planned in response to these. This involved the discussion between the engagement partner, engagement team and the forensic professional.
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, we perform procedures to address the risk of management override of controls and the risk of fraudulent revenue recognition, in particular the risk that revenue is recorded in the wrong period and the risk that Group management may be in a position to make inappropriate accounting entries.

We did not identify any additional fraud risks.

In determining the audit procedures we took into account the results of our evaluation and testing of the operating effectiveness of some of the Group-wide fraud risk management controls.

We also performed procedures including:

Identifying journal entries at the Parent company to test based on risk criteria and comparing the identified entries to supporting documentation. These included revenue journals posted with unexpected pairings and cash journals posted with unexpected pairings.

Testing a sample of revenue transactions recognised in the month before and after year-end to determine whether the transactions had been accounted for the in the correct period.

*Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations*

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the directors (as required by auditing standards) and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Group is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation, and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Group is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: health and safety, anti-bribery, employment law, recognising the nature of the Group's activities. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any.

# INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TONY BLAIR INSTITUTE

*For the year ended 31 December 2021*

Therefore if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

*Context of the ability of the audit to detect fraud or breaches of law or regulation*

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

**Strategic report and directors' report**

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

**Matters on which we are required to report by exception**

Under the Companies Act 2006, we are required to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.

We have nothing to report in these respects.

**Directors' responsibilities**

As explained more fully in their statement set out on page 18, the directors 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 they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the group and parent 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 they either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

# INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TONY BLAIR INSTITUTE

*For the year ended 31 December 2021*

**Auditor's responsibilities**

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

**The purpose of our audit work and to whom we owe our responsibilities**

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.

Fleur Nieboer **(Senior Statutory Auditor)**
**for and on behalf of KPMG LLP, Statutory Auditor**
*Chartered Accountants*
15 Canada Square
London
E14 5GL

26 September 2022

# CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

*For the year ended 31 December 2021*

| | *Note* | ***2021*** | 2020 |
|---|---|---|---|
| | | ***$000*** | $000 |
| **Turnover** | *2* | **81,286** | 45,513 |
| Administrative expenses | | **(60,942)** | (48,272) |
| **Operating surplus/(deficit)** | *3* | **20,344** | (2,759) |
| Interest receivable and similar income | | **5** | 57 |
| **Surplus/(deficit) before taxation** | | **20,349** | (2,702) |
| Tax charge for the year | *6* | **(2,610)** | (578) |
| **Surplus/(deficit) for the financial year** | | **17,739** | (3,280) |
| Currency translation differences | | (720) | 225 |
| **Total comprehensive surplus/(deficit)** | | **17,019** | (3,055) |

The notes on pages 29 to 39 form an integral part of these consolidated financial statements. All activities relate to continuing operations.

Registered No. 10505963

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

*As at 31 December 2021*

| | *Note* | ***2021*** | 2020 |
|---|---|---|---|
| | | ***$000*** | $000 |
| **Fixed assets** | | | |
| Tangible assets | *7* | **1,174** | 1,221 |
| **Current assets** | | | |
| Debtors | *9* | **28,547** | 16,664 |
| Cash at bank and in hand | | **49,090** | 26,032 |
| | | **77,637** | 42,696 |
| **Creditors:** Amounts falling due within one year | *10* | **(55,458)** | (37,580) |
| **Net current assets** | | **22,179** | 5,116 |
| **Total assets less current liabilities** | | **23,353** | 6,337 |
| **Provisions for liabilities** | *11* | **(547)** | (550) |
| **Net assets** | | **22,806** | 5,787 |
| **Reserves** | | | |
| Merger reserve | | **8,798** | 8,798 |
| Profit and loss account | | **14,008** | (3,011) |
| | | **22,806** | 5,787 |

The notes on pages 29 to 39 form an integral part of these consolidated financial statements. These financial statements were approved by the Board of Directors on 26 September 2022 and were signed on its behalf by:

C J Rimmer
Director

# COMPANY STATEMENT OF FINANCIAL POSITION
*As at 31 December 2021*

| | Note | 2021 $000 | 2020 $000 |
|---|---|---|---|
| **Fixed assets** | | | |
| Tangible assets | 7 | **1,174** | 1,221 |
| **Current assets** | | | |
| Debtors | 9 | **28,802** | 16,992 |
| Cash at bank and in hand | | **48,491** | 25,463 |
| | | **77,293** | 42,455 |
| **Creditors:** Amounts falling due within one year | 10 | **(55,202)** | (37,381) |
| **Net current assets** | | **22,091** | 5,074 |
| **Total assets less current liabilities** | | **23,265** | 6,295 |
| **Provisions for liabilities** | 11 | **(547)** | (550) |
| **Net assets** | | **22,718** | 5,745 |
| **Reserves** | | | |
| Profit and loss account | | **22,718** | 5,745 |
| | | **22,718** | 5,745 |

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own statement of comprehensive income in these financial statements. The surplus for the company for the year was $16,973,000 (2020: deficit of $3,118,000).

The notes on pages 29 to 39 form an integral part of these financial statements. These financial statements were approved by the Board of Directors on 26 September 2022 and were signed on its behalf by:

C J Rimmer
Director

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
*For the year ended 31 December 2021*

| | Merger reserve | Profit and loss account | Total equity |
|---|---|---|---|
| | $000 | $000 | $000 |
| Balance at 1 January 2020 | 8,798 | 44 | 8,842 |
| Deficit for the year | - | (3,280) | (3,280) |
| Currency translation differences | - | 225 | 225 |
| **Balance at 31 December 2020** | **8,798** | **(3,011)** | **5,787** |
| Surplus for the year | - | 17,739 | 17,739 |
| Currency translation differences | - | (720) | (720) |
| **Balance at 31 December 2021** | **8,798** | **14,008** | **22,806** |

***Merger reserve***

The balance of $8,798,000 represents the value of the net assets of Windrush Ventures Limited on 1 December 2016, the date at which it became a wholly owned subsidiary of Tony Blair Institute. Windrush Ventures Limited itself entered liquidation in December 2017.

The notes on pages 29 to 39 form an integral part of these consolidated financial statements.

# COMPANY STATEMENT OF CHANGES IN EQUITY
*For the year ended 31 December 2021*

| | *Profit and loss account* | *Total equity* |
|---|---|---|
| | ***$000*** | ***$000*** |
| Balance at 1 January 2020 | 8,863 | 8,863 |
| Deficit for the year | (3,338) | (3,338) |
| Currency translation differences | 220 | 220 |
| **Balance at 31 December 2020** | **5,745** | **5,745** |
| Surplus for the year | 17,691 | 17,691 |
| Currency translation differences | (718) | (718) |
| **Balance at 31 December 2021** | **22,718** | **22,718** |

The notes on pages 29 to 39 form an integral part of these financial statements.

# CONSOLIDATED STATEMENT OF CASHFLOWS
*For the year ended 31 December 2021*

| | *Note* | ***2021*** | *2020* |
|---|---|---|---|
| | | ***$000*** | *$000* |
| **Cash flows from operating activities** | | | |
| Operating surplus/(deficit) for the year | | **20,344** | (2,759) |
| *Adjustments for* | | | |
| Depreciation | *7* | **262** | 294 |
| Fixed asset currency revaluation | *7* | **16** | (31) |
| Interest receivable | | **5** | 57 |
| Taxation | *6* | **(2,610)** | (578) |
| (Increase) in debtors | *9* | **(11,883)** | (5,241) |
| Increase/(decrease) in creditors | *10* | **17,878** | 9,434 |
| Increase/(decrease) in provisions | *11* | **(3)** | (61) |
| **Net cash generated from operating activities** | | **24,009** | 1,115 |
| **Cash flows from investing activities** | | | |
| Payments to acquire fixed assets | *7* | **(231)** | (5) |
| **Net cash from investing activities** | | **(231)** | (5) |
| **Cash flows from financing activities** | | **-** | - |
| **Net cash used in financing activities** | | **-** | - |
| **Net increase/(decrease) in cash and cash equivalents** | | **23,778** | 1,110 |
| Currency translation adjustment | | **(720)** | 225 |
| **Cash and cash equivalents at 1 January** | | **26,032** | 24,697 |
| **Cash and cash equivalents at 31 December** | | **49,090** | 26,032 |

The notes on pages 29 to 39 form an integral part of these consolidated financial statements.

# NOTES TO THE FINANCIAL STATEMENTS
*For the year ended 31 December 2021*

## 1 ACCOUNTING POLICIES

The principal accounting policies adopted by the Group and Company are set out below.

***Statement of compliance***

Tony Blair Institute, trading as Tony Blair Institute for Global Change, is a Company limited by guarantee registered in England and Wales (*registered Company number: 10505963*) whose registered office is One Bartholomew Close, London EC1A 7BL. Tony Blair Institute is considered to be a Public Benefit Entity.

The Group and Parent Company's financial statements have been prepared in compliance with Financial Reporting Standard 102, *The Financial Reporting Standard applicable in the UK and Republic of Ireland* ("FRS 102") as it applies to the financial statements of the Group for the period ended 31 December 2021.

***Basis of preparation***

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards. The financial statements are presented in US Dollars, which has been determined as the functional currency of the Group, rounded to the nearest $000.

The Parent Company is included in the consolidated financial statements and is a qualifying entity under FRS 102 Section 1.8 to 1.12.

The Parent Company has taken advantage of the following reduced disclosure exemption available under FRS 102:

- *The requirements of Section 7 Statement of Cash Flows and Section 3 Financial Statement Presentation paragraph 3.17(d)*

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

TBIGC Limited, being a subsidiary company included in these consolidated financial statements, has taken advantage of the exemption from audit of its individual accounts under section 479A of the Companies Act 2006. The Parent Company guarantees all outstanding liabilities of TBIGC Limited at the end of its financial year (31 December 2021).

***Basis of consolidation***

The consolidated financial statements include the financial statements of the Company and its subsidiary undertakings made up to 31 December 2021. A subsidiary is an entity that is controlled by the parent. In the parent financial statements, investments in subsidiaries and associates are carried at cost less impairment.

The results of the subsidiary undertakings are included in the consolidated statement of comprehensive income from the date that control commences until the date that control ceases. Control is established when the Company has the power to govern the operating and financial policies of an entity to obtain benefit from its activities.

Under Section 408 of the Companies Act 2006 the Company is exempt from the requirement to present its own Statement of Comprehensive Income.

***Going concern***

The financial statements have been prepared on a going concern basis, based upon the directors' assessment of the financial position of the business and expectations of the future.

# NOTES TO THE FINANCIAL STATEMENTS
*For the year ended 31 December 2021*

## 1 ACCOUNTING POLICIES (CONTINUED)

In forming their assessment of the Group's status as a going concern, the directors have taken into account the Group's financial position and its cash position, as well as forecasts of revenue and expenditure. As at the reporting date, the Group had net current assets of $22.2m and cash balances amounting to $49.1m. Cashflow forecasts, continue to point to a positive cash position up to and beyond September 2023. Cashflow forecasting has included the modelling of various scenarios, allowing the directors to see projected results under different assumptions affecting expenditure and income.

The Group's latest forecasts for the 12-month period to 30 September 2023 (the "going concern period") include severe but plausible downside scenarios with reduced grants throughout that period and increased expenditure. The directors consider that, even under the downside scenarios the Group and the Company maintain sufficient cash reserves to meet their liabilities as they fall due for the duration of this period. Based on these considerations, the directors believe that it remains appropriate to prepare the financial statements on a going concern basis.

***Significant accounting judgements, estimates and assumptions***

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities at the statement of financial position date and the amounts reported for revenues and expenses during the period. However, the nature of estimation means that actual outcomes could differ from those estimates.

The following estimates and judgements are dependent upon assumptions which could change in the next financial year and have a material effect on the carrying amounts of assets and liabilities recognised at the statement of financial position date:

***Impairment***

Where there are indicators of impairment of individual assets, the Group performs impairment tests based on fair value less costs to sell or a value in use calculation. The fair value less costs to sell calculation is based on available data from binding sales transactions in an arm's length transaction on similar assets or observable market prices less incremental costs for disposing of the asset.

The Group monitors trade and other debtor balances closely and performs an annual impairment review, based on the ageing of individual balances outstanding and taking into account the likelihood of non-payment. The Group has a policy of providing for debts in accordance with their age profile, in order to mitigate credit risk.

***Significant accounting policies***

***Tangible fixed assets***

Tangible fixed assets are stated at cost less accumulated depreciation and impairment losses. The Group assesses at each reporting date whether tangible fixed assets are impaired.

Depreciation is charged to the profit and loss account on a straight-line basis over the estimated useful life of each part of an item of tangible fixed assets.

The estimated useful lives for different categories of tangible fixed asset are as follows:

- Leasehold improvements 10 years
- Furniture and fittings 5 years
- Plant and equipment 3 - 5 years

Depreciation methods, useful lives and residual values will be reviewed if there is an indication of a significant change since the last annual reporting date in the pattern by which the Group expects to consume an asset's future economic benefits.

# NOTES TO THE FINANCIAL STATEMENTS

*For the year ended 31 December 2021*

**1 ACCOUNTING POLICIES (CONTINUED)**

***Website development costs***

Where group companies' websites are expected to generate future revenues in excess of the costs of developing those websites, and all other capitalisation criteria are met, expenditure on the functionality of the website is capitalised and treated as an intangible asset. Expenditure incurred on maintaining websites and expenditure incurred on developing websites used solely for advertising and promotional purposes are written off as they are incurred.

***Foreign currencies***

The financial statements are presented in US Dollars which has been determined as the functional currency of the Group.

Transactions denominated in foreign currencies are translated into US Dollars at the exchange rates ruling at the date of the transaction.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit and loss. Foreign exchange gains and losses that relate to the translation at year-end exchange rates of non-monetary items are recognised in other comprehensive income.

***Leases***

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

***Pension costs***

Pension costs for the defined contribution scheme are charged to the income statement as they become payable in accordance with the rules of the scheme.

The Group provides no other post-retirement benefits to its employees.

***Turnover***

Turnover is recognised to the extent that the Group obtains the right to consideration in exchange for its performance excluding VAT and other sales taxes or duties.

Income is recognised in the financial period in which Tony Blair Institute is legally entitled to the income, receipt of funds is probable, and the amount can be measured with sufficient reliability. Grant income is recognised when the Group can demonstrate entitlement to the income.

***Interest income***

Interest income is recognised as interest accrues using the effective interest method.

***Taxation***

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

The charge for taxation is based on the surplus for the period and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

# NOTES TO THE FINANCIAL STATEMENTS

*For the year ended 31 December 2021*

## 1 ACCOUNTING POLICIES (CONTINUED)

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position date where transactions or events that result in an obligation to pay more, or a right to pay less tax in the future have occurred at the statement of financial position date, with the following exceptions:

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing difference can be deducted.

Deferred tax is measured on a non-discounted basis at the tax rates that are expected to apply in the periods in which the timing differences reverse, based on tax rates and laws enacted or substantively enacted at the statement of financial position date.

***Provisions***

A provision is recognised in the statement of financial position when the entity has a present legal or constructive obligation, resulting from a past event, that can be reliably measured, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the amount required to settle the obligation at the reporting date.

***Financial instruments***

Financial assets and liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument.

Financial assets, other than investments, are initially measured at transaction price (including transaction costs) and subsequently held at cost less impairment.

Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form. Financial liabilities are initially measured at transaction price (less transaction costs) and subsequently held at amortised cost.

***Offsetting***

Financial assets and liabilities are offset, and the net amounts presented in the financial statements when there is an 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 the liability simultaneously.

***Cash and cash equivalents***

Cash and cash equivalents in the statement of financial position comprise cash at banks and in hand and short-term deposits with an original maturity of three months or less.

# NOTES TO THE FINANCIAL STATEMENTS
*For the year ended 31 December 2021*

## 2 TURNOVER

Turnover for the year was derived from the principal activities of the Group as explained in the Strategic Report and is analysed by business area as follows:

| | ***2021*** | *2020* |
|---|---|---|
| | ***$000*** | *$000* |
| Government Advisory | **79,489** | 39,993 |
| Policy Futures | **992** | 4,377 |
| Other | **805** | 1,143 |
| | **81,286** | 45,513 |

## 3 OPERATING SURPLUS/(DEFICIT) BEFORE TAXATION

The surplus/(deficit) on ordinary activities before taxation is stated after:

| | ***2021*** | *2020* |
|---|---|---|
| | ***$000*** | *$000* |
| Auditor's remuneration | | |
| Audit of these financial statements | **96** | 86 |
| Fees for other, non-audit services | **151** | 84 |
| Operating lease rentals | | |
| Land and buildings | **3,862** | 3,084 |
| Other equipment | **1,097** | 699 |
| Depreciation of tangible fixed assets | **262** | 294 |
| Foreign exchange differences | **(664)** | 131 |
| | **4,804** | 4,378 |

# NOTES TO THE FINANCIAL STATEMENTS
*For the year ended 31 December 2021*

## 4 DIRECTORS' REMUNERATION

During the year, the Group had four directors (2020: four) including ACL Blair, who does not receive any remuneration from the Group for his services. The remaining three directors of the Parent Company received a total remuneration for the period of $861,000 (2020: $679,000). The total remuneration was paid by the Parent Company as all related to services provided to the Parent Company.

| | ***2021*** | *2020* |
|---|---|---|
| | ***$000*** | *$000* |
| Aggregate remuneration | **831** | 655 |
| Defined contribution pension contributions | **30** | 24 |
| | **861** | 679 |

The remuneration for the highest paid director was $504,000 (2020: $449,000). Defined contribution pension contributions of $19,000 (2020: $15,000) were also made in respect of the highest paid director.

## 5 STAFF COSTS

The average number of persons employed by the Group (including directors) during the year, analysed by category, was as follows:

| | **Number of employees** | |
|---|---|---|
| | ***2021*** | *2020* |
| Government Advisory | **183** | 154 |
| Policy Futures | **66** | 52 |
| Strategy & Execution | **52** | 34 |
| Institute Resources | **36** | 27 |
| **Total** | **337** | 267 |

Employment costs of all employees of the Group, including both permanent and locally contracted staff, comprised:

| | ***2021*** | *2020* |
|---|---|---|
| | ***$000*** | *$000* |
| Wages and salaries | **32,867** | 28,421 |
| Social security costs | **1,754** | 1,249 |
| Pension costs | **644** | 446 |
| | **35,265** | 30,116 |

Included in Wages and salaries in the prior year are $248,000 of redundancy costs incurred during the year, which were fully paid as at 31 December 2020. There are no costs relating to redundancies in the year ended 31 December 2021.

# NOTES TO THE FINANCIAL STATEMENTS

*For the year ended 31 December 2021*

## 6 TAX ON SURPLUS/(DEFICIT) ON ORDINARY ACTIVITIES

### *(a) Analysis of tax charge in the period*

| | **2021** | 2020 |
|---|---|---|
| | ***\$000*** | *\$000* |
| **UK Taxation** | | |
| UK Corporation tax | **2,468** | 17 |
| Double taxation relief | **(1,724)** | (17) |
| Adjustment in respect of prior period | **-** | 11 |
| | **744** | 11 |
| **Foreign Taxation** | | |
| Foreign taxation | **1,866** | 589 |
| Adjustment in respect of prior period | **-** | (22) |
| | **1,866** | 567 |
| **Total tax charge on surplus/(deficit) on ordinary activities** | **2,610** | 578 |

A deferred tax asset has not been recognised in respect of tax losses carried forward and other timing differences, as in the opinion of the directors, it is not possible to conclude that it is more likely than not that any deferred tax asset would be recovered in the foreseeable future.

### *(b) Factors affecting total tax charge*

The total tax assessed on the surplus/(deficit) on ordinary activities for the period may vary from the standard rate of corporation tax in the UK. The differences are reconciled below.

| | **2021** | 2020 |
|---|---|---|
| | ***\$000*** | *\$000* |
| **Surplus/(deficit) before taxation** | **20,349** | (2,702) |
| Total tax charge on surplus/(deficit) on ordinary activities | **2,610** | 578 |
| Surplus/(deficit) before taxation multiplied by the standard rate of corporation tax in the UK of 19.0% (2020: 19.0%) | **3,866** | (513) |
| *Effect of:* | | |
| Fixed asset differences | **21** | 33 |
| Non-deductible expenses | **44** | 31 |
| Other permanent differences | **(54)** | (83) |
| Company foreign tax | **142** | 571 |
| Deferred tax asset not recognised | **(1,409)** | 550 |
| Adjustment in respect of prior periods | **-** | (11) |
| Effect of tax rate differences | **-** | - |
| **Total tax charge on surplus/(deficit) on ordinary activities** | **2,610** | 578 |

### *(c) Factors that may affect future tax charges*

In the Budget of 3 March 2021, it was announced that the corporation tax would be increasing to 25% for periods commencing 1 April 2023. This was substantively enacted on 24 May 2021. The unrecognised deferred tax balances are included within the accounts with reference to the rate of 25% (2020: 19%).

# NOTES TO THE FINANCIAL STATEMENTS
*For the year ended 31 December 2021*

## 7 TANGIBLE FIXED ASSETS

**Group and Company**

| | ***Leasehold improvements $000*** | ***Plant and Equipment $000*** | ***Fixtures & fittings $000*** | ***Total $000*** |
|---|---|---|---|---|
| ***Cost*** | | | | |
| Balance at 1 January 2021 | 2,173 | 114 | 362 | 2,649 |
| Additions | - | 73 | 158 | 231 |
| Disposals | - | (99) | - | (99) |
| Effect of movements in foreign exchange | (30) | (3) | (8) | (41) |
| **Balance at 31 December 2021** | **2,143** | **85** | **512** | **2,740** |
| ***Depreciation and impairment*** | | | | |
| Balance at 1 January 2021 | (1,144) | (84) | (200) | (1,428) |
| Depreciation charge for the year | (164) | (32) | (66) | (262) |
| Disposals | - | 99 | - | 99 |
| Effect of movements in foreign exchange | 20 | 1 | 4 | 25 |
| **Balance at 31 December 2021** | **(1,288)** | **(16)** | **(262)** | **(1,566)** |
| ***Net book value*** | | | | |
| At 1 January 2021 | 1,029 | 30 | 162 | 1,221 |
| **At 31 December 2021** | **855** | **69** | **250** | **1,174** |

## 8 INVESTMENTS

The Parent Company, Tony Blair Institute, is the sole member of Tony Blair Institute for Global Change, LLC which is incorporated in the USA. Under local legislation this entity is not required to issue shares.

The Parent Company has a £1 share (representing a holding of 100%) in TBIGC Limited which is incorporated and domiciled in the UK.

# NOTES TO THE FINANCIAL STATEMENTS
*For the year ended 31 December 2021*

## 9 DEBTORS

| | *Group* | | *Company* | |
|---|---|---|---|---|
| | ***2021*** | *2020* | ***2021*** | *2020* |
| | ***$000*** | *$000* | ***$000*** | *$000* |
| Trade debtors | **19,090** | 3,518 | **19,090** | 3,496 |
| Prepayments and accrued income | **4,176** | 9,023 | **4,143** | 8,994 |
| Amounts due from other Group companies | **-** | - | **2,748** | 1,790 |
| Other debtors | **5,281** | 4,123 | **2,821** | 2,712 |
| | **28,547** | 16,664 | **28,802** | 16,992 |

All amounts shown under debtors fall due for payment within one year, except for property rental deposits totalling $1,760,000 (2020: $1,749,000) which are due after more than one year (Group and Company). All amounts due from other Group companies are held on an arm's length basis and are receivable on demand with no set repayment date. No interest is charged on such balances.

## 10 CREDITORS

| | *Group* | | *Company* | |
|---|---|---|---|---|
| | ***2021*** | *2020* | ***2021*** | *2020* |
| | ***$000*** | *$000* | ***$000*** | *$000* |
| Trade creditors | **2,611** | 1,429 | **2,576** | 1,380 |
| Accruals and deferred income | **51,288** | 35,726 | **51,095** | 35,591 |
| Taxation and social security | **1,442** | 336 | **1,438** | 332 |
| Other creditors | **117** | 89 | **93** | 78 |
| | **55,458** | 37,580 | **55,202** | 37,381 |

All amounts shown under creditors fall due for payment within one year (Group and Company).

# NOTES TO THE FINANCIAL STATEMENTS
*For the year ended 31 December 2021*

## 11 PROVISIONS

**Group and Company**

| | *Dilapidations* | *Doubtful debts* | *Total* |
|---|---|---|---|
| | *$000* | *$000* | *$000* |
| Balance at 1 January 2021 | 545 | 5 | 550 |
| New provisions in year | - | - | - |
| Unwinding of discount | 11 | - | 11 |
| Utilisation of provision during period | - | (5) | (5) |
| Effect of movements in foreign exchange | (9) | - | (9) |
| **Balance at 31 December 2021** | **547** | **-** | **547** |

A provision is recognised in respect of trade debtors where the probability of recovery is doubtful.

A provision is recognised in respect of reinstatement obligations relating to leasehold properties (i.e., dilapidations). The balance of this provision at 31 December 2021 is the discounted present value of the amount expected to be required to settle the obligation at the end of the lease term.

## 12 LIABILITY OF MEMBER

Tony Blair Institute is a Company limited by guarantee and has no share capital. ACL Blair was the sole subscribing member at 31 December 2021 via the provision of a £1 guarantee. The Articles of Association of Tony Blair Institute provide that no dividends may be paid, or capital otherwise returned to its member, nor may any remuneration be paid by Tony Blair Institute to ACL Blair.

## 13 LEASE COMMITMENTS

Future global minimum rentals payable under non-cancellable operating leases are as follows:

**Group and Company**

| | ***2021*** | *2020* |
|---|---|---|
| | ***$000*** | *$000* |
| Not later than one year | **2,548** | 2,210 |
| Later than one year and not later than five years | **6,930** | 6,749 |
| Later than five years | **552** | 2,214 |
| | **10,030** | 11,173 |

During the year, $4,959,000 was recognised as an expense in respect of operating leases (2020: $3,783,000). These leases relate predominantly to leasehold property, including office premises and accommodation for overseas employees.

NOTES TO THE FINANCIAL STATEMENTS
*For the year ended 31 December 2021*

## 14 FINANCIAL INSTRUMENTS

***(a) Financial assets measured at amortised cost***

| | ***Group*** | | ***Company*** | |
|---|---|---|---|---|
| | ***2021*** | *2020* | ***2021*** | *2020* |
| | ***$000*** | *$000* | ***$000*** | *$000* |
| Trade debtors | **19,090** | 3,518 | **19,090** | 3,496 |
| Amounts due from other Group companies | **-** | - | **2,748** | 1,790 |
| Accrued income | **1,642** | 7,041 | **1,614** | 7,012 |
| Other debtors | **5,281** | 3,886 | **2,821** | 2,474 |
| | **26,013** | 14,445 | **26,273** | 14,772 |

***(b) Financial liabilities measured at amortised cost***

| | ***Group*** | | ***Company*** | |
|---|---|---|---|---|
| | ***2021*** | *2020* | ***2021*** | *2020* |
| | ***$000*** | *$000* | ***$000*** | *$000* |
| Trade creditors | **2,611** | 1,429 | **2,576** | 1,380 |
| Other creditors | **8,521** | 9,327 | **8,300** | 9,177 |
| | **11,132** | 10,756 | **10,876** | 10,557 |

## 15 RELATED PARTY TRANSACTIONS

The Company charged an amount of $132,000 (2020: $123,000) to Blair Partnership, which operates and manages all the commercial activities of ACL Blair and of which ACL Blair is a partner. This charge was made in respect of office occupancy, communications, logistics support, travel and events planning, and legal and finance services provided by employees to ACL Blair in his personal capacity. At 31 December 2021 there was a nil balance receivable by the company (2020: $nil).

Milltown Partners LLP (under the control of a Group director) provides strategic communications advice to Tony Blair Institute. During the year, the Company paid Milltown Partners LLP $nil (2020: $51,000) for services rendered. At 31 December 2021 there was a nil balance receivable by the Company (2020: nil).

Key management personnel for the year ended 31 December 2021 were the directors of the Group. The remuneration of the directors is disclosed in Note 4 to the Financial Statements. ACL Blair received no remuneration.

## 16 PENSION LIABILITY

The Group provides a defined contribution pension scheme for its employees. The pension cost for the year was $644,000 (2020: $446,000). Outstanding contributions at 31 December 2021 totalled $96,000 (2020: $84,000).

## 17 CONTROLLING PARTY

The Group and Company is controlled by ACL Blair, being the only subscribing member of the Company.