

*The foundation*

# ***Life & Peace Institute***

*Organisation no. 817602-2302*

## **Annual Report for 2022**

### **Table of Contents**

Management report.....	2
General Info on the Organisation.....	2
The Institute's Vision and Mission .....	2
Organisation .....	2
Significant events during the year.....	3
Strategic Priorities .....	4
Programme implementation 2020.....	5
Future Developments.....	6
Donors and partners .....	7
Staff .....	7
The financial development of the foundation .....	8
Statement of income and expenditures.....	9
Balance sheet.....	10
Notes.....	12

## Management report

### General Info on the Organisation

<b>Headquarters of the Foundation</b>	The Life & Peace Institute is located in Uppsala, Sweden.
<b>Functional Currency</b>	The functional currency of the Life & Peace Institute is Swedish Krona (SEK)
<b>Purpose:</b> (as stated in the Foundation Statutes)	The purpose of the Foundation is to conduct scientific research, primarily from a Christian-ethical perspective on questions of international conflict, and on the possibilities for collaboration among nations.

### The Institute's Vision and Mission

The Life & Peace Institute (LPI) is an international institution for peace research and action. LPI envisions a world where peace, justice and nonviolent relations prevail through people's active work and commitment.

*LPI's mission: LPI supports and promotes nonviolent approaches to conflict transformation through a combination of research and action that entails the strengthening of existing local capacities to prevent violence, mitigate its effects and rebuild communities after violence has ebbed or come to an end.*

### Organisation

An international board governs the Institute. The Christian Council of Sweden (CCS) appoints the board for a four-year term. The membership of the board is constituted with the aim of providing balanced representation, reflecting denominational membership, gender, as well as expertise within theology, peace and conflict studies, political science, and other relevant areas.

The Board conducts at least five meetings per year, three virtually and two in person, to develop guidelines concerning programmes, structure, management, research, and other activities of the Institute. It also reviews and accepts the annual budget and adopts the annual implementation plan. The Executive Committee is appointed annually by the Board to be of service between the board meetings. In addition to the five official board meetings, Executive Director convened additional consultations with the board on the development of the new Strategic Plan (2023-2027).

### **LPI board members 2022** (\* Executive Committee member).

Revd. Gustaf Ödquist\*

President of Board, Church of Sweden

Dr. Angela Muvumba Sellström\*

Senior Researcher, Nordic Africa Institute (NAI) and affiliated to Uppsala University's Department of Peace and Conflict Research.

Revd. Dr. Myra Blyth	Research Associate, Regent's Parks College, University of Oxford, England
Dr. Njoki Wamai -	Assistant Professor, International Relations Department, United States International University in Nairobi (USIU), Kenya.
Ms. Shamsia Ramadhan -	Global Coordinator, Finn Church Aid
Dr. Nada Mustafa Ali	Women's and Gender Studies Department and is a Faculty Fellow in the Center for Governance and Sustainability at U Mass Boston
Mr. John Katunga Murhula	Catholic Relief Service (CRS), Africa Peacebuilding and Justice
Rev. Stein Erik Horjen	Church of Norway; Norad
Mr. Stig Lundberg	Chair of LPI Finance and Risk Committee (FARCom); Church of Sweden

The overall responsibility for planning, coordination, and administration rests with the Executive Director, who is supported in her work by the Executive Team (ET) composed of the Director of Programmes and the Director of Finance & Administration. A Strategic Leadership Team (SLT) advises the ET, composed of the Director of Programmes, Director of Finance & Administration, Team Leaders for Collaborative Learning, Africa Country Programmes and Global Policy, and two Senior Advisors – one for Strategic Processes and one for Sweden Engagement. In addition, LPI has Country Managers for its Kenya, Somalia, Ethiopia, Sudan and DRC programmes.

The Institute has five main offices located in Uppsala, **Sweden**; Nairobi, **Kenya**; Bukavu, **Democratic Republic of Congo (DRC)**; Addis Ababa, **Ethiopia**; Khartoum, **Sudan**; and Mogadishu, **Somalia**. The Sudan and Somalia programmes are supported by the Nairobi office. Each office has a functional Senior Management Team (SMT) that reports to the Executive Team.

In 2022, activities were carried out under eight peacebuilding programmes (Ethiopia, Kenya, DRC, Somalia, Sudan, Sweden, HARP and Inclusive Peace in Practice - IPIP).

### **Significant events during the year**

In early 2022, the Swedish government made the decision to reallocate a portion of its development aid budget toward the support of Ukrainian refugees anticipated to come to Sweden. As a result, a number of our programmes faced budget reductions for the year. This created delays at the beginning of the year as LPI waited on Sida and SMC to interpret and implement this decision in our programmes. The decision was re-evaluated in the middle of the year, and the financial impact upon our programme was not materially significant. However, the impact in terms of uncertainty and delays was more significant.

The exchange rate loss of the Swedish Krona against the USD also created significant difficulties across our programmes. As a result of the losses, LPI had to reassess programmes,

and in one case reduce the amount of allocated overhead to make up the losses. This continues to be a significant challenge, and we are developing strategies to mitigate these effects.

The security situation in the Horn of Africa and Eastern DRC continued to be fragile, which had impacts upon the safety and security of our staff, and also caused delays in some activity implementation.

A new Swedish government was elected in September 2022, with parties who have advocating for decreased Swedish aid getting to power. The government instruction to Sida released 23 December revealed some sudden and major cuts to international development aid, for example around the Strategy for Sustainable Peace and the Information and Communications Strategy for international development. The new government is prioritizing Ukraine and the “nearby region” and has set out to reform the Swedish international development in the years to come. LPI is thus anticipating further cuts and reprioritisations to international development aid in the future.

Our Uppsala office continues to provide technical input, control, support, and guidance in the areas of financial management, gender sensitivity, monitoring, evaluation and learning (MEL), programme development, safety and security management, strategic communications etc.

## **Strategic Priorities**

### ***Strategic Priority 1: Civil society support and inclusive engagement for peace***

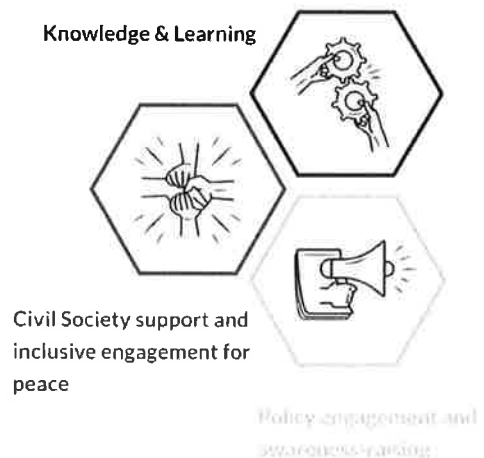
LPI supports civil society actors in their conflict transformation work, through capacity building and joint engagement in research and action.

### ***Strategic Priority 2: Policy engagement and awareness-raising***

LPI engages directly and in collaboration with others on awareness-raising and policy work. It strives to enhance awareness of civil society conflict transformation processes, as well as raise pertinent policy issues deriving from the work in the field. Through this engagement LPI seeks to invite and motivate influential actors to assume their responsibilities for the promotion of justice and peace.

### ***Strategic Priority 3: Knowledge and Learning to enhance practice***

Through documentation and learning, LPI makes the knowledge and experiences of LPI and its partners available to peacebuilding practitioners and research communities. This is done in strategic partnerships with relevant local and international researchers, academic actors and peacebuilding practitioners. At the same time, LPI gathers relevant theories, research findings and experiences from other contexts and organisations, and communicates them within LPI and to our partners.



## Programme implementation 2022

LPI's engagement in 2022 has focused on support to local civil society organisations (CSOs) and universities, as well as building strategic partnerships with state actors and national, regional and international organisations and networks, and strengthening links with donors and international actors to support environments conducive to nonviolent conflict transformation. Innovative policy engagement and participatory research plays an essential role in LPI's approach, both as a precondition for understanding the context of engagement and as a vehicle for transforming conflict.

LPI applies several mutually reinforcing strategies in its civil society support and broader conflict transformation work:

- **Promoting inclusive community-based peacebuilding processes with a long-term view**, with engagements driven by local partners and technically accompanied (and in many cases financially supported) by LPI.
- **Capacity strengthening**, including processes and methodologies of conflict transformation—such as Participatory Action Research (PAR); research methodology and methods; Sustained Dialogue; MEL; mediation, negotiation, and organisational development—such as financial management and accounting, administrative skills and procedures, human resource management, leadership, organisational governance, resource mobilisation, including donor relations. Capacity strengthening responds to expressed and well-analysed needs of partners.
- **Policy engagement** particularly at the local, national and regional levels, either by LPI alone or in collaboration with local, regional or international partners.
- LPI also has a specific commitment to **learning and reflection**, not least through its third Strategic Priority, knowledge and learning, and investment in documentation and monitoring and evaluation, which is being pursued across LPI's programmes, with support from the Collaborative Learning Team (CLT).
- Implementation of peacebuilding programmes in the contexts where we work needs **flexibility and adaptive programming** related to continuous context assessment of risks, challenges, and opportunities. A commitment to both **conflict sensitivity** and **results-based management** necessitates adaptive programming to ensure efforts continue to make effective and efficient contributions towards to overall goal of the programme.

Some of the highlights of the programme in 2022 include:

- With Canadian funding, LPI launched a new dialogue-to-action process using PAR methodology to increase women's engagement in conflict transformation in Ethiopia.
- With EU funding, LPI supported Kenyan civil society youth in promoting peaceful elections in four counties in Kenya and expanded its geographical scope to two new areas, Marsabit and Mombasa.
- Foundations were laid cross-organisationally for LPI's Climate-Conflict nexus work, with additional funding from the United Nations Development Programme (UNDP).
- LPI explored integrating trauma-informed practice across its peacebuilding work and operations, particularly in Somalia, Ethiopia and Sudan.
- In Sweden, LPI started to support a project on taking Sustained Dialogue to Sweden in the project Dialogen that is run by Fryshuset. The information and communications <sup>NN</sup>

project Global Peacefinders was launched but with a smaller budget due to the reprioritising in the Swedish aid budget.

- With support from Sida, LPI was able to implement an innovative, participatory small grant in Kenya which created space for grantees to be involved in the decision-making on who received funds, how they were used and how they were monitored. This has laid the foundation for LPI to innovate further in how it sees itself as a partner that supports local organisations as well as how it disburses funds.
- In efforts to advance action on the provision of quality financing to civil society, LPI in partnership with the Radical Flexibility Fund, launched a multi-stakeholder group of bilateral and private donors and INGOs working on innovating in quality financing for civil society as a means to spur action towards implementation of localisation commitments.
- In partnership with the Institute for Justice and Reconciliation (IJR) and Center for the Study of Violence and Reconciliation (CSVR), LPI launched a 5-part training programming focusing on community-based organisations working to advance the implementation of the African Union Transitional Justice Policy (AUTJP) within their communities. This program is the first of its kind connecting community voices to regional policy discussions on transitional justice in the Horn of Africa.
- In collaboration with UNDP, the African Union Border Programme (AUBP) and Inter-Governmental Authority for Development (IGAD), LPI developed and launched the *Borderlands Civil Society Platform* – the first of its kind that creates a structured space for borderlands voices to directly engage with regional policy makers laying the foundation for advancing borderlanders centered policy frameworks.

The Institute worked formally and informally alongside 79 local, national, and regional organisations (including 4 universities) as well as over a dozen international organisations, to engage with local communities in long-term peacebuilding processes across 19 states/regions/counties in Ethiopia, Somalia, Sudan, DRC, Kenya, and Sweden and engaged constituents, communities, government at different levels, and other conflict stakeholders.


## **Future Developments**

In 2023, LPI will continue to strengthen its internal systems and procedures. In addition, we have added a new position of Audit and Compliance Manager, who will support the Executive Director and the FARCom in ensuring LPI is compliant with both internal policies as well as donor and legal requirements.

We are also further investing in our accounting software, SUN, to optimise its in-built capabilities to strengthen our decision-making using financial data and increase the automation of workflows.

LPI's new Strategic Plan (2023-2027) was rolled out at the end of 2022 and will commence in 2023.

Some of the key programmatic areas where LPI expects to see growth in 2023 include:

- Climate-security nexus
- Trauma-informed peacebuilding
- Work in South Sudan supporting Act Alliance partners. 

- Civil society partner engagement through innovative granting methods
- Innovative financing and localization.
- Youth, and women peace and security
- Consolidation and expansion of regional and continental engagements within the African Union Commission (AUC) and the Inter-Governmental Authority for Development (IGAD)

In December 2022, the Swedish government released its 2023 budget, which included significant changes to the funding for International Development. A key impact on LPI was that the InfoKom grants was reduced significantly, and other strategies also received cuts. As a result, in January 2023, we were informed by SMC that our Peacefinders programme was cancelled, and we had to close out the programme. In addition, there were cuts to the 2023 budget for DRC and we did not get an anticipated cost extension for IPIP.

In February 2023, the Christian Council appointed a new President for LPI, Eva Christina Nilsson. She will take on this responsibility from Gustaf Ödquist in June 2023.

In April 2023 a violent conflict broke out in Khartoum, Sudan, and it is spreading across the country. This has meant that programmes have been put on hold, and staff are sheltering in place.

## **Donors and partners**

LPI would like to express its deepest appreciation for our 50+ partners who have allowed us to work alongside them as they respond to violence and conflict in their communities.

LPI also expresses its warmest gratitude for the funds received and project support from our donors. In 2022, these included:

- Church of Sweden
- Church collections/donations
- European Commission
- Kingdom of Belgium, Federal Public Service, Foreign Affairs, Foreign Trade and Development Cooperation
- Canadian Peace and Stabilization Operations Programme
- Swedish International Development Cooperation Agency (Sida)
- Swedish Mission Council
- United States International Development Agency (USAID)
- The United Nations Development Programme
- Friedrich Ebert Stiftung
- Children's mission
- Swedish Institute
- Dexis interactive incorporated
- Swiss Federal Department of Foreign Affairs

## **Staff**


LPI values and attaches critical importance to engaging a diverse staff reflecting different cultures, backgrounds, gender equity and expertise in its various offices. Over the course of 2022, LPI had 84 staff, 48% of whom were women and 52% men. Staff numbers include employees on fixed-term contracts and permanent contracts as well as long-term consultants and short-term interns and graduate assistants.

LPI would like to express our gratitude to all our employees, interns and consultants for their excellent work in 2022. We sincerely appreciate our staff's outstanding commitment and positive attitude who continue to work in the challenging and often risky environments where LPI's programmes are implemented.

## The financial development of the foundation

All figures in thousands Swedish Kronor

Year	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Income	30 311	35 722	40 153	34 814	44 131	59 208	73 320	56 875	60 834	92 254
Expenditure	-29 523	-32 558	-39 898	-36 335	-44 714	-61 005	-72 301	-56 395	-60 399	-90 474
Equity	4 057	7 771	8 144	6 680	6 616	5 150	6 341	7 838	6 311	7 989

The income from Sida has increased compared to 2021 despite reductions in the promised grants. The turnover for LPI has increased by approx. 50% compared to 2021. The increase is due to, in addition to the increased income from Sida, new grants from Canada and the EU Commission. 



<b>Statement of Income and Expenditures</b>	<b>Note</b>	<b>2022</b>	<b>2021</b>
<b>Income</b>			
Project Grants	2	91 329	59 887
General Grants	3	921	936
Collections/Donations	4	3	12
Other Operating Income			
<b>Total Income</b>		<b>92 253</b>	<b>60 834</b>
<b>Expenditures</b>			
Appropriation of Funds		-25 703	-12 194
External Costs		-23 585	-18 407
Personnel Costs	5, 6	-41 186	-29 799
Other Operating Costs		0	0
<b>Total Expenditures</b>		<b>-90 474</b>	<b>-60 399</b>
<b>Operating Result</b>		<b>1 779</b>	<b>435</b>
<b>Other Financial Posts</b>			
Exchange Differences		- 159	-1 963
Interest Income		58	1
<b>Total Financial Posts</b>		<b>- 101</b>	<b>-1 962</b>
<b>Net Result for the year</b>		<b>1 678</b>	<b>-1 527</b>

<b>Balance Sheet</b>	<b>Note</b>	<b>2022-12-31</b>	<b>2021-12-31</b>
<b>Assets</b>			
<b>Current Receivables</b>			
Other Receivables		443	1 513
Prepaid Expenses and Accrued Income	7	4 407	4 688
<b>Total</b>		<b>4 850</b>	<b>6 201</b>
Cash and Bank		14 921	22 867
<b>Total Current Assets</b>		<b>19 771</b>	<b>29 067</b>
<b>Total Assets</b>		<b>19 771</b>	<b>29 067</b>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Earmarked Equity		2 000	2 000
Restricted Equity		10	10
Unrestricted Equity		5 979	4 301
<b>Total Equity</b>		<b>7 989</b>	<b>6 311</b>
<b>Provisions</b>	8	1 215	1 150
<b>Current Liabilities</b>			
Accounts Payable		257	319
Other Current Liabilities		1 133	1 238
Liability received not used grants	2	7 722	17 997
Accrued Expenses and Deferred Income	9	1 455	2 052
<b>Total Current Liabilities</b>		<b>10 567</b>	<b>21 607</b>
<b>Total Equity and Liabilities</b>		<b>19 771</b>	<b>29 067</b>

### **Change of Equity**

	Organisational Capital	Unrestricted Equity	Restricted Equity	Total
Opening Balance 2021-01-01	10	5 828	2 000	7 838
Net Result for the year		-1 527		-1 527
Closing Balance 2021-12-31	10	4 301	2 000	<b>6 311</b>
Opening Balance 2022-01-01	10	4 301	2 000	<b>6 311</b>
Net Result for the year		1 678		<b>1 678</b>
Closing Balance 2022-12-31	10	5 979	2 000	<b>7 989</b>

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## **Note 1 Accounting and valuation principles**

### **Amounts in 1 000 SEK**

#### **Accounting Principles**

"The annual report has been prepared in accordance with the Swedish Annual Accounts Act (1995:1554) and the general recommendation of the Swedish Accounting Standard Board BFAR 2012:1 (K3).

The accounting principles are unmodified from previous year, unless otherwise stated."

#### **Receivables**

Receivables are recorded with the amount that after an individual evaluation is expected to be paid

#### **Fixed assets**

"Fixed assets are declared at acquisition value, minus any depreciation and devaluation. Costs that can be directly associated with the acquisition of an asset are included in the acquisition value. Costs for maintenance and upkeep are booked as expenses.

Inventory, machinery and other equipment bought in projects are expensed at time of purchase. Inventories whose acquisition value is below 50% of the price base amount are, based on assessment of materiality, direct expensed.

A depreciation analysis always occurs for such assets that no longer fulfill the requirements to be defined as fixed assets. According to K3, no reclassification shall be done.

Fixed assets are depreciated systematically over the asset's estimated lifespan. When the amount of depreciation is calculated, the assets residual value is considered. Depreciation is linear.

The following depreciation times are used:

Other inventories 5-10 years"

#### **Interest**

Interest credited donors is accounted directly as debt and is not booked on the statement of income and expenditure.

#### **Revenue recognition**

Revenue is recognised to the actual value of the consideration received or receivable.

Gifts and donations are income obtained without agreement with the donor and where the donor does not require formal reporting.

Grants are income as a result of a contract and the donor usually require some form of feedback.

Gifts are usually recorded on a cash basis. To the extent that there are promises known at the balance sheet date of grants/gifts, they are recognised after individual assessment.

The project grants include grants that are destined for specific programmes/projects and associated with a condition requiring repayment obligation if the condition is not met.

The other contributions include contributions that are not bound to specific programmes/projects

Revenue recognition of grants is made when the foundation with reasonable certainty determines that repayment will not happen.

#### **Provisions**

The provisions referred to are obligations on the balance sheet date that is certain or likely but uncertain in amount or to the time when they are realizable.

#### **Appropriation of Funds**

This relates to expenses incurred by partner organisations within Life & Peace Institute-run projects.

#### **Other currencies**

Assets and liabilities in currencies other than SEK are valued at the exchange rate for the day of closing the books.

#### **Restricted Equity**

The post Restricted Equity consists of donations not yet utilized and other restricted equity. See the Change of Equity Report.

<b>Note 2 Project Grants</b>	<b>2022-12-31</b>	<b>2021-12-31</b>
<b>Project Grants Utilized during the year</b>		
Sida, Sweden	69 887	41 818
European Commission	6 804	1 983
Swedish Mission Council	6 538	7 232
Somalia Stability Fund	88	785
USAID	0	63
Church of Sweden, International Department	1 000	969
Other Grants	4 206	325
Friedrich Ebert Foundation	42	11
SaferWorld	0	1 213
SOAS	17	95
UNDP	2 747	4 674
Belgium MFA	0	717
<b>Total</b>	<b>91 329</b>	<b>59 887</b>
<b>Balanced Grants and Grants to be Repaid</b>	<b>2022-12-31</b>	<b>2021-12-31</b>
Sida, Sweden	446	13 018
European Commission	3 751	2 706
Swedish Mission Council	82	1 213
Swedish Institute	427	17
USAID	0	260
Switzerland	0	618
Friedrich Ebert Foundation	85	42
Children's Mission	1	4
Social Change Initiative	0	61
Grants to be repaid	2 929	58
<b>Total</b>	<b>7 722</b>	<b>17 997</b>
<b>Project Grants have been used for</b>	<b>2022</b>	<b>2021</b>
Kenya programme	-10 087	-5 146
Horn of Africa Regional programme	-17 927	-10 437
Somalia programme	-20 683	-16 790
Ethiopia programme	-11 103	-7 400
DRC programme	-23 350	-12 276
Global Policy programme	-3 964	-3 883
Sudan programme	-3 339	-2 940
Sweden-based programmes	- 876	-1 457
<b>Total</b>	<b>-91 329</b>	<b>-60 328</b>

<b>Note 3</b>	<b>General Grants</b>	<b>2022</b>	<b>2021</b>
	Church of Sweden	300	300
	Church of Sweden, International Department	0	26
	Swedish Mission Council	434	457
	Other	187	152
	<b>Total</b>	<b>921</b>	<b>936</b>

<b>Note 4</b>	<b>Collections/Donations</b>	<b>2022</b>	<b>2021</b>
	Other Collections/Donations	3	12
	<b>Total</b>	<b>3</b>	<b>12</b>

**Note 5 Salaries and Other Remuneration by Country**

Salaries and other remuneration by country

<b>Sweden</b>	<b>2022</b>	<b>2021</b>
Executive Director	824	828
Other Employees	5 705	4 824
<b>Ethiopia</b>		
Employees	7 000	6 205
<b>Kenya</b>		
Employees	2 416	1 797
<b>Somalia</b>		
Employees	3 845	3 255
<b>DRC</b>		
Employees	5 479	3 166
<b>Sudan</b>		
Employees	1 270	1 038
Pension Costs	1 576	1 391
Social Fees	3 138	2 526
<b>Total Salaries and Remunerations</b>	<b>31 252</b>	<b>25 032</b>
Other Personnel Costs	9 934	4 767
<b>Total Personnel Costs</b>	<b>41 186</b>	<b>29 799</b>

**Note 6 Average Number of Employees by Country**

	2022			2021		
	Women	Men	Total	Women	Men	Total
Sweden	8	7	15	6	6	12
Ethiopia	9	13	22	8	12	20
Kenya	12	8	20	9	8	17
Somalia	1	5	6	2	3	5
DRC	7	9	16	4	7	11
Sudan	3	2	5	4	2	6
<b>Total</b>	<b>40</b>	<b>44</b>	<b>84</b>	<b>33</b>	<b>38</b>	<b>71</b>

**Gender balance of the Board and Senior Leadership**

	2022			2021		
	Number on Closing Date			Number on Closing Date		
	Women	Men	Total	Women	Men	Total
Board Members	5	4	9	6	3	9
Strategic Leadership Team	5	2	7	6	2	8

**2022-12-31**      **2021-12-31**

**Note 7 Prepaid Expenses and Accrued Income**

Prepaid Rent	141	375
Accrued Income	2 743	1 045
Transfers to Partner Organisations	893	2 067
Other Items	631	1 201
<b>Total</b>	<b>4 407</b>	<b>4 688</b>

**Note 8 Provisions**

**2022-12-31**      **2021-12-31**

Provision for severance payment in Ethiopia	953	598
Provision estimated taxes employees abroad	262	552
<b>Total</b>	<b>1 215</b>	<b>1 150</b>

**Note 9 Accrued Expenses and Deferred Income**

**2022-12-31**      **2021-12-31**

Accrued Holiday Pay including Social Fees	601	807
Other Items	854	1 246
<b>Total</b>	<b>1 455</b>	<b>2 052</b>

Addis Ababa 2023-05-13



Gustaf Ödquist  
President



Angela Muvumba Sellström



Myra Blyth



Stein Erik Høyen



Stig Lundberg



Emmah Njoki Wamai



Shamsia Ramadhan



John Katunga Murhula

Nada Mustafa Ali



Our audit report was submitted 2023-05-23

Öhrlings PricewaterhouseCoopers AB



David Axelson-Fisk  
Auditor



Maria Wigenfeldt  
Authorised Auditor



# Auditor's Report

To the Board of Directors of Stiftelsen Liv- och Fredinstitutet (Life and Peace Institute), corporate identity number 817602-2302

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## Report on the annual accounts

### *Opinions*

We have audited the annual accounts of Stiftelsen Liv- och Fredinstitutet (Life and Peace Institute) for 2022.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of Stiftelsen Liv- och Fredinstitutet (Life and Peace Institute) as of 31 December 2022 and of its financial performance for the year then ended in accordance with the Annual Accounts Act. The administration report is consistent with the other parts of the annual accounts.

### *Basis for Opinions*

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the *Auditor's Responsibilities* section and the *Co-auditor's Responsibilities* section, respectively

We are independent of the association in accordance with professional ethics for accountants in Sweden. I as Authorized Auditor have fulfilled my ethical responsibilities in accordance with these Requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

### *Responsibilities of the Board of Directors*

The Board of Directors is responsible for the preparation of the annual accounts and that they give a fair presentation in accordance with the Annual Accounts Act. The administrator is also responsible for such internal control as it determines is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, the Board of Directors is responsible for the assessment of the association's ability to continue as a going concern. It discloses, as applicable, matters related to going concern and the use of the going concern basis of accounting. The going concern basis of accounting is however not applied if the administrator intends to liquidate the association, to cease operations, or have no realistic alternative but to do so.

### *Authorized Auditor's responsibilities*

My objectives are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts.

As a part of my audit according to ISA, I undertake professional judgments and have a professionally sceptical approach during the entire audit. In addition, I execute the following activities:

- I identify and assess the risk of material misstatement in the annual accounts and consolidated accounts, whether due to fraud or error, design and execute audit measures based, amongst other things, on these risks and obtain audit evidence which is sufficient and appropriate to comprise the basis of my opinion. The risk



for failing to identify material misstatements arising due to fraud is greater as regards a material misstatement due to error, as fraud can include engagement in collusion, forgery, intentional omission, incorrect information or disregard of internal control.

- I obtain an understanding of that portion of the Foundation's internal control having significance to my audit to design audit measures which are appropriate with regard to the circumstances, but I do not express an opinion on the effectiveness of the internal control.
- I evaluate the appropriateness of the accounting policies applied and the reasonability of the administrator's estimations in the accounts and associated disclosures.
- I test the appropriateness of the Board of Director's application of the assumption of going concern in preparing the annual accounts. I test, based on the audit evidence obtained, whether there are significant factors of uncertainty referring to such events or circumstances that can lead to significant doubt as to the association's capacity to continue its operations. If I come to the conclusion that there are significant factors of uncertainty, I am required to provide a statement in the Auditor's Report, noting that the disclosures in the annual accounts involve factors of uncertainty, provided that such information is insufficient, modifying my opinion regarding the annual accounts. My conclusions are based on the auditor's evidence obtained up until the date of the Auditor's Report. However, future events or circumstances can imply that the Foundation can no longer continue its operations.
- I evaluate the overall presentation, structure and content of the annual accounts, including the disclosures, and if the annual and consolidated accounts reflect the underlying transactions and events in a manner providing a true and fair view.

I am required to inform the Board of Directors of, amongst other things, the planned scope of the audit and its focus, and the time schedule for the audit. I am also required to inform on any significant observations made during the audit, including any identified significant deficiencies in the internal control.

### *Co- Auditor's responsibilities*

My objectives are to carry out an audit under the Audit Act and thus according to good auditing practice in Sweden. My goal is to obtain a reasonable degree of certainty as to whether the annual accounts have been prepared in accordance with the Annual Accounts Act and if the annual accounts give a true and fair view of the organization's result and position.

## **Report on other legal and regulatory requirements**

### *Opinion*

In addition to our audit of the annual accounts, we have also audited the administration of the Board of Directors of Stiftelsen Liv- och Fredsinstitutet (Life and Peace Institute) for 2022.

In our opinion the members of the Board of Directors have not acted in contravention of the Foundations Act, the Foundation's Regulations or the Annual Accounts Act.

### *Basis for Opinion*

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the *Auditor's Responsibilities* section. We are independent of the association in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

### *Responsibilities of the Board of Directors*

The Board of Directors is responsible for the administration according to the Foundations Act and the Foundation's Regulations.

### *Auditor's responsibility*

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the association, or reason for removal of any member of the administration, or
- has, in any way, acted in contravention of the Foundations Act, the Foundation's Regulations or the Annual Accounts Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the association.

As part of an audit in accordance with generally accepted auditing standards in Sweden, we exercise professional judgment and maintain professional scepticism throughout the audit. The examination of the administration is based primarily on the audit of the accounts. Additional audit procedures performed are based on our professional judgement with the starting point in risk and materiality. This means that we focus the examination on such actions, areas and relationships that are material for the operations and where deviations and violations would have particular importance for the association's situation. We examine and test decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to our opinion.

Uppsala 23 maj 2023  
Öhrlings PricewaterhouseCoopers AB



Maria Wigenfeldt  
Authorized Public Accountant

Uppsala,



David Axelson-Fisk