

**amnesty international**  
**ANNUAL REPORT**  
**1974/75**



## Treasurer's Report

*by Kevin T. White, International Treasurer*

During this year we were fortunate to recruit a new finance officer, Shobhna Shah, who took up office in January 1975 and who has maintained her department at the standard of efficiency to which it had been brought by Les Haswell and continued by Beatrice Rubenstein. We are indebted to her and to them for the fact that successive examinations by the Financial Control Committee and finally by the auditors on the year's accounts enable reports to be submitted that the books and records are in good order.

At the International Council meeting in Askov in September 1974, a retro-active budget for the financial year was approved, leaving a shortfall of £18,770.

Amnesty International staff salary scales are linked to those for local government officers in Britain. The trade union representing local government officers' interests negotiated with the government and obtained substantial salary increases which, although published only in October 1974, were effective from 1 July 1974, thereby adding a further £12,600 to our salary budget for the financial year.

Through the exercise of economies and normal delay in filling posts which fell vacant, it was possible to absorb the salary increases. An appeal was sent to national sections to make up the shortfall. This resulted in a generous response being made by the Swiss, Dutch, Luxembourg, Swedish and Norwegian sections.

Economies were continued and projections made on the basis of accounts prepared to 31 December indicated that the shortfall was likely to be reduced to approximately £5,000. The Secretary General and his staff were optimistic that the trend shown by the accounts to 31 December would be maintained; and the sections which made the above mentioned guarantees and payments towards the shortfall agreed at the Treasurers' Meeting in March 1975 to allow the surplus of their additional pledges to be carried forward towards the 1975-76 budget. I wish to record the appreciation of the International Executive Committee and myself for this consideration.

In fact, the accounts show the ultimate surplus on the year's income and expenditure at £14,396 which, together with the surplus on the Campaign for the Abolition of Torture (CAT) of £4,370, is a total surplus for the year of £18,766.

In addition to meeting contributions to the budget, national sections continued to respond generously to appeals to finance special projects. The Askov council directed that a Special Project Fund be set up, and this was declared operative by the IEC as of 1 May 1975, with a floor of £10,000. The former special project procedure, now being phased out, operated for the whole of the financial year, involving an expenditure of £25,858.

Procedures for the operation of the Special Project Fund have been approved by the IEC. Several special projects have been approved which, in some instances, will be partially financed under the old system and, subject to the agreement of the national sections concerned, any funds pledged over and above the actual cost of the special projects implemented will be absorbed into the Special Project Fund. The new special project procedures are expected to be fully operational by the end of September 1975.

Replenishment of the Special Project Fund will be needed, and from time to time the Secretary General will appeal to sections for funds, giving due consideration to the respective sections' known financial resources. It may be that sections, when making commitments to the annual budget, will prefer to make a once per annum contribution to the Special Project Fund and not wish to receive recurring appeals. This is a matter for individual choice. Definite annual contributions or pledges made to the fund at the commencement of each financial year would facilitate a more orderly and calculated consideration of special projects as they arise.

The budget provision for audit fees was £5,000. The figure in the certified accounts is £6,900, of which £2,900 represents the balance of the auditors' fees for the 1973-74 audit.

Expenditure for office rent and rates for this year is within the budget provision but is a matter which requires comment. The present office accommodation, inadequate though it be, costs less than current market rates. The lease on the present property expires in December 1976. It is estimated that approximately 50% extra office space is required. Therefore, at the market rates now prevailing, office accommodation for future years will involve an expenditure of about 400% of the cost of the present accommodation.

The Prisoners of Conscience Fund accounts are attached. Although at the time of writing this report I have not seen the auditors' report on them, the accounts submitted for audit reflect a satisfactory position.

The Legal Aid Fund accounts attached to last year's annual report showed a balance of £309. This amount was utilized in accordance with the terms of the fund to defray legal fees incurred during the year. The fund, having become redundant, was closed down.

Looking back on the accounts of the organization, I have been impressed by the enormous increase in expenditure which has occurred in the past five years and the massive demands that this, in turn, imposed upon national sections. The fact which surprises me is not that certain national sections have found it difficult to meet the demands, but that so many have been able to respond as magnificently as they have done. This is particularly striking when it is appreciated that the results have been achieved in national sections mainly by dedicated volunteers, devoting their spare time to the work. National sections are entitled

to take pride in their achievements and also may reasonably ask that notice be taken of the fact that their resources are not unlimited. They are entitled to be assured that the funds they are asked to contribute are used to the best advantage to achieve the primary objects of our statute.

It is clear that due to inflation, which economic experts forecast will continue, it will cost more in future years merely to keep operating at the same level as in the past year. It is also clear that due to international economic recession, charitably disposed people have less money available to donate to organizations such as Amnesty International. Hence, national sections will find it increasingly difficult to raise the funds to enable contributions to be made to the expenses of the International Secretariat. Yet, as the need for AI's work grows—a melancholy fact that is all too evident—there will be continuous calls for the expansion of the organization.

In our desire to meet every call, we should be conscious of the fact that we cannot immediately rectify all the ills of the world: that our resources are limited and that we may have to consider whether it is better to concentrate on doing effectively within our resources what we can do in a limited field, rather than spread our efforts so thinly over a broad front that we risk effectively accomplishing too little for too many. We should guard against the possibility of deluding ourselves that by creating further national sections, we are developing the effectiveness of the organization: we may only be building up an expensive machine costing so much to service that the resources available to pursue our primary objects may have to be devoted to feeding the machine.

It is arguable whether it is necessary or desirable for the development of AI's work to engage in unlimited creation of national sections which, instead of contributing towards our financial needs, will, on the contrary, require financial assistance from our already overtaxed resources. It is not for me in this report to argue one way or the other on this issue, but I deem it prudent to sound a cautionary note.

It must be appreciated that when the council directs the IEC to embark on large-scale expansion, a necessary consequence is increased national section contributions which sections are finding increasing difficulty in raising.

## Auditors' Report

To the International Executive Committee, Amnesty International:

We have examined the balance sheet of AMNESTY INTERNATIONAL as of 30 April 1975, the related income and expenditure account and statement of sources and applications of relief monies for the year then ended (*see pages 154 to 161*). Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances, except as explained in the following paragraph.

As discussed in Note 2 to the accounts, payments of relief monies are destined for persons designated as prisoners of conscience in various countries. Some receipts of relief monies specify either a country or a particular prisoner for whose benefit the cash should be applied. Whilst we are satisfied that relief monies have been paid out, we have no effective means of determining whether or not these funds have been applied to the benefit of specific prisoners of conscience or their families. This problem is inevitable where indirect means of transmitting relief payments must be used to safeguard prisoners' interests. However, we were able to ensure that payments were made to persons whom the International Secretariat have informed us are responsible officers, employees or associates of Amnesty International. These persons accept responsibility for ensuring that relief monies reached prisoners. Nothing has come to our attention to suggest that prisoners of conscience or their families did not receive relief monies as intended.

In our opinion, except for the effect of such adjustments, if any, as might have been disclosed had we been able to determine whether or not relief monies paid out have been applied to the benefit of specific prisoners of conscience or their families, the accompanying accounts present fairly the financial position of Amnesty International as of 30 April 1975, the results of its operations, and the sources and applications of relief monies for the year

then ended, in conformity with generally accepted accounting principles, on a basis consistent with the preceding year.

25 July 1975

Arthur Andersen & Co.  
Chartered Accountants  
London EC2, England

AMNESTY INTERNATIONAL  
Balance Sheet – 30 April 1975

	1975	1974
<b>CURRENT ASSETS:</b>		
Cash	£124,357	£ 49,346
Debtors and prepaid expenses, net of reserves (Note 3)	25,424	21,213
Receivable from Prisoners of Conscience Fund, net	214	—
Receivable from the British Section, net	—	1,361
Publications stock (Note 3)	2,843	—
	<u>152,838</u>	<u>71,920</u>
<b>CURRENT LIABILITIES:</b>		
Creditors and accrued expenses	36,589	26,694
Payable to Prisoners of Conscience Fund, net	—	5,467
Payable to the British Section, net	118	—
Relief obligations (Note 2)	44,312	39,232
Special project funds (Note 8)	12,183	—
Karen O'Donovan Fund	817	1,000
	<u>94,019</u>	<u>72,393</u>
Net current assets	58,819	(473)
<b>LOANS TO PRISONERS OF CONSCIENCE FUND</b> (Note 4)	—	43,998
<b>OFFICE EQUIPMENT</b> (Notes 3 and 5), net	7,395	4,503
<b>PAST SERVICE SUPERANNUATION LIABILITY</b> (Note 9)	(11,020)	(11,600)
Net assets	<u>£ 55,194</u>	<u>£ 36,428</u>
Representing:		
<b>ACCUMULATED FUND:</b>		
Amnesty International accumulated fund	£ 48,365	£ 33,969
Campaign for the Abolition of Torture fund	6,829	2,459
	<u>£ 55,194</u>	<u>£ 36,428</u>

The accompanying notes are an integral part of this balance sheet.

AMNESTY INTERNATIONAL  
Income and Expenditure Account  
For the Year Ended 30 April 1975

	1975	1974
<b>INCOME:</b>		
National section contributions (Note 3)	£269,867	£152,241
Donations (Note 3)	17,848	29,589
Publications revenue (Notes 3 and 7)	8,387	8,220
Interest income	3,557	2,366
Other receipts	322	2,404
Charge for secretarial services performed for The Prisoners of Conscience Fund	2,350	—
	<u>302,331</u>	<u>194,820</u>
<b>EXPENDITURE</b> (Notes 6 and 7):		
Salaries and related costs	187,330	107,299
Office costs	49,961	41,454
Premises and occupation costs	22,273	17,127
Travel	15,013	17,025
Provision for doubtful accounts and national section contributions unpaid (Note 3)	2,088	8,383
Accountancy and audit fees	6,900	7,050
	<u>283,565</u>	<u>198,338</u>
Net surplus (deficit) (Notes 6 and 7)	18,766	(3,518)
<b>ACCUMULATED FUND, beginning of year</b>	36,428	39,946
<b>ACCUMULATED FUND, end of year</b>	<u>£ 55,194</u>	<u>£ 36,428</u>

The accompanying notes are an integral part of this account.

AMNESTY INTERNATIONAL  
Notes to Accounts – 30 April 1975

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1. Aims and Organization:

Amnesty International is an unincorporated non-profit organization which has as its object the securing throughout the world of the observance of the provisions of the Universal Declaration of Human Rights. The specific objects, the methods to be applied in achieving these objects, and details of its organization are covered by the Statute of Amnesty International, as amended by the Seventh International Council meeting in Askov, Denmark, in September 1974.

Amnesty International consists of national sections which embrace affiliated groups and members. The authority for the conduct of its affairs is vested in the International Council. The International Executive Committee, elected by the International Council, is responsible for the conduct of the affairs of the organization and for the implementation of the decisions of the council. The day-to-day affairs of Amnesty International are conducted by the International Secretariat under the direction of the International Executive Committee.

National sections may be established in any country with the consent of the International Executive Committee. One such section is the British Section, which has its offices in the same premises as those of the International Secretariat in London. As discussed in Note 2 below, the British Section has a special financial relationship with Amnesty International.

The objects of Amnesty International include providing assistance to and working towards the release of persons who, in violation of the provisions of the Universal Declaration of Human Rights, are imprisoned, detained, restricted or otherwise subjected to physical coercion or restriction by reason of their political, religious, or other conscientiously held beliefs or by reasons of their ethnic origin, colour or language (provided that they have not used or advocated violence). These persons are referred to as "prisoners of conscience". One of the main functions of the International Secretariat is to carry out research to identify such prisoners of conscience and to report on its findings. These prisoners of conscience receive relief monies both through Amnesty International and through a United Kingdom registered charity, The Prisoners of Conscience Fund. Both the International Secretariat and the British Section work closely with the managers of The Prisoners of Conscience Fund in matters of administration and

AMNESTY INTERNATIONAL  
Statement of Sources and Applications of Relief Monies of Amnesty International and Prisoners of Conscience Fund  
For the Year Ended 30 April 1975

	1975	1975	1975	Total	Total
	Amnesty International	Prisoners of Conscience Fund			Period from 1 November 1971 to 30 April 1974
<b>SOURCES:</b>					
Specific relief monies	£ 50,806	£ 466		£ 51,272	£102,215
Donations	—	4,782		4,782	25,000
Interest income	—	—		—	7,277
Sale of lease	—	—		—	15,000
Total received for relief purposes	50,806	5,248		56,054	149,492
Received under Offset Arrangement (Note 2)	—	5,450		5,450	28,968
Total received	50,806	10,698		61,504	178,460
<b>APPLICATIONS:</b>					
Relief monies paid	40,276	6,450		46,726	75,202
Paid under Offset Arrangement (Note 2)	5,450	2,350		7,800	28,968
Fee for secretarial assistance and facilities	—	1,576		1,576	—
Administration charges	—	—		—	—
Excess of receipts over payments	45,726	10,376		56,102	104,170
Balance of relief obligations at beginning of period	5,080	322		5,402	74,290
Offset Arrangement movement, April 1974	39,232	44,229		83,461	9,843
Balance of relief obligations at end of period	—	—		—	(672)
	£ 44,312	£ 44,551		£ 88,863	£ 83,461

The accompanying notes are an integral part of this statement.

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payment of relief monies.

Amnesty International is financed principally by contributions from national sections. The Amnesty International accounts embrace those finances for which the International Executive Committee and the Secretary General, as chief executive of the International Secretariat, are responsible, and accordingly exclude amounts related to individual national sections' resources.

## 2. Relief Monies and Offset Arrangement:

The International Secretariat is responsible for the administration and disbursement of relief monies. Not all such monies received have been applied, as yet, towards relief. The unpaid funds are held in a separate bank account (the relief account). The relief obligation is reflected as a current liability of Amnesty International.

Certain relief funds are contributed by the managers of The Prisoners of Conscience Fund. To ease administration these relief monies are paid out through the channels of Amnesty International, using the International Secretariat's relief bank account. Although the managers are advised in this regard by Amnesty International, they determine the ultimate beneficial causes.

Payments of relief are usually made via intermediaries to prisoners or their families. This relief activity involves entrusting responsible persons with relief monies and relying extensively on their integrity and dedication to ensure that the proper persons benefit from relief. It is impractical to obtain receipts from beneficiaries of relief monies, but the International Secretariat does have additional sources of information which would report back to the secretariat any significant instances where relief monies, for one reason or another, did not reach prisoners or their families. To date, no such significant instances have been reported.

The statement of sources and applications of relief monies refers to the Offset Arrangement. This is an arrangement operated by the International Secretariat which enables United Kingdom donations intended for the British Section to be paid into The Prisoners of Conscience Fund, in order to take advantage of the fund's charitable status. The fund applies such donations towards payments of relief monies, as explained above.

Under the Offset Arrangement, the International Secretariat uses relief monies received from non-charitable sources towards paying over to the British Section amounts equal to donations diverted by that organization to The Prisoners of Conscience Fund.

Thus, the total amount paid to the organizations for relief purposes remains unaffected by the Offset Arrangement: the incremental monies available for relief payments in The Prisoners of Conscience Fund equal that amount of relief monies received by the International Secretariat, but used to cover the British Section's administrative expenses.

In previous years, this offset arrangement was also used to cover the International Secretariat's own administrative expenses.

## 3. Accounting Policies:

### a) Income

National section contributions represent the committed share of each section towards the International Secretariat's budget. Adequate reserves have been provided against certain unpaid contributions which national sections have stated they cannot meet.

Donations are accounted for on a cash basis. The accounts recorded as income represent cash received during the year.

Publications income is the value of goods sold to third parties during the year. The related expenditure of this loss-making publications activity is included in total expenditure.

### b) Office equipment

This is recorded at cost less accumulated depreciation. Depreciation is provided on a straight-line basis at annual rates of 15%.

### c) Publications stock

Amnesty International publications stocks are valued at the lower of actual cost and net realizable value

## 4. Loans to Prisoners of Conscience Fund:

The interest free loans outstanding at 30 April 1974 were repaid to Amnesty International during the year.

## 5. Office Equipment:

Movement on the account for the year was:

	<i>Balance</i> 30 April 1974	<i>Additions/ Provisions</i>	<i>Balance</i> 30 April 1975
Cost	£6,126	<u>£4,483</u>	£10,609
Less—			
Depreciation	<u>1,623</u>	<u>£1,591</u>	<u>3,214</u>
Net book value	<u>£4,503</u>		<u>£ 7,395</u>

## 6. Campaign for the Abolition of Torture (CAT):

The funds for this campaign are held by the International Secretariat. CAT income and expenditure are included in the Amnesty International income and expenditure account. Both the surplus for the year and the balance of the fund at the end of the year are included in the accounts of Amnesty International. Transactions during the year were as follows:

	1975	1974
INCOME	<u>£19,786</u>	<u>£13,209</u>
EXPENDITURE:		
Salaries	10,718	3,375
Office costs	3,119	6,416
Travel	1,579	4,575
	<u>15,416</u>	<u>14,366</u>
Surplus (deficit) for the year	4,370	(1,157)
CAT fund, beginning of year	2,459	3,616
CAT fund, end of year	<u>£ 6,829</u>	<u>£ 2,459</u>

The fund income consists mainly of commitments for CAT from national sections.

#### 7. Publications Department:

The publications department income and expenditure is included in Amnesty International's income and expenditure account. The publications department had a deficit for the year ended 30 April 1975:

Publications revenue	£ 8,387
Less— Publication costs:	
Printing and stationary costs:	10,678
Less— Closing stock (Note 3)	<u>(2,843)</u>
	7,835
Gross profit	552
Office costs	<u>(15,303)</u>
Deficit for year	<u>£(14,751)</u>

#### 8. Special Project Funds:

In 1974/75, Amnesty International established a procedure whereby interested national sections and constituent groups could agree to contribute towards, and underwrite the total costs of, certain identified projects. Examples of these projects include missions to attend trials of prisoners of conscience, investigations into allegations of torture and into prison conditions. In April 1975, revised procedures were implemented, such that a general fund of approximately £10,000 was set up under the control of the International Executive Committee to facilitate early commencement of urgent projects. This general fund will be replenished from time to time via appeals to national sections.

The following is a summary of special projects transactions:

Receipts	£ 38,041
Payments	<u>(25,858)</u>
Fund, end of year	<u>£ 12,183</u>

#### 9. Past-Service Superannuation Liability:

The International Secretariat's Retirements Benefits Scheme became effective in January 1974. The scheme is fully-insured and covers certain employees who elected to join. The past service liability at inception of the scheme amounted to £11,600. A provision of this amount was made in 1974 and is being amortized over 20 years on a straight-line basis.

#### 10. Taxation:

Amnesty International is regarded for tax purposes as a body corporate and is chargeable to corporation tax on profits arising from any trading activity, and on interest income. No provision for corporation tax has been made in these accounts as publication losses exceed interest income.

## The Prisoners of Conscience Fund

To the Trustees, The Prisoners of Conscience Fund:

We have examined the balance sheets of THE PRISONERS OF CONSCIENCE FUND as of 5 April 1973, 1974 and 1975 and the related income and expenditure accounts for the years then ended (*see pages 164 to 168*). Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances, except as explained in the following paragraph.

As discussed in Note 2 to the accounts, payments of relief monies are destined for persons designated as prisoners of conscience in various countries. Some receipts of relief monies specify either a country or a particular prisoner for whose benefit the cash should be applied. Whilst we are satisfied that relief monies have been paid out, we have no effective means of determining whether or not these funds have been applied to the benefit of specific prisoners of conscience or their families. This problem is inevitable where indirect means of transmitting relief payments must be used to safeguard prisoners' interests. Amnesty International is responsible to the managers for the distribution of relief, and we were able to ensure that payments were made to persons whom Amnesty International have informed us are responsible officers, employees or associates of its organization. These persons accept responsibility for ensuring relief monies reach prisoners. Nothing has come to our attention to suggest that prisoners of conscience or their families did not receive relief monies as intended.

In our opinion, except for the effect of such adjustments, if any, as might have been disclosed had we been able to determine whether or not relief monies paid out have been applied to the benefit of specific prisoners of conscience or their families, the accompanying accounts present fairly the financial position of The Prisoners of Conscience Fund as of 5 April 1973, 1974

and 1975, and the results of its operations for the years then ended in conformity with generally accepted accounting principles, on a consistent basis.

25 July 1975

Arthur Andersen & Co.  
Chartered Accountants  
London EC2, England

	£	£	£	£
ACCUMULATED FUND, end of year	44,551	22,229	22,448	22,448
ACCUMULATED FUND, beginning of year	22,229	18,712	17,151	17,151
Excess of income over expenditure	222	910,036	7,041	31
(£ per 1 para 1 assistance and facilities (Notes 1 and 2))	2,350	1,000	946	51
Relief payments (Note 2)	6,450	15,050	14,641	20,470
Premises (Note 6)	576	4,782	4,554	946
Administration	15,050	15,050	15,050	15,050
Audit fees	2	15	15	15
Fee for secretarial assistance and facilities	25,472	25,472	25,472	25,472
EXPENDITURE:	88,745	88,745	88,745	88,745
Sale of lease	25,472	25,472	25,472	25,472
Rent	15,050	15,050	15,050	15,050
Interest on investments	5,615	5,615	5,615	5,615
Donations	576	576	576	576
INCOME (Note 3):	4,554	4,554	4,554	4,554

THE PRISONERS OF CONSCIENCE FUND  
Income and Expenditure Accounts  
For the Years Ended 5 April 1973, 1974 and 1975

The accompanying notes are an integral part of these accounts.

THE PRISONERS OF CONSCIENCE FUND  
Balance Sheets - 5 April 1973, 1974 and 1975

	£	£	£	£
ACCUMULATED FUND	44,551	44,229	44,551	22,448
Representing:	44,551	44,229	44,551	22,448
Net assets	44,551	44,229	44,551	22,448
Other	(50)	(50)	(50)	(465)
British Section (Note 5)	-	(12,883)	(12,883)	(15,883)
Amnesty International (Note 5)	-	(43,998)	(43,998)	(43,998)
LOANS:	-	-	-	-
LEASEHOLD IMPROVEMENTS, net (Note 4)	6,138	10,262	10,262	14,103
INVESTMENTS (Notes 3 and 5)	38,463	22,598	22,598	32,268
Net current assets	3,914	3,856	3,856	210
Payable to Amnesty International, net	3,700	3,856	3,856	210
CREDITORS AND ACCRUED EXPENSES:	214	210	210	210
Income tax recoverable (Note 7)	42,377	26,454	26,454	32,478
Debtors and prepaid expenses	32,381	12,865	12,865	5,850
Cash	3,150	3,026	3,026	18,061
RECEIVABLE FROM BRITISH SECTION, net	2,292	5,467	5,467	3,498
RECEIVABLE FROM AMNESTY INTERNATIONAL, net	4,554	4,554	4,554	515

The accompanying notes are an integral part of these balance sheets.

**THE PRISONERS OF CONSCIENCE FUND**  
*Notes to Accounts – 5 April 1973, 1974 and 1975*

**1. Aims and Organization:**

The Prisoners of Conscience Fund is registered as a United Kingdom charity. Its objects cover:

a) The relief of poverty of persons throughout the world who are imprisoned as a result of their political or religious beliefs, and their families, but excluding those guilty of crimes of violence, inciting violence or fomenting hatred between races. Such persons are known as prisoners of conscience.

b) The provision of funds for the assistance of those of the prisoners who are poor and who are granted asylum, including travelling expenses and arrangements for resettlement and employment.

The managers of the fund work closely with Amnesty International in matters of administration and necessarily rely on Amnesty International's expertise to identify prisoners of conscience, their families and their needs. Amnesty International is also responsible to the managers for the distribution of the relief monies to prisoners of conscience and their families.

Amnesty International charges a fee to the fund for the secretarial assistance and facilities rendered to the managers. The basis for assessing the fee was not agreed until 1975. A charge of £5,100 in respect of years prior to 1975 is being billed to the fund over a three-year period from 1975 to 1977; £3,400 of this charge remains to be billed at 5 April 1975.

Amnesty International is an unincorporated non-profit organization which has as its object the securing throughout the world of the observance of the provisions of the Universal Declaration of Human Rights.

**2. Relief Payments:**

Since April 1974, The Prisoners of Conscience Fund has paid relief monies to Amnesty International, which is responsible for the distribution of the relief monies through its normal channels to the prisoners of conscience. Previously, the fund had paid relief monies directly to prisoners of conscience, using the channels established and used by Amnesty International.

The relief payments are usually made via intermediaries to prisoners or their families. This relief activity involves entrusting responsible persons with relief

monies and relying extensively on their integrity and dedication to ensure that the proper persons benefit from relief. It is impractical to obtain receipts from beneficiaries of relief monies, but Amnesty International does have additional sources of information which would report back to the managers of the fund any significant instances where relief payments, for one reason or another, did not reach prisoners or their families. To date, no such significant instances have been reported.

**3. Accounting Policies:**

a) Donations are recorded on a cash basis, whereby the amount recorded as income represents cash received in each year.

b) Rent is recorded on an accrual basis, whereby the amount recorded as income represents the rent receivable from Amnesty International and the British Section in each year.

c) Leasehold improvements are recorded at cost. The cost is amortized on a straight-line basis at a rate which will recover the cost of the improvements over the remaining life of the lease.

d) Amnesty International charges the fund an annual fee for secretarial assistance and use of facilities.

e) Investments are stated at realizable value.

**4. Leasehold Improvements:**

Movement on the account was as follows:

	<i>Cost</i>	<i>Amortization</i>	<i>Net</i>
	£ —	£ —	
Balance at 6 April 1972	£ —	£ —	
Additions/amortization provision during the year	18,741	4,638	
Balance at 5 April 1973	18,741	4,638	<u>£ 14,103</u>
Additions/amortization provision during the year	—	3,841	
Balance at 5 April 1974	18,741	8,479	<u>£ 10,262</u>
Additions/amortization provision during the year	126	4,250	
Balance at 5 April 1975	<u>£ 18,867</u>	<u>£ 12,729</u>	<u>£ 6,138</u>

**5. Investments and Loans:**

The investments held by the fund were sold during 1975. The sale proceeds were used to repay the loans from Amnesty International and the British Section of Amnesty International.

**6. Lease Commitments:**

The fund is committed to an annual rental of £10,700 under the lease on its premises at 53 and 55 Theobald's Road. The lease expires on 25 December 1976.

**7. Taxation:**

As a registered charity, The Prisoners of Conscience Fund is not chargeable to corporation tax on the income it receives. The fund has submitted claims to the Inland Revenue totalling £6,972 covering income tax recoverable on covenanted donations. Amounts totalling £4,554 have been recorded in income in previous years. The remainder will be recorded as and when the total claim is agreed by the Inland Revenue.

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