

**AMNESTY
INTERNATIONAL
REPORT
- 1985 -**

**FINANCIAL
SUPPLEMENT**



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REPORT
1985**

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***Amnesty International Limited
Accounts for the year ended
31 December 1984 together with
Director's and Auditors' Reports***

**DIRECTOR'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 1984**

The director has pleasure in presenting his report on the affairs of the company, together with the accounts and auditors' report, for the year ended 31 December 1984.

ACTIVITIES:

The company's activities continued to be

Endeavouring to secure throughout the world the observance of the provisions of the Universal Declaration of Human Rights by:

- a) Seeking the release of prisoners of conscience detained anywhere for their beliefs, colour, sex, ethnic origin, language or religion, who have not used or advocated violence.
 - b) Working for fair and prompt trials for all political prisoners and on behalf of such people detained without charge or trial.
 - c) Opposing the death penalty and torture or other cruel, inhuman or degrading treatment or punishment of all prisoners without reservation.
- Performing research into cases of the above violations of the Universal Declaration of Human Rights and assisting individuals suffering thereby.
 - Providing assistance to the sections and groups of Amnesty International throughout the world through the International Secretariat which forms part of the company and is situated in London.
 - Disbursing such Relief Funds as the company receives.

REVIEW OF ACTIVITIES:

During the year, the company carried out the activities listed above. By the end of the year the number of Amnesty International groups had increased to 3,430 in 55 countries, and members, subscribers and supporters around the world exceeded 500,000.

The company distributed relief payments of £419,763 to help prisoners of conscience and their families, and to assist the rehabilitation of torture victims. The relief program is not a substitute for the primary objectives of securing freedom for prisoners of conscience and an end to the use of torture, but aims to alleviate suffering.

It is expected that the activities of the company will continue to expand in the forthcoming year.

REVIEW OF FINANCIAL RESULTS:

The income of the company during the year amounted to £4,167,530 (1983 - £3,592,014) and its expenditure to £4,052,540 (1983 - £3,206,198), with the result that the surplus for the year was £114,990 (1983 - £385,816).

Movements on reserves during the year were as follows:-

	General Accumulated Reserve	Program Reserve and Special Projects Fund	Currency Fluctuation Reserve Fund
Balance at 1 January 1984	£2,311,016	£ 423,251	£ —
Surplus for year	114,990		
Transfers	(153,533)	(131,621)	285,154
Balance at 31 December 1984	<u>£2,272,473</u>	<u>£ 291,630</u>	<u>£285,154</u>

Further details are shown in the profit and loss account.

FIXED ASSETS:

Full details of the movements on fixed asset accounts are given in Note 6 to the accounts.

DIRECTOR AND DIRECTOR'S INTERESTS:

The sole director of the company during the year was Mr T. Hammarberg.

The director does not have any interests required to be disclosed under Section 16(1) of the Companies Act 1967.

In accordance with Article 38 of the Articles of Association, the director is required to retire at the forthcoming annual general meeting. Being eligible, he offers himself for re-election.

SHAREHOLDERS:

The company is limited by guarantee and does not have a share capital.

AUDITORS:

A resolution will be placed before the annual general meeting that Arthur Andersen & Co. be re-appointed as auditors of the company.

BY ORDER OF THE BOARD

A. Weyman
Secretary

1 Easton Street
London WC1X 8DJ
17 April 1985

To the Members of Amnesty International Limited:

We have audited the accounts set out on pages 8 to 19 in accordance with approved Auditing Standards.

In our opinion, the accounts, which have been prepared under the historical cost convention, give a true and fair view of the state of affairs of the company at 31 December 1984 and of its surplus and source and application of funds for the year then ended and comply with the Companies Acts 1948 to 1981.

Arthur Andersen & Co.
Chartered Accountants

1 Surrey Street
London WC2
17 April 1985

**AMNESTY INTERNATIONAL LIMITED
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 1984**

	Notes	Operating Income and Expenditure	Program Revenue and Special Projects Fund	Currency Fluctuation Reserve Fund	Total 1984	Total 1983
INCOME						
Contributions from Sections:						
- As agreed by the International Council	2b, 9	£3,508,914	£	£	£3,508,914	£3,167,584
- Additional income arising from currency fluctuations	2c, 9	285,154	173,841		285,154	142,603
- Additional voluntary contributions	9		73,469		73,469	24,591
Donations and bequests	2b	68,604			68,604	70,077
Sales of products	2b, 10	6,736	50,812		57,548	187,159
Other income	11					
Allocations of Program Revenue and Special Projects Fund income		298,122	(298,122)			
		<u>4,167,530</u>			<u>4,167,530</u>	<u>3,592,014</u>
EXPENDITURE						
Salaries and related expenses	12	(2,105,525)			(2,105,525)	(1,794,366)
Administration and program related expenses	13	(444,123)			(444,123)	(331,219)
Meetings and travel expenses		(264,512)			(264,512)	(260,095)
Development		(229,216)			(229,216)	(172,880)
Office expenses		(564,410)			(564,410)	(464,823)
Publications expenses		(456,671)			(456,671)	(237,790)
Other expenses		(8,022)			(8,022)	(45,025)
Administration expenses re-charged to the Relief Fund		19,939			19,939	
		<u>(4,052,540)</u>			<u>(4,052,540)</u>	<u>(3,206,198)</u>
Surplus for the year		114,990			114,990	385,816
Transfer from Program Reserve and Special Projects Fund		131,621	(131,621)			
Transfer of income arising from currency fluctuations to Currency Fluctuation Reserve Fund		(285,154)		285,154		
		<u>(38,543)</u>	<u>(131,621)</u>		<u>285,154</u>	<u>385,816</u>
Add Reserves, beginning of year		2,311,016	423,251		2,734,267	2,348,451
RESERVES, end of year	3	<u>£2,272,473</u>	<u>£291,630</u>		<u>£285,154</u>	<u>£2,734,267</u>

The accompanying notes are an integral part of this statement

**AMNESTY INTERNATIONAL LIMITED
BALANCE SHEET — 31 DECEMBER 1984**

	Notes	1984	1983	Notes	1984	1983
LIABILITIES						
CAPITALS AND RESERVES						
Additional and expenditure account						
- General Accumulated Reserve	3	£2,272,473	£2,311,016		£2,978,551	£2,956,209
- Program Reserve and Special Projects Fund		291,630	423,251			
- Currency Fluctuation Reserve Fund		285,154				
		<u>2,849,257</u>	<u>2,734,267</u>			
CREDITORS						
Bank overdraft		108,823				
Other creditors and accruals	4	394,032	481,324		159,537	120,229
Amounts due to Sections	4	195,195	407,875	8	173,557	44,830
Relief funds	5	14,876	123,532		165,000	535,000
Past service superannuation liability	13	5,220	5,800		54,764	73,245
		<u>718,146</u>	<u>1,018,531</u>		<u>588,852</u>	<u>796,589</u>
		<u>£3,567,403</u>	<u>£3,752,798</u>		<u>£3,567,403</u>	<u>£3,752,798</u>
FIXED ASSETS						
Tangible assets				2c, 6	£2,978,551	£2,956,209
CURRENT ASSETS						
Stocks				2d, 7	35,994	23,285
Debtors						
- Amounts due from Sections					159,537	120,229
- Other debtors and prepayments	8				173,557	44,830
Short-term investments					165,000	535,000
Cash at bank and in hand					54,764	73,245
					<u>588,852</u>	<u>796,589</u>
					<u>£3,567,403</u>	<u>£3,752,798</u>

Approved by the director on 17 April 1985.

T. Hammarberg

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

AMNESTY INTERNATIONAL LIMITED
STATEMENT OF SOURCE AND APPLICATION OF FUNDS
FOR THE YEAR ENDED 31 DECEMBER 1984

	1984	1983
SOURCE OF FUNDS		
Surplus for year	£ 114,990	£ 385,816
Add item not involving cash flow during the year		
depreciation	135,440	59,026
Total funds from operations	250,430	444,842
Net book value of assets disposed		2,637
Relief Fund receipts	311,107	166,913
Decrease in net current assets	16,588	1,159,341
	<u>£ 578,125</u>	<u>£ 1,773,733</u>
APPLICATION OF FUNDS		
Purchases of tangible fixed assets	£ 157,782	£ 1,560,517
Relief Fund payments	419,763	212,636
Reduction of past service superannuation liability	580	580
	<u>£ 578,125</u>	<u>£ 1,773,733</u>
DECREASE IN NET CURRENT ASSETS		
Other debtors and prepayments	£ 128,727	£ (20,991)
Stocks	12,709	19,591
Other creditors and accruals	87,292	(293,245)
Amounts due from Sections	39,308	40,100
Amounts due to Sections	212,680	(152,596)
	<u>480,716</u>	<u>(407,141)</u>
MOVEMENT IN NET LIQUID FUNDS		
Decrease in short term investments	(370,000)	(751,000)
Decrease in cash at bank and in hand	(18,481)	(1,200)
Increase in bank overdraft	(108,823)	—
	<u>£ (16,588)</u>	<u>£(1,159,341)</u>

The accompanying notes are an integral part of this statement.

AMNESTY INTERNATIONAL LIMITED
NOTES TO ACCOUNTS
31 DECEMBER 1984

1. AIMS AND ORGANIZATION:

a) Amnesty International

Amnesty International is an unincorporated, international movement which has as its objective the securing throughout the world of the observance of the provisions of the Universal Declaration of Human Rights. The movement consists of Sections in different countries throughout the world and an International Secretariat in London. Delegates of the Sections meet periodically at the International Council Meeting to coordinate their activities and to elect an International Executive Committee to implement the Meeting's decisions.

The objectives, organisation and methods of operations of the movement are stated in the Statute of Amnesty International as amended at the Sixteenth International Council Meeting in 1983.

The objectives of Amnesty International include the provision of assistance to and the 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 reason 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".

b) Amnesty International Limited

Amnesty International Limited ("the company") was established in 1982 to undertake the activities previously carried out by the International Secretariat of Amnesty International which include—

- Endeavouring to secure throughout the world the observance of the provisions of the Universal Declaration of Human Rights by:
 - a) Seeking the release of prisoners of conscience detained anywhere for their beliefs, colour, sex, ethnic origin, language or religion, who have not used or advocated violence.
 - b) Working for fair and prompt trials for all political prisoners and on behalf of such people detained without charge or trial.
 - c) Opposing the death penalty and torture or other cruel, inhuman or degrading treatment or punishment of all prisoners without reservation.

Notes to Accounts (continued)

Performing research into cases of the above violations of the Universal Declaration of Human Rights and assisting individuals suffering thereby.

Providing assistance to the sections and groups of Amnesty International throughout the world through the International Secretariat, which forms part of the company and is situated in London.

Disbursing such Relief Funds as the company receives.

The company's Memorandum of Association requires that all of its income and assets shall be applied towards meeting its objects, as summarised above, and shall not be distributed to its members.

The company is limited by guarantee and does not have a share capital. The members of the company are the members of the International Executive Committee of the worldwide movement. At 31 December 1984 there were nine such members, each of whom had guaranteed to pay a sum not exceeding £1 in the event of the company being wound up.

2. ACCOUNTING POLICIES:

a) Basis of presentation

The financial statements are prepared under the historical cost convention.

b) Income

i) Contributions

Contributions from Sections are set by the International Council of Amnesty International prior to the financial year to which they relate and represent the agreed share of each Section towards the budget of Amnesty International Limited. Provisions have been made against unpaid contributions which Sections have stated they cannot meet.

Amounts due are initially determined by the International Council in sterling but are payable by Sections in local currency as translated at rates of exchange ruling three months prior to the meeting of the International Council at which contributions were set. Amounts so determined are payable quarterly during the financial year.

Total contributions from Sections received by the company therefore comprise the amount budgeted as being due in sterling less any amounts provided, and as adjusted for the effect of the movements in currency rates of exchange between rates used in setting contributions and rates ruling at the due date for payment and between the due date and the date of receipt.

Notes to Accounts (continued)

ii) Donations

Donations are accounted for on a cash basis.

iii) Sales of products

Revenue from sales of products represent the sale of publications and audio-visuals to Sections and third parties.

c) Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is provided at the following rates:

Freehold buildings - 1% per annum
Office equipment - 10-25% per annum

d) Publications stocks

Publications stocks are stated at the lower of cost and net realisable value.

e) Foreign currency

Contributions are invoiced to Sections in local currencies. Invoiced amounts are translated into sterling at exchange rates ruling at the date the contribution becomes due. Amounts due from Sections denominated in foreign currencies at the year-end are reported at the rates of exchange prevailing at the year-end. Any gain or loss arising from a change in exchange rates subsequent to the date at which the contribution becomes due is reported as an exchange gain or loss in the profit and loss account (see Note 9).

f) Pension costs

Pension liabilities are funded on the advice of external actuaries, by payments to an independent trust. Payments made to the trust and charged in the accounts comprise current and past service contributions. Independent actuarial valuations on a going concern basis are carried out every three years. Any resulting deficits are charged to the profit and loss account over a period of 20 years (see Note 13e).

3. SHARE CAPITAL AND RESERVES:

a) Share capital

The company is limited by guarantee and has no share capital.

b) Reserves

i) General Accumulated Reserve

In prior years it was intended that the General Accumulated Reserve

Notes to Accounts (continued)

should be maintained at a level which is not less than £200,000 in excess of the cost of the company's freehold premises. However, in order to carry forward sufficient funds in the Program Reserve and Special Projects Fund, the company has carried forward a balance in the General Accumulated Reserve which is £362,838 (1983 - £315,557) less than the cost of the freehold premises.

ii) Program Reserve and Special Projects Fund

The Program Reserve and Special Projects Fund receives donations from Sections and individuals to be used for relief in and to support the operating budget of the company.

iii) Currency Fluctuation Reserve Fund

Unbudgeted income arising from Sections as a result of currency fluctuations has been transferred to a Currency Fluctuation Reserve Fund. The reserve has been set aside to provide against future adverse exchange fluctuations.

iv) The reserves are available for use to meet the aims of the organization and may not be distributed to the members.

4. CREDITORS:

All amounts included in creditors fall due within one year, with the exception of the past service superannuation liability described in Note 13(e).

Amounts shown as other creditors comprise-

	1984	1983
Other creditors, including PAYE and social security	£352,592	£402,182
Accruals and deferred income	41,440	79,142
	<u>£394,032</u>	<u>£481,324</u>

Amounts due to Sections comprise-

	1984	1983
Interest-free loans	—	£266,556
Prepaid assessments	195,195	141,319
	<u>£195,195</u>	<u>£407,875</u>

Notes to Accounts (continued)

5. RELIEF FUNDS:

Amnesty International Limited is responsible for the administration and disbursement of relief funds on behalf of the worldwide movement. Funds not yet applied towards relief are held in separate bank accounts and are shown separately as a creditor.

Payments of relief are usually made to prisoners of conscience or their families via intermediaries. This involves entrusting persons whom the International Secretariat considers to be responsible with relief monies, and relying extensively on their integrity and dedication to ensure that the proper persons benefit from relief. It is not always possible or practicable to obtain receipts from beneficiaries of relief monies, but the International Secretariat does have additional sources of information which, it believes, would report any significant instances where relief monies, for one reason or another, did not reach prisoners or their families. No such significant instances have been reported.

The movement on Relief Funds is summarised as follows

	1984	1983
Increases		
Donations received for relief purposes	£ 304,767	£150,979
Interest income	6,340	15,934
	<u>311,107</u>	<u>166,913</u>
Decreases-		
Payments by geographical region		
Africa	178,569	48,063
Asia	52,075	26,132
Europe	7,080	11,517
Americas	158,446	116,046
Middle East	1,253	800
Other (including administration charge)	22,340	10,078
	<u>419,763</u>	<u>212,636</u>
Net decrease for the year	(108,656)	(45,723)
Balance of relief funds, beginning of year	123,532	169,255
Balance of relief funds, end of year	<u>£ 14,876</u>	<u>£123,532</u>

Notes to Accounts (continued)

6. TANGIBLE FIXED ASSETS:

Movements on the fixed assets accounts during the year were

	Freehold land and buildings	Office equipment	Total
COST			
Beginning of year	£2,626,573	£506,902	£3,133,475
Additions	8,738	149,044	157,782
Balance at 31 December 1984	2,635,311	655,946	3,291,257
DEPRECIATION			
Beginning of year	28,596	148,670	177,266
Charge	26,345	109,095	135,440
Balance at 31 December 1984	54,941	257,765	312,706
NET BOOK VALUE			
31 December 1983	£2,597,977	£358,232	£2,956,209
NET BOOK VALUE			
31 December 1984	£2,580,370	£398,181	£2,978,551

7. STOCKS:

Stocks are stated at the lower of cost and net realisable value. Stock at 31 December 1984 includes stock and costs of publications in progress.

	1984	1983
Stock of publications	£ 35,994	£ 20,130
Publications in progress	—	3,155
	£ 35,994	£ 23,285

8. OTHER DEBTORS AND PREPAYMENTS:

	1984	1983
Other debtors	£ 149,636	£ 42,924
Prepayments and accrued income	23,921	1,906
	£ 173,557	£ 44,830

Notes to Accounts (continued)

9. CONTRIBUTIONS FROM SECTIONS:

Total contributions may be summarised as—

	1984	1983
Regular contributions	£3,508,914	£3,167,584
Additional income arising from currency fluctuations	285,154	—
	3,794,068	3,167,584
Program Reserve and Special Projects Fund	173,841	142,603
	£3,967,909	£3,310,187
<i>a) Operating income—</i>		
Contributions as agreed by the International Council	£3,571,214	£3,197,958
Less: provision for unpaid contributions	(62,300)	(30,374)
	3,508,914	3,167,584
Additional income arising in movements in exchange rate between date of assessment and due date	205,995	—
Exchange gains arising from movements in exchange rates between due date and payment date	79,159	—
	£3,794,068	£3,167,584

Contributions from Sections were payable in sterling prior to 1984 and hence additional income from exchange fluctuations did not arise in 1983.

Unbudgeted income arising in 1984 as a result of currency fluctuations has been transferred to a Foreign Currency Fluctuation Reserve Fund (see Note 3).

b) Contributions from Sections to the Program Reserve and Special Projects Fund—

Premises	£ —	£ 2,224
General	173,841	140,379
	£ 173,841	£ 142,603

Notes to Accounts (continued)

10. **SALES OF PRODUCTS:**

Sales of publications and audiovisuals are shown under income. Related costs of sales and other expenses are included under the appropriate expenditure captions. The results of these activities can be summarised as follows

	1984	1983
Turnover	£ 68,604	£ 70,077
Cost of sales	(241,069)	(198,239)
Other administrative expenses	(154,589)	(128,899)
Deficit for year	<u>£ (327,054)</u>	<u>£ (257,061)</u>

11. **OTHER INCOME:**

	1984	1983
Interest receivable and similar income	£ 46,199	£ 106,158
Exchange gains on dollar account	6,736	3,574
Recovery of debts previously written off	—	64,496
Other operating income	4,613	12,931
	<u>£57,548</u>	<u>£187,159</u>

12. **EXPENDITURE:**

Total expenditure includes—

	1984	1983
Auditors' remuneration	£ 11,600	£ 9,800
Depreciation of tangible fixed assets	<u>135,440</u>	<u>59,026</u>

13. **SALARIES AND RELATED EXPENSES:**

The following information is given in respect of salaries and related expenses—

a) Employee costs during the year amounted to—

	1984	1983
Salaries	£1,768,171	£1,544,246
Social security costs	141,080	131,778
Superannuation costs	91,721	74,532
	<u>2,000,972</u>	<u>1,750,556</u>

Notes to Accounts (continued)

Related expenses	104,553	43,810
	<u>£2,105,525</u>	<u>£1,794,366</u>

b) The average weekly number of persons employed by the company during the year was 192 (1983 - 179).

c) The director's remuneration amounted to £18,044 (1983 - £17,598).

d) No employee of the company earned more than £30,000 per annum in the year.

e) Pension arrangements

Amnesty International Limited maintains a funded pension plan covering most employees. The company contributes 5.9% of salary costs to the scheme (to be increased to 6.5% with effect from 1 January 1985), the employee 5%. Pension expense for the year amounted to £91,721 (1983 - £74,532). An actuarial valuation performed as at 1 January 1984 and which took into account the increased rate of employer's contribution confirmed that the plan was fully funded at that date.

The provision of £11,600 for past service liability at inception of the scheme, which is included in accruals and deferred income, is being amortised over 20 years on a straight-line basis; the unamortised balance at 31 December 1984 was £5,220 (1983 - £5,800).

14. **TAXATION:**

Amnesty International Limited is liable to corporation tax on profits arising from any trading activity and on investment income. No provision for corporation tax has been made in these financial statements as the company has trading losses available for offset against investment income arising in the current year.

The company has trading losses available to carry forward for offset against taxable income arising in future years of approximately £870,000.

15. **FINANCIAL COMMITMENTS:**

Capital commitments

At the end of the year there were no capital commitments contracted for or authorised but not contracted for.

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