

AMNESTY INTERNATIONAL REPORT 1984

FINANCIAL SUPPLEMENT Amnesty International Limited Accounts for the year ended 31 December 1983 together with Director's and Auditors' Reports

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DIRECTOR'S REPORT FOR THE YEAR ENDED 31 DECEMBER 1983

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 1983.

ACTIVITIES:

The company's activities in 1983 were-

- 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 period, the company carried out the activities listed above. By the end of the year there were 3,221 Amnesty International groups in 51 countries and members, subscribers and supporters around the world exceeded 500,000.

The company also distributed relief payments of £202,558 to help prisoners of conscience and their families and to assist the rehabilitation of torture victims. The relief programme 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 £3,592,014 (8 months to 31 December 1982 – £2,619,156) and its expenditure to £3,206,198 (8 months to 31 December 1982 – £1,849,577) with the result that the surplus for the year was £385,816 (8 months to 31 December 1982 – £769,579). Of this amount, £417,875 represented the excess of income over expenditure relating to the operating budget and £32,059 represented the deficit of the Program Reserve and Special Projects Fund.

Of the company's total reserves of £2,734,267 carried forward at 31 December 1983, £2,311,016 is carried forward on the General Accumulated Reserve and £423,251 on the Program Reserve and Special Projects Fund.

FIXED ASSETS:

In October 1982 the company acquired freehold premises at 1-7 Easton Street and 45-47 Rosebery Avenue, London at a cost of £1,250,000 including expenses. An additional £1,376,573 has been spent on refurbishing the building which was occupied in September 1983.

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 in 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.

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 15 March 1984 To the Members of Amnesty International Limited:

We have audited the accounts set out on pages 6 to 7 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 1983 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 15 March 1984 7

AMNESTY INTERNATIONAL LIMITED INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 1983

	X	Operating Incorne and Expenditure	General Accumulated Reserve	Reserve and Special Projects Fund	1 586 I	8 months to 31 December 1982
INCOME						
Contributions from Sections	9	£3,167,584	<u>ં</u> બ	£ 142,603	£3,310,187	£2,238,109
Donations and bequests			1	24,591	24,591	207,943
Sales of products	01	70,07		i	70,07	42,405
Other income	Ξ	3,574		183,585	187,159	130,699
		382,838	ļ	(382,838)	-	i
		3,624,073		(32,059)	3,592,014	2.619.156
EXPENDITURE	12					
Salaries and related expenses	13	(1.794.366)	i	·	(1,794,366)	(1.088.525)
Administration and program related expenses		(331,219)	-		(331,219)	(171,291)
Meetings and travel expenses		(275,814)	-		(275.814)	(178.462)
Office expenses		(406.049)	İ	etern	(406.049)	(224.022)
		(237.790)	***********	i	(237.790)	(104.137)
Other expenses		(160,960)	!	!	(160,960)	(83,140)
		(3,206,198)	. 6		(3,206,198)	(1.849.577)
Surplus for the period		417.875		(32,059)	385.816	769,579
RESERVES, beginning of period		İ	1,616,363	732.688	2.348.451	1,392,515
Transfer from other reserves			!		ļ	186,357
Transfer of operating surplus to Program Reserve and Special Projects Fund		(417,875)		417,875		!
I ranster of costs of freehold premises to general fund		!	694,653	(694.653)		
RESERVES, end of period	m		£2,311,016	£ 423,251	22.734.267	22,348,451

AMNESTY INTERNATIONAL LIMITED BALANCE SHEET — 31 DECEMBER 1983

1982

,355

£1,457,

LIABILITIES				ASSETS		
CABITAL AND DECEDVES	Notes	1983	1982	FIXED ASSETS	Notes	1983
Income and expenditure account - General Accumulated Reserve	1	£2,311,016	£1,616,363	Tangible assets	9	£2.956,209
- Frogram Reserve and Special		423,251	732,088 2,348,451			
CREDITORS				CURRENT ASSETS Stocks	7	23,285
Amounts due to Sections Other creditors and accruais	444	407,875	188,079	Debtors - Amounts due from Sections Other debtors and		120.229
Kellief funds Past service superannuation liability	13	5.800	6.380	prepayments Cash at bank and in hand	∞	44.830 608.245
		1,018,531	618.993			796.589

the direct

65.821 1,360,445 1,510.089 22,967,444

80.129

3.69

AMNESTY INTERNATIONAL LIMITED STATEMENT OF SOURCE AND APPLICATION OF FUNDS FOR THE YEAR ENDED 31 DECEMBER 1983

	12 months to 31 December 1983	
SOURCES OF FUNDS Net surplus for period Depreciation, which does not involve		£ 769,579
cash flow during the period	59,026	17,916
Funds from operations	444,842	787,495
Net book value of assets disposed	2,637	
Relief funds receipts	166,913	47,494
Other sources - decrease in stocks - decrease in amounts due from	241th	1,036
Sections - decrease in other debtors and	•	85,184
prepayments	20,991	
 increase in amounts due to Sections increase in other creditors and 	152,596	129,435
accruals	293,245	40,722
	1,081,224	1.091,366
USES OF FUNDS		
Purchases of tangible fixed assets Increase in other debtors and	1,560,517	1,440,676
prepayments Increase in stocks		21,872
Increase in amounts due from	19,591	
Sections Relief funds payments	40,100	
Reduction of past service	212,636	107,673
superannuation liability	580	
	1,833,424	1,570,221
Decrease in cash during the period	£ 752,200	£ 478,855

The accompanying notes are an integral part of this statement.

1. AIMS AND ORGANISATION:

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.

- 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 was incorporated on 6 January 1982 as a company limited by guarantee and not having a share capital. It was inactive until 1 May 1982 when it acquired (for no consideration) the assets and liabilities recorded in the accounts of the International Secretariat and started its activities. The assets and liabilities it acquired were recorded in the company's accounts at their previous book value which the director considers approximated their fair value.

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.

At 31 December 1983 the company had 9 members, each of whom had guaranteed to pay a sum not exceeding £1 in the event of the company being wound up. The members of the company are the members of the International Executive Committee of the worldwide movement,

Notes to Accounts (continued)

2. ACCOUNTING POLICIES: a) Basis of presentation

The financial statements are presented under the historical cost convention and in accordance with the reporting and presentation requirements of the Companies Act 1981 in the format that the director considers most suitable for the company's purpose.

b) Income

Section contributions 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 will not or cannot meet,

Donations are accounted for on a cash basis. Sales of products revenue represents the sale of publications and audio visuals to Sections and third-parties.

c) Property and equipment

Property and equipment are stated at cost less accumulated depreciation. Depreciation is provided at the following rates:-

Freehold buildings – 1% per annum

Office equipment over a period of four years

d) Publications stocks

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

e) Foreign currencies

Foreign currency assets and liabilities are translated into pounds sterling at the exchange rates ruling at the balance sheet date.

Foreign currency income and expenditure are translated into pounds sterling at the average exchange rates for the year.

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 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 £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 to be used for relief and special needs in supporting the operating budget of the company.

iii) The reserves are available for use to meet the aims of the organisation 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(d).

Amounts due within one year -

	1983	1982
Other creditors, including PAYE and social security Accruals and deferred income	£402,182 79,142	£ 78,908 109,171
	£481,324	£188,079
Amounts due to Sections comprise:-		•
	1983	1982
Interest-free loans Prepaid assessments	£266,556 141,319	£ 255,279
	£407,875	£255,279
The interest-free loans are payable on	demand.	

Notes to Accounts (continued)

5. RELIEF FUNDS:

The International Secretariat is responsible for the administration and disbursement of relief funds it receives. 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 is summarised as follows -

	Twelve months to 31 December 1983	Eight months to 31 December 1982
Increases -		
Specific relief funds received	£150,979	£ 32,053
Interest income	15,934	15,441
	166,913	47,494
Decreases -		
Payments by geographical region -		
Africa	48,063	18,755
Asia	26,132	23,345
Europe	11,517	1,360
America	116,046	57,691
Middle East	800	
Other (including administration charge)	10,078	6,522
	212,636	107,673
Net decrease for the period	(45,723)	(60, 179)
Balance of relief funds, beginning of	,	, , , , , , , , , , , , , , , , , , ,
period	169,255	229,434
Balance of relief funds, end of period	£123,532	£169,255

6. TANGIBLE FIXED ASSETS:

Movement on the fixed assets accounts during the period was -

	Freehold land and buildings	Leasehold improvements	Office equipment	Total
COST -				
Beginning of				
year	£1,416,363	£ 48,146	£163.258	£1,627,767
Additions	1,210,210	 -	350,307	1,560,517
Disposals		(48, 146)	(6,663)	(54,809)
Balance at 31		,	(, , , , , ,	(5.4007)
December 1983	2,626,573		506,902	3,133,475
DEPRECIATION	V			
Beginning of year	2,330	48,146	119,936	170,412
Charge	26,266		32,760	59,026
Disposals		(48, 146)	(4.026)	(52,172)
Balance at 31				` ' ' ' ' ' ' ' ' ' ' ' ' ' ' ' ' ' ' '
December 1983	28,596		148,670	177,266
NET BOOK				
VALUE	£2,597,977	<u>-</u>	£358,232	£2,956,209

7. STOCKS:

Stocks are stated at the lower of cost and net realisable value. Stock at 31 December 1983 includes stock and costs of publications in progress.

	31 December 1983	31 December 1982
Stock of publications	£20,130	£ 3,694
Publications in progress	3,155	
	£23,285	£ 3,694

Notes to Accounts (continued)

8. OTHER DEBTORS AND PREPAYMENTS:

	31 December 1983	31 December 1982
Other debtors Prepayments and accrued income	£42,924 1,906	£12,250 53,571
	£44,830	£65,821

9. CONTRIBUTIONS FROM NATIONAL SECTIONS:

	Twelve months to 31 December 1983	Eight months to 31 December 1982
Operating income and expense -		
Regular	£3,197,958	£1,714,061
Less – provision for unpaid contributions		(26,773)
	3,167,584	1,687,288
Program Reserve and Special Projects F	fund –	
Premises	2,224	102,974
General	140,379	447,847
	142,603	550,821
	£3,310,187	£2,238,109

10. TURNOVER FROM PRODUCTS:

Sales of publications and audio visuals 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 -

	Twelve months to 31 December 1983	Eight months to 31 December 1982
Turnover Cost of sales Other administrative expenses	£ 70,077 198,239 128,899	£ 42,405 98,969 61,067
Deficit for period	£257,061	£117,631

11. OTHER INCOME:

	Twelve months to 31 December 1983	Eight months to 31 December 1982
Interest receivable and similar income	£106,158	£116,366
Exchange gains	3,574	1,114
Recovery of debts previously written off	64,496	· • · · · · · · · · · · · · · · · · · ·
Other operating income	12,931	13,219
	£187,159	£130,699

12. EXPENDITURE:

Total expenditure includes -

	Twelve months to 31 December 1983	<u> </u>
Auditors' remuneration Depreciation of tangible fixed assets	£ 9,800 59,026	£ 8,354

13. SALARIES AND RELATED EXPENSES:

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

a) Employee costs during the period amounted to -

	Twelve months	Eight months
	to 31 December	to 31 December
	1983	1982
Salaries	£1,544,246	£ 914,366
Social security costs	131,778	87,823
Superannuation	74,532	50,222
	1,750,556	1,052,411
Related expenses	43,810	36,114
	£1,794,366	£1,088,525

- b) The average weekly number of persons employed by the company during the period was 179. (Period ended 31 December 1982 168).
- c) The director's remuneration amounted to £17,598 (1982 £10,714).
- d) No employee of the company earned more than £30,000 per annum in the period.
- e) Past service superannuation liability.

Amnesty International Limited's Retirement Benefits Scheme is an insured scheme which covers most employees. 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 1983 was £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 accounts since trading losses exceed investment income in the current year.

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