

Company number: 2097222  
Charity number: 327421

**ARTICLE 19**

**Report and Financial Statements**

**31 December 2014**



**sayer vincent**

Chartered Accountants  
auditors and advisors

**Article 19**

**Reference and administrative details**

**For the year ended 31 December 2014**

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**Company number** 2097222

**Charity number** 327421

**Registered office and operational address** Free Word Centre  
60 Farringdon Road  
London  
EC1R 3GA

**Trustees** Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

Catherine Smadja	(Stepped down as chair December 2014)
Paddy Coulter	(Appointed Chair December 2014)
Galina Arapova	
Lydia Cacho	
Evan Harris	
Kamel Labidi	
Malak Popovic	
Jennifer Robinson	
Nigel Saxby-Soffe	Treasurer

**Secretary** Thomas Hughes

**Principal staff** Thomas Hughes Executive Director

**Bankers** Barclays Bank PLC  
Hanover Square  
8/9 Hanover Square  
London  
W1A 4ZW

CAF Bank LTD  
25 King Hill Avenue King Hill  
West Malling  
Kent  
ME19 4JQ

**Solicitors** Bates Wells Braithwalte  
10 Queen Street Place  
London  
EC4R 1BE

**Auditors** Sayer Vincent LLP  
Chartered accountants and registered auditors  
Invicta House  
108 – 114 Golden Lane  
London  
EC1Y 0TL

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**Report of the trustees**

**For the year ended 31 December 2014**

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LETTER FROM THE CHAIR

2014 was a year of growth for ARTICLE 19: growth in the threats to information and media freedoms around the world but also in our capacity to respond. New funding partnerships also brought growth in our financial resources.

Taking over the chairing of the International Board from Catherine Smadja at the end of 2014, I find ARTICLE 19 entering a new phase of our 28-year history, embarking on a new, genuinely global six-year strategy. I would like to pay tribute to Catherine for her role in shaping the dynamic organisation which we have become. By the middle of 2015 our organisational strategy should be fully informed by our work on the ground, acting as an umbrella for our thematic and regional strategies.

Any ARTICLE 19 strategy rests on the strengths of our regional affiliates and offices. The International Board was reminded of this at our December meeting in Mexico City. It was a fitting setting, highlighting some of the toughest contemporary human rights challenges along with the determination and creativity which our hosts, ARTICLE 19 Mexico, bring to their work.

The December Board also confirmed Galina Arapova, from the Mass Media Defence Centre, as Vice Chair, and approved mechanisms to further strengthen our international governance and financial management. I was delighted to learn that Frank La Rue, until recently the UN Special Rapporteur on freedom of expression, will be joining the International Board in 2015.

This report bears witness to the commitment and courage of those taking action on the ground to defend freedom of expression and information.

Sincerely,

**Paddy Coulter**  
Chair, ARTICLE 19

**June 2015**



## Article 19

### Report of the trustees

#### For the year ended 31 December 2014

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The Trustees, who act as the Directors of the Company for the purposes of the Companies Acts, and trustees for charity law purposes, submit their annual report and the financial statements of ARTICLE 19 for the year. The Trustees confirm that the annual report and financial statements of the Charity comply with current statutory requirements, the requirements of the Charity's governing document and the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities (revised 2005)'.

#### About ARTICLE 19 and its approach

##### Governing Document

ARTICLE 19 is a charitable company limited by guarantee (no 2097222). It was set up by a Memorandum of Association on 5 February 1987. Its Memorandum and Articles of Association were amended by a special resolution in July 2013, and have since been approved by the Charity Commission. ARTICLE 19 was registered as a charity on 7 January 1987 (registered charity number 327421).

##### Objectives and Activities

ARTICLE 19's objectives are to educate the public and protect freedom of expression, access to information and related rights, throughout the world, particularly as defined in ARTICLE 19 of the Universal Declaration of Human Rights and in international and regional human rights law. It fights for all hostages of censorship, defends dissenting voices that have been muzzled, and educates against laws and practices that silence.

ARTICLE 19 believes that all people have the right to freedom of expression and access to information, and that the full enjoyment of this right is the most potent force to achieve individual freedoms, strengthen democracy, and pre-empt repression, conflict, war and genocide.

The activities currently carried out for the public benefit by the charity and to make freedom of expression a reality all over the world can be broadly categorised as follows. ARTICLE 19:

- Champions freedom of expression and information, as a fundamental human right that is also central to the protection of other rights.
- Monitors, researches, publishes, campaigns, sets standards and provides information to courts on behalf of freedom of expression wherever it is threatened.
- Provides expertise on international human rights standards that protects the right to speak and right to know in countries emerging from conflict, war and genocide or repression.
- Works to safeguard media pluralism, independence and diversity of views.
- Provides legal and professional training and mentoring to national actors, including non-governmental organisations (NGOs), judges and lawyers, journalists, media owners, public officials and parliamentarians.
- Promotes the right to know of poorer communities to ensure transparency and strengthen citizens' participation.

In setting ARTICLE 19's programme each year, ARTICLE 19 has regard to the Charity Commission's general guidance on public benefit. The Trustees review the programmes undertaken by ARTICLE 19 to ensure that they fall within ARTICLE 19's charitable objects and aims.

ARTICLE 19 works to achieve its charitable objectives in two ways:

- (1) through direct delivery especially in relation to work in areas where it has its own staff; and
- (2) through financial and capacity support to ARTICLE 19's partner organisations.

Work carried out by partner organisations is especially useful in jurisdictions where ARTICLE 19 has no established infrastructure for managing staff and operations or where partners provide knowledge and skills that complement ARTICLE 19's own international comparative perspective. Partnership also assists in maximising the number of

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### Report of the trustees

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beneficiaries reached. In turn, partnership has both defined and strengthened ARTICLE 19's effectiveness and legitimacy.

#### Board of Trustees

The Trustees of ARTICLE 19 meet regularly to retain effective control over the organisation and to monitor the work of the Executive Director. The Trustees meet at least twice a year to provide financial, strategic and policy oversight and to assess and manage corporate risks. The Finance & General Purposes Committee (FGPC), a committee of the Board of Trustees, meets more frequently to carry out functions delegated to it by the Board in relation to ARTICLE 19's operations.

There were 9 Trustees in 2014:

- **Galina Arapova**, Director, Senior Media Lawyer, Mass Media Defence Centre, Russia;
- **Lydia Cacho**, journalist, Mexico; Steering Committee Member, *Campana Global por la libertad de expresion A19*; Resigned December 2014;
- **Paddy Coulter**, Director, Oxford Global Media, UK; Chair of ARTICLE 19 from December 2014;
- **Evan Harris**, free speech campaigner, UK;
- **Kamel Labidi**, journalist, Tunisia;
- **Malak Poppovic**, Senior Advisor, Conectas Direitos Humanos, Brasil; Board Member, Artigo 19 Brasil;
- **Jennifer Robinson**, Director of Legal Advocacy, Bertha Foundation, UK;
- **Catherine Smadja**, Director of Special Projects, Policy and Strategy, BBC, UK; Chair of ARTICLE 19 during 2014;
- **Nigel Saxby-Soffe**, retired Finance Director, UK; Treasurer of ARTICLE 19;
- **Frank la Rue**, Former UN Special Rapporteur on Freedom of Expression issues, Italy; Appointed December 2014

The Finance and General Purposes Committee had three members as of December 2014: Catherine Smadja, Nigel Saxby-Soffe, and Paddy Coulter. On stepping down as chair of the board, Catherine resigned from the committee and Jennifer Robinson joined the committee.

#### Selection and appointment of Trustees

New Trustees are first nominated and recommended by existing members. Their CVs are circulated, and the nominating member meets with the prospective Trustees. Trustees will then vote to appoint a new Trustee. New Trustees are confirmed at the Annual General Meeting of ARTICLE 19.

#### Induction and training of Trustees

On appointment, UK Trustees meet with the Chair, the Executive Director and staff members as part of an induction programme; they receive key ARTICLE 19 organisational and programmatic documents. For non-UK based Trustees the induction programme is held at the time of a Board meeting. Trustees are provided with an ARTICLE 19 email address and are added to internal distribution lists, enabling them to be fully aware of, and contribute to, the work done by the organisation as they think fit.

#### Structure of the Organisation

ARTICLE 19 has its own structure and organisation under active review, seeking to ensure that its institutional arrangements are best suited to the effective achievement of its objectives and performance of its work. The international and regional nature of ARTICLE 19's work means the organisation must carefully evaluate the most appropriate arrangements to put in place to serve the interests and needs of ARTICLE 19, seeking to ensure compliance with local requirements and laws.

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ARTICLE 19's International Office (based in London) hosts ARTICLE 19 International support programmes (including Law and Policy; Media and Communication; and Operations) as well as regional programmes (Europe, Asia and Middle East), directly manages two local offices (in Tunisia and Myanmar) and provides financial, operational and fund raising support to offices in Bangladesh and Senegal and ARTICLE 19 Affiliate Members established in Mexico, Brazil, the USA and East Africa: ARTICLE 19 Bangladesh, ARTICLE 19 West Africa, Campaña Global por la libertad de expresión, A19 (ARTICLE 19 Mexico), ARTIGO 19 Brasil (ARTICLE 19 Brazil), ARTICLE 19, Inc., and ARTICLE 19 East Africa (ARTICLE 19 Kenya).

ARTICLE 19 Mexico has not been included in ARTICLE 19's financial statements, due to its high level of constitutional and financial independence.

Representatives of the Board or Steering Committee of ARTICLE 19 Brazil and ARTICLE 19 Mexico are members of the Board of ARTICLE 19. ARTICLE 19 adopted a new organisational Constitution in 2012 which mandates cross appointments from the International Board to the Boards or Steering Committees of Affiliate Members, where these exist. These appointments will be completed in 2014.

ARTICLE 19 Inc, a charitable enterprise incorporated in Delaware, has been established to assist in relation to fund raising in the United States and the development of ARTICLE 19's work.

The structural arrangements are intended to enable the development and delivery of ARTICLE 19 projects, programmes, strategies and vision across the world. ARTICLE 19's culture of openness and dialogue encourages and enables cross-function learning and the exchange of knowledge across all ARTICLE 19 offices.

#### Risk Review

The top 3 risks for ARTICLE 19 remain as follows:

1. Security of ARTICLE 19 staff:

The politically sensitive nature of its work, coupled with the difficult places in which ARTICLE 19 works, generates very real risks to staff safety. For example, ARTICLE 19's largest regional presence is in Central America, based in Mexico City, where the constant threats against the lives of journalists and those who support freedom of information are well known. To counter this risk, ARTICLE 19 has developed location-specific security protocols in the highest-risk areas and requires staff to produce a safety and security plan when traveling to a higher-risk location.

2. Funding:

The organisation is dependent upon project funding, which has to be sought constantly. A high percentage of funding currently comes from statutory sources in Europe; therefore the potential for governments to pull back on their foreign development funding poses a significant risk for ARTICLE 19 that is being constantly monitored. Trustees carefully consider the professional judgement of staff when making future financial plans and in assessing the likelihood of funding being secured. In addition Trustees have decided that ARTICLE 19 should aim to have sufficient reserves, amounting to around 6 months of operating costs.

3. Closing of Civic Space Globally:

ARTICLE 19's theory of change is rooted in the idea that it is essential to be on the front lines of fight to preserve and promote freedom of expression and information. 2013 saw a continued attack on civil societies ability to operate freely and openly in many places in the world, notably Russia and Central Asia and Africa. While this has not impacted our ability to operate yet, some countries where we work are considering (or have adopted) legislation that places severe restrictions on civil society. We will need to constantly monitor the situation and work in concert with other organisations to push back this shrinking of civic space worldwide.

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#### ARTICLE 19's partnerships

ARTICLE 19 believes that one of the most effective and principled ways to promote and implement Institutional, cultural and legal change is to work in partnership with local groups. This approach enables it to facilitate relationships amongst civil society actors on a national and international level and promote best-practice models from around the world. Its projects build the capacity of local organisations to ensure they are able to continue working in the future with decreasing International involvement and support.

A19 has developed an extensive partnership network across the world. At present, A19 works with about 50 domestic implementing partners, typically local civil society organizations, as well as media and human rights institutions, active in areas such as human rights, Freedom of Information, the media, women, health and the environment. In addition, the implementation of ARTICLE 19's projects involves nearly 100 grass-roots organisations that participate in training sessions, workshops, strategy meetings and evaluations.

ARTICLE 19 works closely with 5 regional and international inter-governmental organisations and has consultative status with the United Nations' economic and social council (ECOSOC), the Council of Europe and the Organization of African Unity. It is a member of 11 active coalitions, as well as of the Global Transparency Initiative, a network of civil society organisations promoting openness among international financial institutions. The organisation was also instrumental in establishing the International Freedom of Expression Exchange ("IFEX").

#### Global Challenges to Freedom of Expression and Information in 2014

Around the world, we increasingly witnessed a pushback against the democratic advances of the last century. Nowhere is this seen more clearly than in the battle to restrict civic space. Civic space is the place, both physical and legal, where people achieve their rights. It is the freedom to speak and to access the means to do so, to access information, participate in public decision-making, to organise, associate and assemble. A robust and protected civic space forms the cornerstone of accountable, responsive democratic governance and stable societies.

The restrictions to an open and inclusive civic space stretch from new laws that limit the ability of civil society to act and speak out against injustice to violent attacks against people exercising their rights to peaceful assembly. These attacks are happening not just in authoritarian regimes, but also in democratic States.

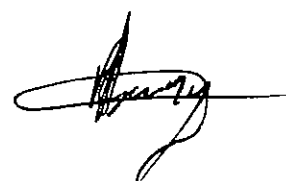
The legal environment for civil society continues to be highly contested. In the past two years alone, more than 50 laws have been proposed or enacted across the world restricting civic space. The range of legal barriers is diverse, including constraints on:

- Forming civil society organisations
- The ability of those organisations to access resources
- The ability of individuals and groups to gather peacefully in public spaces
- The ability of individuals and groups to speak out on issues of public concern, whether online or offline.

#### Key ARTICLE 19 Global Actions in 2014

In 2014, we had notable actions on freedom of information and access to information actions both in individual countries and globally. For example, we worked to protect demonstrators during the 2014 FIFA World Cup, whilst on the international stage we achieved progress in internet governance and influenced the United Nations' Sustainable Development Goals process.

- **Protecting digital space:** In 2014, we invested considerably in our engagement with different internet governance bodies. Our goals were to bring a stronger human rights-based perspective to technical and policy discussions, and to defend a multi-stakeholder model of internet governance.



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- We were part of the civil society organising committee for the NetMundial in Brazil.
  - We had a significant impact on civil society's position on a multi-stakeholder model of Internet governance, particularly at Internet Corporation for Assigned Names and Numbers (ICANN).
  - Our work to establish human rights advisory groups within technical and standard-setting bodies, such as ICANN and the Internet Engineering Task Force (IETF) gave us a leading role amongst international digital rights organisations.
  - We helped draft the African Declaration on Internet Rights and Freedoms.
- **Countries adopting right to information laws:** In 2014, we played a key part in helping civil society and governments refine laws and in raising public awareness of the need to adopt right to information laws. We received several requests for legal and technical assistance with drafting and revising legislation on RTI and related issues. These included reviews of laws and proposed bills in Morocco, Mozambique, Tunisia, Japan and Mexico. In Tunisia, our analysis of the access to information law is currently being used as the basis of civil society advocacy during the parliamentary adoption process. In Morocco, one minister asked us for more detailed legal commentary and help in formulating arguments that he could use with other ministers when advocating for changes to the law. 2014 saw a number of countries that we have worked with for several years adopting new RTI laws, including South Sudan, Afghanistan, and Paraguay
  - **Development and transparency:** In 2014, a major focus for us was the relationship between the right to information and sustainable development. At international level, we promoted the right to information, freedom of expression and protection of civic space within the Sustainable Development Goals (SDGs). At regional level, we advocated on a proposed legal instrument on access to environmental information, public participation and justice in Latin America. At national and local level, our regional offices worked with governments and local communities to promote the right to information in areas such as women's health and communities' access to water.
  - **Women and Minorities:** In 2014, we worked with lesbian, gay, bisexual, transgender and intersex (LGBTI) and gender campaign groups, protecting their right to freedom of expression without persecution and challenging discrimination. In Bangladesh, we coordinated a campaign against the abduction of female journalists and human rights defenders. We campaigned internationally as part of the International Day Against Homophobia, Transphobia and Biphobia (IDAHOT), including helping IDAHOT's committee shape 2014's theme of freedom of expression. In Malaysia we have been working with our partners, Project Dialogue, to encourage interfaith dialogue with various religious groups.
  - **Protection work:** In 2014, we saw the successful end to our *Protecting Journalists in the most dangerous environments project* in Russia. The project trained journalists and media lawyers in safety, legal issues and ethics. It also established a popular legal hotline for journalists in the country. We marked the 20<sup>th</sup> anniversary of a coup in the Gambia with a campaign denouncing the country's human rights record. We led an emergency response to a crackdown on civil society in Azerbaijan calling for the release of human rights defenders and also provided support to the Zone 9 bloggers case in Ethiopia.
  - **Protest:** In 2014, we prioritised the protection of protesters' rights – highlighting their right to occupy public space – and worked to strengthen their ability to insist on these rights. Our offices in Brazil and Mexico were at the vanguard of this work.

In June 2014, ARTICLE 19 Brazil launched *Protestos Brasília 2013*, an online report documenting the human rights violations that occurred during 696 demonstrations across the country in 2013. We ran several training workshops to give critical groups the skills they needed to protect themselves during protests.

In Mexico, we used our protest monitoring system, *Rompe el Miedo* to cover six different protests in Mexico City. We also developed a training package to expand it to other global regions where we work.

- **Legal Work:** Throughout the year, we developed and elaborated on progressive freedom of expression standards, developed policies that respond to current threats to freedom of speech and ensured that



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domestic legislation complies with international freedom of expression standards. At the UNESCO World Press Freedom Day, we provided significant support in drafting the 2014 Joint Declaration on Universality of the Right to Freedom of Expression.

As part of our work on access to information, we released a new document, *The Free Flow Principles: Freedom of Expression and Rights to Water and Sanitation*. Our work on hate speech is beginning to have an impact globally with key institutions adopting our recommendations. We have also been building on our surveillance policy work in the UK and internationally.

ARTICLE 19's work in 2014 reflected our growing regional presence around the world, and the breadth of the challenges facing freedom of expression and information.

#### Looking Back, Looking Forward

In 2014, ARTICLE 19 responded to numerous challenges and opportunities involving freedom of expression and information. These spanned the year, starting optimistically with the NETmundial conference in Brazil on the future of internet governance, and ending less positively with Kenya's new national security law restricting civic space and free expression.

Despite negative trends such as mass surveillance and the shrinking of civic space, we continued to press for strong freedom of expression standards to be upheld worldwide. This was supported by our increased global reach via our nine regional offices, and by our unique approach to bringing about change. Driven by our legal, campaign, communication and programme activities, we use local knowledge to inform international standards, national laws and policies.

At international level, our work focused on strengthening protection for journalists, bloggers, social communicators and human rights defenders and highlighting the relevance of human rights to technology. We also advocated successfully for the inclusion of the right to information and freedom of expression within the new Sustainable Development Goals due to be enacted this year, and promoted the importance of human rights within protests. At national level, we supported the democratic transitions in Tunisia and Myanmar. We also used freedom of expression and information to support grassroots communities and vulnerable groups worldwide by holding governments and companies to account on issues including the environment, water, health, disability and the right to truth.

Unfortunately, 2014 was marked by a deteriorating security environment for us and our partners. Threats against staff increased, mirroring the global trend of greater suppression and restriction of individuals and institutions defending human rights. Within our organisation we prepared for a number of internal changes. These included the development of our new multi-year strategy and the strengthening of our monitoring, finances, institutional learning and human resources. We built relationships with new partners to extend our reach in areas such as technology, civic space and transparency and with new donors to increase our budget. With our new strategy due to be rolled out by mid-2015, the coming year promises to be one of continued transformation and growth.

#### ARTICLE 19 2015 - 2021 Global Priorities

Our current global strategy, based around five goals, ends in 2015. This strategy has served us well and provided a solid framework upon which to defend and promote freedom of expression and information. However, the landscape is changing fast so in the second half of 2014 we began reviewing our work and discussing what our focus should be for the next few years. This has involved staff from all our global offices, as well as our international and regional Board



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#### **For the year ended 31 December 2014**

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members. Our aim is to develop a strategy that identifies the key current and future challenges, resonates globally and provides structure and coordination across our projects.

Although our law and policy will remain a defining feature, the new strategy will apply equally to our communications, campaigns and programmes. It will be a strategy that is informed by our broad experience in countries across the world. It will take the shape of a combination of long-term aspirations and short-term more attainable outcomes covering our five core thematic areas: digital, media, civic space, protection and development and transparency.

#### **Digital**

We will pursue progressive standards regarding the principles that are the most critical for the rights to freedom of expression, information, privacy and association in this digital age. We will seek to ensure that developers and ICT providers have clear guidelines with strong human rights protections. We will also engage with the main bodies, institutions and processes that govern and impact on internet resources, encouraging them to pursue freedom of expression and information principles in their policies and technical standards. Finally, we will seek to make a persuasive case for universal internet access and net neutrality worldwide.

#### **Media**

We will work with media regulators, media organisations, journalist associations, legislators and others to ensure a comprehensive understanding of the laws and regulatory frameworks that are necessary for a free, diverse and independent media, especially in an increasingly converged digital landscape. Finally, we will pursue media environments that are conducive to the wider public interest, ensuring a diversity of perspectives – editorial, staffing and ownership – across media.

#### **Civic space**

We will pursue progressive standards on the right to protest, along with progressive policies and practice in key countries. We will also promote public participation, supporting a robust environment for civic discourse, debate and protest. Finally, we will support social movements, civil society and individuals in the use of digital platforms, strategies and tactics.

#### **Protection**

We will ensure journalists, human rights defenders, media workers and other social communicators have access to tools and knowledge so that they can protect themselves online and offline from physical, digital and legal risks or threats. We will work with media organisations, journalist associations, civil society and other non-state actors to enable them to defend individuals at risk, and lobby governments for effective policies and practices to decrease threats. Finally, we will push for investigations into the most critical free expression cases.

#### **Development and Transparency**

We will ensure that the rights to information, free expression, participation and association are incorporated into global and regional agreements and accountability mechanisms on sustainable development and the environment. We will pursue progressive legal frameworks, comprehensive disclosure regimes, and access to social accountability tools to

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improve government and corporate accountability and transparency. Finally, we will work with individuals, organisations and communities to enhance their influence on decision making.

As we work on these five themes, we will continue to ensure that gender issues are considered, and to prioritise work with marginalised, vulnerable and threatened communities. These include human rights and environmental defenders, social communicators, LGBTI communities, and people with disabilities.

Our protection work in 2015 will focus on expanding recognition for ARTICLE 19's holistic protection approach in international and regional bodies and providing a comprehensive policy and training toolkit for human rights defenders and journalists. Particular attention will be paid to online protections and the development of a gender-sensitive training module. This work is partially funded, but resources will be sought to expand the reach of our training and communications platforms.

Finally, ARTICLE 19 will invest in building our brand among a wider audience of decision-makers through the development of strategic partnerships (such as with the Guardian Foundation and BBC Media Action) and the launch of 1-2 global communication and advocacy campaigns. Through this, A19 will receive greater recognition for our work and an enhanced ability to impact on our strategic goals.

#### FINANCIAL REVIEW

The financial results for the year ended 31 December 2015 are set out in the Statement of Financial Activities on page 14.

##### Income

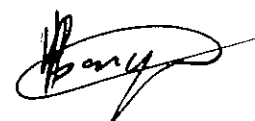
Total income in 2014 was £4.0 million, unchanged from 2013. Trustees are grateful to new and continuing core donors for their support and confidence in the work of the organisation. Article 19's key donors are government departments in Sweden, UK, Norway and the Netherlands. We received a total of £1.4 million directly and indirectly from the Swedish International Development Cooperation Agency (SIDA), partly as a core grant and partly as a member of a SIDA-funded consortium led by The International Center for Not-for-Profit Law. The UK government provided a core grant through the Department for International Development of £0.5 million and £0.3 million for specific projects through the Foreign and Commonwealth Office (FCO). The Norwegian Ministry of Foreign Affairs provided a total of £0.4 million and the Netherlands £0.2 million.

##### Expenditure

Total expenditure in 2014 increased by 11% to £4.1 million. Within the Asia projects, activities in our new Myanmar office increased significantly, funded by the FCO and SIDA, and the Bangladesh office increased its activities around the support of women journalists. In Latin America the number of projects undertaken by Article 19 Brazil increased, as did the employment costs as more staff joined the formal payroll. The growth in spend in Law & Policy primarily reflects the cost of major international meetings on Disability, the Right to Protest and the Right to Information. Grants to partners in Europe & Central Asia for the protection of journalists and other human rights defenders doubled in 2014. The reduction in spend in Global Projects reflected the ending of a project, funded by Adessum Foundation, to promote the development and expansion of information and communication technologies within the human rights framework.

##### Reserves

The total funds of Article 19 fell by some £59,000, comprising the net use of balances of restricted fund of some £38,000 and a reduction in unrestricted fund reserves of some £21,000. At the end of the year unrestricted fund reserves amounted to £656,000. This is less than the target level implied by the current reserves policy, which seeks to build reserves up to six months' worth of operating costs. This would have been some £1.1 million for 2014. The reserves are held to protect the organisation against unexpected falls in income and unplanned increases in expenditure. Trustees expect to be reviewing the reserves policy in 2015.



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### Report of the trustees

#### For the year ended 31 December 2014

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##### Statement of trustees' responsibilities

The Trustees (who are also directors of Article 19 for the purposes of company law) are responsible for preparing the report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements the Trustees are required to:

- Select suitable accounting policies and applied them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose, with reasonable accuracy at any time, the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the detection and prevention of fraud and other irregularities.

The Trustees of the company who held office at the date of the approval of the Financial Statements as set out above confirm, so far as they are aware, that:

- There is no relevant audit information of which the charitable company's auditors are unaware; and
- They have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

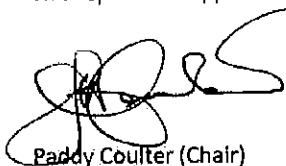
The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The report of the Trustees has been prepared in accordance with the special provisions of Part VII of the Companies Act 2006 relating to small companies.

##### Auditors

Sayer Vincent LLP were re-appointed as the charitable company's auditors during the year and have expressed their willingness to continue in that capacity.

This report was approved by the trustees on 26 June 2015 and signed on their behalf by:



Paddy Coulter (Chair)

## **Independent auditor's report**

### **To the members of**

#### **Article 19**

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We have audited the financial statements of Article 19 for the year ended 31 December 2014 which comprise primary financial statements and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of trustees and auditors**

As explained more fully in the Statement of Trustees' responsibilities set out in the trustees' report, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

#### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. In addition, we read all the financial and non-financial information in the trustees' report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### **Opinion on financial statements**

In our opinion the financial statements:

- Give a true and fair view of the state of the charitable company's affairs as at 31 December 2014 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- Have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements.



## Independent auditor's report

To the members of

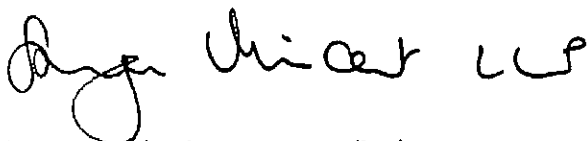
### Article 19

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

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- The financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit; or
- The trustees were not entitled to take advantage of the small companies exemption in preparing the report of the trustees' and take advantage of the small companies exemption from the requirement to prepare a strategic report.



Catherine Sayer (Senior statutory auditor)

1 July 2015

for and on behalf of Sayer Vincent LLP, Statutory Auditors  
Invicta House, 103 – 114 Golden Lane, LONDON, EC1Y 0TL

Article 19

Consolidated Statement of Financial Activities (incorporating an Income and Expenditure Account)

For the year ended 31 December 2014

	Note	Restricted £	Unrestricted £	2014 Total £	2013 Total £
<b>Incoming resources</b>					
<i>Incoming resources from generated funds</i>					
Voluntary Income	2	-	1,471,425	<b>1,471,425</b>	1,368,597
<i>Incoming resources from charitable activities</i>					
Africa Projects		469,037	-	<b>469,037</b>	493,610
Asia Projects		203,708	-	<b>203,708</b>	135,377
Latin America Projects		436,688	-	<b>436,688</b>	498,290
Law & Policy Projects		289,829	-	<b>289,829</b>	146,618
Europe & Central Asia Projects		304,534	-	<b>304,534</b>	394,935
Middle East & North Africa Projects		274,460	-	<b>274,460</b>	432,890
Global Projects		556,154	-	<b>556,154</b>	558,546
<b>Total incoming resources</b>		<b>2,534,410</b>	<b>1,471,425</b>	<b>4,005,835</b>	<b>4,028,863</b>
<b>Resources expended</b>					
<i>Costs of generating funds:</i>					
Costs of generating voluntary income		-	32,556	<b>32,556</b>	26,544
<i>Charitable activities</i>					
Africa Projects		425,393	374,917	<b>800,310</b>	968,240
Asia Projects		208,552	163,236	<b>371,788</b>	236,767
Latin America Projects		477,482	303,319	<b>780,801</b>	473,783
Law & Policy Projects		287,813	200,624	<b>488,437</b>	277,775
Europe & Central Asia Projects		430,413	151,598	<b>582,011</b>	413,606
Middle East & North Africa Projects		285,229	97,922	<b>383,151</b>	496,202
Global Projects		398,609	172,294	<b>570,903</b>	700,597
<i>Governance costs</i>		-	54,674	<b>54,674</b>	55,943
<b>Total resources expended</b>	4	<b>2,513,491</b>	<b>1,551,140</b>	<b>4,064,631</b>	<b>3,649,457</b>
<b>Net incoming resources before transfers</b>		20,919	(79,715)	<b>(58,796)</b>	379,406
Gross transfers between funds	13	(58,994)	58,994	-	-
<b>Net movement in funds</b>		(38,075)	(20,721)	<b>(58,796)</b>	379,406
<b>Reconciliation of funds</b>					
Total funds brought forward		1,112,796	677,161	<b>1,789,957</b>	1,410,551
<b>Total funds carried forward</b>		<b>1,074,721</b>	<b>656,440</b>	<b>1,731,161</b>	<b>1,789,957</b>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 13 to the financial statements.



Article 19

Balance sheet

Company No. 2097222

As at 31 December 2014

	Note	Charity 2014 £	Group 2014 £	Charity 2013 £	Group 2013 £
<b>Fixed assets</b>					
Tangible fixed assets	8	13,838	13,838	21,845	21,845
<b>Current assets</b>					
Debtors	10	111,854	124,466	476,998	494,348
Cash at bank and in hand		<u>2,442,414</u>	<u>2,577,868</u>	<u>1,665,979</u>	<u>1,793,242</u>
		2,554,268	2,702,334	2,142,977	2,287,590
<b>Liabilities</b>					
Creditors: amounts falling due within one year	11	<u>(985,011)</u>	<u>(985,011)</u>	<u>(519,478)</u>	<u>(519,478)</u>
<b>Net current assets</b>		<u>1,569,257</u>	<u>1,717,323</u>	<u>1,623,499</u>	<u>1,768,112</u>
<b>Net assets</b>	12	<u>1,583,095</u>	<u>1,731,161</u>	<u>1,645,344</u>	<u>1,789,957</u>
<b>Funds</b>					
Restricted funds	13	943,905	1,074,721	991,638	1,112,796
Unrestricted funds					
Designated funds		13,838	13,838	21,845	21,845
General funds		625,352	625,352	631,861	631,861
Subsidiary charity		-	17,250	-	23,455
<b>Total charity funds</b>		<u>1,583,095</u>	<u>1,731,161</u>	<u>1,645,344</u>	<u>1,789,957</u>

Approved by the trustees on 26 June 2015 and signed on their behalf by



Paddy Coulter, Chair



## Article 19

### Notes to the financial statements

**For the year ended 31 December 2014**

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#### 1. Accounting policies

- a) The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards and the Companies Act 2006. They follow the recommendations in the Statement of Recommended Practice, Accounting and Reporting by Charities (SORP 2005).

These financial statements consolidate the results of the charitable company and its wholly-owned subsidiary 'Artigo 19 Brasil' on a line by line basis. Transactions and balances between the charitable company and its subsidiary have been eliminated from the consolidated financial statements. A separate statement of financial activities, or income and expenditure account, for the charitable company itself is not presented because the charitable company has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006 and paragraph 397 of SORP 2005.

- b) Voluntary income is received by way of donations and gifts and is included in full in the statement of financial activities when receivable.
- c) Revenue grants are credited to the statement of financial activities when received or receivable whichever is earlier.

Where unconditional entitlement to grants receivable is dependent upon fulfilment of conditions within the charity's control, the incoming resources are recognised when there is sufficient evidence that conditions will be met. Where there is uncertainty as to whether the charity can meet such conditions the incoming resource is deferred.

Deferred income also comprises grants received which the grantor has specified must be used in a future accounting period.

- d) Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.
- e) Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.
- f) Designated funds are unrestricted funds earmarked by the trustees for particular purposes.
- g) Costs of generating funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose.

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.



## Article 19

### Notes to the financial statements

#### For the year ended 31 December 2014

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##### 1. Accounting policies (continued)

- h) Resources expended are recognised in the period in which they are incurred. Resources expended include attributable VAT which cannot be recovered.

Resources expended are allocated to activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff direct costs, of the amount attributable to each activity.

Africa projects	16%
Asia projects	9%
Latin America projects	22%
Law & Policy projects	15%
Europe and Central Asia Projects	11%
Middle East & North Africa projects	9%
Global Projects	18%

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

- i) Rentals payable under operating leases, where substantially all the risks and rewards of ownership remain with the lessor, are charged to the statement of financial activities in the year in which they fall due.
- j) Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. All differences are taken to the income and expenditure account.
- k) Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

Fixtures and fittings	25% straight line
Computer equipment	33% straight line

Items of equipment are capitalised where the purchase price exceeds £500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

- l) The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charity to the scheme in respect of the year.
- m) Rentals payable under operating leases, where substantially all the risks and rewards of ownership remain with the lessor, are charged to the Statement of Financial Activities on a straight line basis over the minimum lease term.

Article 19

Notes to the financial statements

For the year ended 31 December 2014

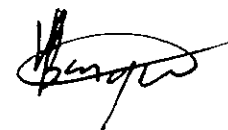
2. Voluntary Income

	Restricted £	Unrestricted £	2014 Total £	2013 Total £
Department For International Development (DfID)	-	542,687	542,687	542,687
Swedish International Development Cooperation Agency (SIDA)	-	307,631	307,631	307,025
Norwegian Ministry of Foreign Affairs	-	296,516	296,516	330,396
Dutch Ministry of Foreign Affairs	-	-	-	85,000
Ford Foundation	-	91,990	91,990	-
Fritt Ord	-	80,000	80,000	-
Other voluntary income	-	152,601	152,601	103,489
<b>Total</b>	<b>-</b>	<b>1,471,425</b>	<b>1,471,425</b>	<b>1,368,597</b>

3. Incoming resources from charitable activities

	Restricted £	Unrestricted £	2014 Total £	2013 Total £
International Center for Not-for-Profit Law	1,087,851	-	1,087,851	700,797
Foreign & Commonwealth Office	305,554	-	305,554	384,172
Open Society Foundation	264,545	-	264,545	213,712
Norwegian Ministry of Foreign Affairs	103,295	-	103,295	149,039
Dutch Ministry of Foreign Affairs	186,603	-	186,603	-
Hewlett Foundation	99,944	-	99,944	87,482
European Commission	63,873	-	63,873	366,237
Hivos	88,770	-	88,770	61,614
Ford Foundation	59,560	-	59,560	136,120
Stichting DOEN	-	-	-	127,122
Adesslum Foundation	-	-	-	115,621
Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ)	-	-	-	113,913
United Nations Democracy Fund	-	-	-	90,942
Baring Foundation	-	-	-	73,894
US Department of State	-	-	-	61,179
Others	305,128	-	305,128	13,821
Refunds	(30,713)	-	(30,713)	(35,399)
<b>Total</b>	<b>2,534,410</b>	<b>-</b>	<b>2,534,410</b>	<b>2,660,266</b>

Note: refunds represent an unspent amount paid back to donors



## For the year ended 31 December 2014

## 4. Total resources expended

	Staff costs (note 6)	Direct costs	Support costs	2014 Total	2013 Total
	£	£	£	£	£
Africa Projects	189,697	454,758	155,855	<b>800,310</b>	968,240
Asia Projects	105,561	179,498	86,729	<b>371,788</b>	236,767
Latin America Projects	267,351	293,796	219,654	<b>780,801</b>	473,783
Law & Policy Projects	185,330	150,841	152,266	<b>488,437</b>	277,775
Europe and Central Asia Projects	136,987	332,476	112,548	<b>582,011</b>	413,606
Middle East & North Africa Projects	104,590	192,630	85,931	<b>383,151</b>	496,202
Global Projects	222,154	166,229	182,520	<b>570,903</b>	700,597
	<b>1,211,670</b>	<b>1,770,228</b>	<b>995,503</b>	<b>3,977,401</b>	<b>3,566,970</b>
Cost of generating voluntary income	-	32,556	-	<b>32,556</b>	26,544
Governance costs	-	54,674	-	<b>54,674</b>	55,943
Support Cost	<b>561,420</b>	<b>434,083</b>	<b>(995,503)</b>	-	-
<b>Total resources expended</b>	<b>1,773,090</b>	<b>2,291,541</b>	<b>-</b>	<b>4,064,631</b>	<b>3,649,457</b>

Article 19

Notes to the financial statements

For the year ended 31 December 2014

5. Net Incoming resources for the year

This is stated after charging:

	2014	2013
	£	£
Depreciation	8,674	15,682
Operating lease rentals:		
▪ Land and buildings	192,264	263,174
▪ Plant and equipment	5,065	5,811
Auditors' remuneration:		
▪ audit	12,000	11,600
▪ other services	15,350	8,850
Trustees' remuneration	Nil	Nil
Trustees' expenses	1,047	4,297

Trustees' expenses represent the costs of travel and subsistence for 4 trustees (2013: 8 trustees)

6. Staff costs and numbers

Staff costs were as follows:

	2014	2013
	£	£
International Office salaries and wages	902,152	847,793
International Office social security costs	99,271	87,826
International Office pension contributions	65,260	69,387
Regional staff costs	596,234	467,899
Other staff costs	110,173	89,457
	<u>1,773,090</u>	<u>1,562,362</u>
Total emoluments paid to staff were:	<u>1,498,386</u>	<u>1,315,692</u>

Regional staff costs represent the gross pay to regional staff.

The average weekly number of employees (full-time equivalent) during the year was as follows:

	2014	2013
	No.	No.
Administration	7	7
International and regional project work	68	72
	<u>75</u>	<u>79</u>

The number of higher paid employees was:

In the band £60,001-£70,000	<u>1</u>	<u>1</u>
-----------------------------	----------	----------

Pension contributions of £6,112 (2013: £4,097) was paid in respect of the higher paid employee.



## Article 19

### Notes to the financial statements

#### For the year ended 31 December 2014

#### 7. Taxation

The charity is a registered charity and, therefore, is not liable for corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

#### 8. Tangible fixed assets

	Computer equipment £	Office equipment £	Total £
<b>Group and charity</b>			
<b>Cost</b>			
At the start of the year	63,030	27,236	90,266
Additions in year	667	-	667
At the end of the year	63,697	27,236	90,933
<b>Depreciation</b>			
At the start of the year	41,185	27,236	68,421
Charge for the year	8,674	-	8,674
At the end of the year	49,859	27,236	77,095
<b>Net book value</b>			
At the end of the year	13,838	-	13,838
At the start of the year	21,845	-	21,845

#### 9. Charitable Subsidiary

For accounting purposes ARTICLE 19 is treated as controlling Artigo 19 Brasil, a not-for-profit civil organisation incorporated in Brazil.

Artigo 19 Brasil enables ARTICLE 19 to carry out charitable activities in Brazil. Relevant financial information regarding Artigo 19 Brazil is as follows:

	2014 £	2013 £
Income	501,836	401,893
Charitable expenditure	(498,383)	(334,515)
Surplus/(deficit) for the year	3,453	67,378
Current assets	148,066	144,613
Liabilities	-	-
	148,066	144,613
Restricted funds	130,816	121,158
General funds	17,250	23,455
	148,066	144,613

The above information is based on Artigo 19 Brasil's annual returns to ARTICLE 19.

The charity has taken advantage of the exemption under s408 of the Companies Act 2006 and paragraph 397 of the SORP 2005 not to present its own Statement of Financial Activities.

The income of the Charity in the year was £3,503,999 (2013: £3,626,970) and its net outflow of funds was £88,549 (2013: £312,028).

Article 19

Notes to the financial statements

For the year ended 31 December 2014

10. Debtors	Charity 2014 £	Group 2014 £	Charity 2013 £	Group 2013 £
Grants receivable	105,832	105,832	456,715	456,715
Other debtors	6,022	18,634	20,283	37,633
	<u>111,854</u>	<u>124,466</u>	<u>476,998</u>	<u>494,348</u>

11. Creditors: amounts falling due within one year

	Charity 2014 £	Group 2014 £	Charity 2013 £	Group 2013 £
Trade creditors	42,099	42,099	59,964	59,964
Deferred Income	625,373	625,373	388,029	388,029
Social Security and other taxes	31,525	31,525	3,315	3,315
Pension contributions due	4,223	4,223	23,821	23,821
Accruals	94,633	94,633	8,669	8,669
Sundry creditors	187,158	187,158	35,680	35,680
	<u>985,011</u>	<u>985,011</u>	<u>519,478</u>	<u>519,478</u>
<b>Deferred Income</b>				
Balance at 1 January	388,029	388,029	521,979	521,979
Amount released to incoming resources	(388,029)	(388,029)	(521,979)	(521,979)
Amount deferred in the year	625,373	625,373	388,029	388,029
	<u>625,373</u>	<u>625,373</u>	<u>388,029</u>	<u>388,029</u>
Balance at 31 December	<u>625,373</u>	<u>625,373</u>	<u>388,029</u>	<u>388,029</u>

12. Analysis of net assets between funds

Group	Restricted funds £	Designated funds £	General funds £	Total funds £
Tangible fixed assets	-	13,838	-	13,838
Net current assets	1,074,721	-	642,602	1,717,323
<b>Net assets at the end of the year</b>	<u>1,074,721</u>	<u>13,838</u>	<u>642,602</u>	<u>1,731,161</u>
<b>Charity</b>				
Tangible fixed assets	-	13,838	-	13,838
Net current assets	943,905	-	625,352	1,569,257
<b>Net assets at the end of the year</b>	<u>943,905</u>	<u>13,838</u>	<u>625,352</u>	<u>1,583,095</u>

Article 19

Notes to the financial statements

For the year ended 31 December 2014

13. Movements in funds

Group and Charity	At the start of the year £	Incoming resources £	Outgoing resources £	Transfers £	At the end of the year £
<b>Restricted funds:</b>					
Artigo 19 Brazil	121,158	408,335	(365,128)	(33,549)	130,816
Brazil Projects	57,004	-	(57,004)	-	-
Mexico and Central America Projects	26,997	28,353	(55,350)	-	-
Total Latin America Projects	205,159	436,688	(477,482)	(33,549)	130,816
Africa Projects	268,005	469,037	(425,393)	(61,041)	250,608
Asia Projects	9,207	203,708	(208,552)	3	4,366
Middle East & North Africa Projects	4,022	274,460	(285,229)	1,651	(5,096)
Europe & Central Asia Projects	155,910	304,534	(430,413)	(843)	29,188
Law & Policy Projects	(647)	289,829	(287,813)	-	1,369
Global Projects	471,140	556,154	(398,609)	34,785	663,470
<b>Total restricted funds</b>	<b>1,112,796</b>	<b>2,534,410</b>	<b>(2,513,491)</b>	<b>(58,994)</b>	<b>1,074,721</b>
<b>Unrestricted funds:</b>					
<i>Designated funds:</i>					
Fixed assets fund	21,845	667	(8,674)	-	13,838
<i>Total designated funds</i>	21,845	667	(8,674)	-	13,838
<b>General funds</b>					
Charity	631,861	1,377,257	(1,442,760)	58,994	625,352
Subsidiary	23,455	93,501	(99,706)	-	17,250
<b>Total unrestricted funds</b>	<b>677,161</b>	<b>1,471,425</b>	<b>(1,551,140)</b>	<b>58,994</b>	<b>656,440</b>
<b>Total consolidated funds</b>	<b>1,789,957</b>	<b>4,005,835</b>	<b>(4,064,631)</b>	<b>-</b>	<b>1,731,161</b>

**Purposes of restricted funds**

The charity restricted funds are those of the group excluding Artigo 19 Brasil. The restricted funds are for various projects that ARTICLE 19 is commissioned to perform throughout the world.

For clarity, the note shows the split between the Brazil and the Mexico projects in Latin America. Funds listed under 'Brazil projects' are for work delivered through the London office, 'Artigo 19 Brasil' funds are for work delivered through staff in Brazil.

The Law and Policy projects provide legal analysis and support on any areas of law regarding human rights, including providing support on legal issues to ARTICLE 19 regional offices and affiliate members as well as working on global issues through the London office.

Global Projects income relates to other activities carried out by ARTICLE 19 run from the London office but cutting across our global work. The transfer between funds relates to exchange gain/losses and correction of accounting error leading to under allocation of costs to restricted projects.



Article 19

Notes to the financial statements

For the year ended 31 December 2014

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13. Movements in funds (continued)

**Purposes of designated funds**

The fixed asset fund represents the net book value of unrestricted tangible fixed assets. Each year an amount is transferred to or from the fund representing additions or disposals of unrestricted tangible fixed assets in the year net of depreciation.

14. Operating lease commitments

The charity had annual commitments at the year end under operating leases expiring as follows:

	Property		Equipment	
	2014	2013	2014	2013
	£	£	£	£
Less than 1 year	-	-	-	-
2 - 5 years	192,264	263,174	5,065	5,811
Over 5 years	-	-	-	-
	<u>192,264</u>	<u>263,174</u>	<u>5,065</u>	<u>5,811</u>

15. Pension commitments

The company has a defined contribution pension scheme for some of its employees. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension costs represent contributions payable by the company to the fund in the year and amounted to £65,260 (2013: £69,387) - note 6. Contributions totalling £4,227 (2013: £23,831) were payable to the fund at the balance sheet date and are included in creditors.

16. Related parties

Galina Arapova is a trustee of Article 19 and is also a director of Mass Media Defence Centre.

Mass Media Defence Centre is a partner organisation working with Article 19 on projects in Russia, with 'grants to partner' funding being disbursed from ARTICLE 19 to MMDC as per donor agreements.

A total of £7,930 was paid to Mass Media Defence Centre for the delivery of project activities in Russia during the course of 2014. Galina Arapova is not involved in the decision making process for awarding grants to partners.



