

Company number: 2097222

Charity number: 327421



ARTICLE 19

ARTICLE 19

Report and Financial Statements

31 December 2015

Article 19

Reference and administrative details

For the year ended 31 December 2015

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	(Retired as Trustee December 2015)
Paddy Coulter	Chair
Galina Arapova	
Evan Harris	
Kamel Labidi	
Frank La Rue	(Resigned April 2016)
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

Solicitors Bates Wells Braithwaite
10 Queen Street Place
London
EC4R 1BE

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

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Report of the trustees

For the year ended 31 December 2015

LETTER FROM THE CHAIR

2015 was the worst of times, but, in some ways, 2015 was also the best of times. It was a year when human rights organisations like ARTICLE 19 stepped up their efforts to confront often disturbing challenges and, as the contents of this report attest, were able to make real headway, even in the face of forces hostile to their goals.

A year which started with the sickening attack on the French satirical magazine *Charlie Hebdo* saw a more general deterioration in the safety situation facing journalists, human rights defenders and social media commentators across the world. The year not only saw assaults on journalists and editors but the detention of human rights lawyers, new legislation restricting civil space, more government censorship of information on the Internet, greater digital surveillance and a crackdown on privacy tools.

In 2015, ARTICLE 19 was able to take a lead in protecting freedom of expression in various fields, playing a central role in incorporating public access to information into the new Sustainable Development Goals approved by the UN General Assembly in September, the first such global governance target.

Furthermore, we played an important role in the Internet Engineering Task Force (IETF) and Internet Corporation for Assigned Names and Numbers (ICANN) in bringing freedom of expression considerations into discussions on Internet governance, technology and standards, with ICANN agreeing for the first time to have human rights commitments in its by-laws. We also fostered constructive engagement with UN bodies such as the UN Human Rights Council and the UN Special Rapporteurs on human rights, including the new Rapporteur for Freedom of Expression, David Kaye.

Within ARTICLE 19 itself there were several other 'firsts', including the launch of the 'Expression Agenda', a new six-year strategy for the organisation encompassing all ARTICLE 19 offices and teams around the world, and the elaboration of progressive Right to Protest Principles which link our international policy work with 'on the ground' support in an innovative way.

In June 2015, ARTICLE 19 also held its first General Assembly, with representatives of the organisation's affiliates and regional boards from Africa, Asia and the Americas meeting with the International Board in London to review activities (as laid out in the new ARTICLE 19 constitution adopted two years ago).

These are only a few of the highlights of 2015; do read on, and gauge for yourself the gravity of the challenges faced, and the commitment and courage shown by our staff, partners and colleagues around the world in confronting them.

Sincerely,



Paddy Coulter
Chair of ARTICLE 19
June 2016

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Report of the trustees

For the year ended 31 December 2015

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: SORP applicable to charities preparing their accounts in accordance with Financial Reporting Standard (FRS) 102.

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, lobbies, campaigns, sets standards and litigates on behalf of freedom of expression wherever it is threatened.
- Provides expertise on international human rights standards and for legislation 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 takes regard of 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

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ARTICLE 19's own international comparative perspective. Partnership also assists in maximising the number of 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 sub-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. The Governance Committee is a sub-committee of the Board of Trustees that reports to and advises the International Board and General Assembly on questions relating to ARTICLE 19's international governance policies, procedures and processes, including the recruitment of new members of the International Board. It meets on a biannual basis and other times as required.

There were 9 Trustees in 2015:

- **Galina Arapova**, Director, Senior Media Lawyer, Mass Media Defence Centre, Russia; Vice Chair from 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, Brazil;
- **Jennifer Robinson**, Director of Legal Advocacy, Bertha Foundation, UK;
- **Nigel Saxby-Soffe**, retired Finance Director, UK; Treasurer of ARTICLE 19;
- **Catherine Smadja**, Director of Special Projects, Policy and Strategy, BBC UK; retired as trustee December 2015
- **Frank la Rue**, Appointed Assistant Director for Communication & Information at UNESCO; resigned April 2016

The Finance and General Purposes Committee had three members as of December 2015: Paddy Coulter, Nigel Saxby-Soffe and Jennifer Robinson.

The Governance Committee had three members as of December 2015: Galina Arapova, Malak Poppovic, and Evan Harris. Paddy Coulter acted in an *Ex Officio* capacity as Chair of the International Board.

Selection and appointment of Trustees

New Trustees are first nominated and recommended by existing members. Their CVs are circulated to the Governance Committee, and the nominating member meets with the prospective Trustees. The Governance Committee then recommends the candidates to the General Assembly, who in turn recommend them to the Trustees upon agreement. 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.

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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.

ARTICLE 19's International Office (based in London) hosts ARTICLE 19 international support programmes (including Law and Policy, Media and Communications, and Operations) as well as regional programmes (Europe and Central Asia, Southeast Asia and Middle East), directly manages two local offices (in Tunisia and Myanmar) and provides financial, operational and fundraising 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.

Affiliate Members appoint a representative to the International General Assembly, which includes Affiliate Member representatives and independent members; in 2015, these included Affiliate Members from East Africa, Brazil, Mexico and the USA. Members of the International Board of Trustees are nominated from the General Assembly. 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 were completed in 2015.

ARTICLE 19 Inc., a charitable enterprise incorporated in Delaware, has been established to assist in relation to fundraising 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-functional 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 is present in Central America and Asia where the constant threats against the lives of journalists and activists 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 travelling to these locations.

2. Funding:

The organisation is dependent upon project funding, which has to be constantly sought. 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

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should aim to have sufficient reserves, amounting £750,000 which is outlined in its Reserves Policy adopted in 2016.

3. Closing of Civic Space restricting ARTICLE 19's ability to act in existing environments:

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. 2015 saw a continued attack on civil society's ability to operate freely and openly in many places in the world, notably Russia and Central Asia and Africa. This has impacted our ability to operate in some places, notably Ethiopia. Additional countries where we work are considering (or have adopted) legislation that places severe restrictions on civil society, including the ability to receive foreign funds. We will need to constantly monitor the situation and work in concert with other organisations to push back this shrinking of civic space worldwide, but in particular where we have operations.

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Introduction to ARTICLE 19's Expression Agenda from the Executive Director, Thomas Hughes

ARTICLE 19's vision is a world in which all people can speak freely, actively engage in public life, and express themselves without fear or discrimination. In 2015, offices and teams across ARTICLE 19 worked together to bring this reality closer, by developing a new six-year strategy: The **Expression Agenda**. This strategy outlines our unique and insightful plan for tackling existing and emergent challenges to freedom of expression and information worldwide.

Our **Theory of Change**, which underpins the Expression Agenda, places the individual at the heart of our work. We'll make sure local knowledge impacts policy-making at the international level, which can then secure progressive change at the national and local levels. We will draw on our decades of experience to deliver activities ranging from policy and legal standards, to international campaigns and development programmes.

The Expression Agenda encompasses five themes, all cross-cut by our new approach to sex, gender and sexuality: the **Mx Method** (see pg. 8), and underpinned by our theory of change that puts individuals at the heart of all our work, and ensures local knowledge steers policy-making at the international level.

Under the **Civic Space** theme, we will help secure the right to participate in public life: to engage in debate, criticise, protest and dissent, in the physical and online spaces. Through our **Digital** work, we will embed human rights principles into law and process, engaging governments, businesses and the technical community. Our **Media** work will ensure that media pluralism, freedoms and the public interest are protected and promoted in a globalised, digitalised and converged landscape. Our **Protection** work will continue to defend those on the front line, ensuring that violations are reported and perpetrators held to account. Our **Transparency** activities will ensure communities and individuals can enjoy their right to information and hold those in power accountable for their actions.

The Expression Agenda was presented to international experts in London in September 2015, receiving an engaged and positive response. We're confident that ARTICLE 19 will continue to lead the global battle to defend and promote freedom of expression and information for years to come.



Thomas Hughes
Executive Director
June 2016

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ARTICLE 19's Theory of Change

Three Pillars:

1. Strong laws and policies are the foundation for realising the rights of all to express themselves freely, and to seek, receive and impart information;
2. Accountability and transparency of power-holders and challenging impunity is key for the realisation of human rights and sustainable development;
3. An active and empowered civil society is essential for using the rights to freedom of expression and information to pursue dignity, equality, good governance and sustainable development.

ARTICLE 19 works with local communities, then takes that knowledge to international arenas where it can help inform key decision-makers and hold states accountable for their actions. This in turn helps put in place protections, and shift discourses in national and local environments, enabling individuals and communities to fully exercise their rights to expression and information, and work towards long-term and sustainable benefits and solutions for themselves and their communities.

We work with the UN Human Rights Council, UN treaty monitoring bodies, regional bodies and regional courts, among other international organisations, both governmental and non-governmental.

At the national level, we target countries where impact can be achieved through sustained engagement, trend-setting, or addressing worst-case examples; ARTICLE 19 also seeks to set best practices that can be promoted and replicated by states and civil society actors in other countries.

We also target specific individuals and communities at the local level to provide innovative best practices that can be promoted and replicated.

ARTICLE 19's Engagement

To maximise impact, we work at three levels:

Law and Policy: developing and promoting progressive standards, principles, policies, draft legislation, and judicial processes;

Campaigns: advocacy and public campaigns targeting governments, states, corporations and media, with the aim of influencing policy and practice, as well as specific cases;

Programmes: focussing on individuals and communities: knowledge-sharing, training, capacity-building, and support, plus the development and deployment of tools and resources. We also provide emergency protection for victims of threats and violence.

ARTICLE 19's Mx Method

Throughout the world, an individual's sex, gender and sexuality can determine whether they are able to exercise their rights to freedom of expression and information. The barriers they may face are rooted not just in legislation and national policies, but also in economics, cultural norms, customs and traditions. These obstacles are pervasive, historical, insidious, and normalised globally.

As part of the Expression Agenda, ARTICLE 19 makes sure that sex, gender, and sexuality are brought to the fore, highlighting them as key elements in ensuring the universality of freedom of expression and the right to information. The Mx Method – named after the gender-neutral honorific – will address the needs and challenges faced by women,

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girls and lesbian, gay, bisexual, transgender, queer and intersex (LGBTQI) people, and will be a consistent focus over the next six years for ARTICLE 19 across all our thematic areas. Barriers based on sex, gender and sexuality include:

- Constraints on the ability to express and live out one's sense of self, publicly or privately;
- Violence, threats and intimidation as a result of expression, participation and activism;
- Self-censorship encouraged by fear, often in an environment of deeply entrenched impunity for violence, as well as social stigma and cultural norms;
- Lack of representation and inclusion in decision-making processes;
- Limited channels to access information, such as on sexual and reproductive health;
- Censorship of information on LGBTQI issues and gender equality.

ARTICLE 19's Mx Method will address sex, gender and sexuality in three ways: through the Expression Agenda, by incorporating these considerations in our operations, and in promoting equality and inclusivity within our internal policies and practices. We will analyse the context and origins of violations holistically, considering both institutional and cultural factors and how they affect different groups. Over the next six years, we will develop tailored initiatives to meet these complex needs, which require long-term, targeted, and strategic approaches.

The Mx Method is inclusive: barriers to freedom of expression and the right to information based on sex, gender and sexuality cannot be effectively addressed without considering how they intersect and interact with other forms of identity, such as race or religion.

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.

ARTICLE 19 has developed an extensive partnership network across the world. At present, ARTICLE 19 works with about 50 domestic implementing partners, typically local civil society organisations, 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").

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Achievements and Performance

ARTICLE 19 at the United Nations

Working with United Nations Special Rapporteurs

The UN Special Rapporteurs play a key role in monitoring whether people are allowed to enjoy their human rights, and also in the development of new soft law on key human rights issues. ARTICLE 19 has developed strong relationships with many Special Rapporteurs, such as David Kaye, Special Rapporteur on the promotion and protection of the right to freedom of opinion and expression, and Maina Kiai, Special Rapporteur on rights to freedom of peaceful assembly and of association.

We have also been working with Heiner Bielefeldt, Special Rapporteur on freedom of religion or belief, who recommended ARTICLE 19's Camden Principles on freedom of expression and equality in his December 2015 report on the relationship between freedom of religion or belief, and freedom of opinion and expression. We have also worked with the Special Rapporteur in the field of cultural rights, and the Special Rapporteur on extrajudicial, summary or arbitrary executions, as well as with certain Special Rapporteurs who have single country mandates, such as those for Myanmar and Iran.

We have long argued that the right to freedom of expression cannot be enjoyed without the right to privacy, and ARTICLE 19 was instrumental in encouraging a consensus among UN member states to create a new mandate for a Special Rapporteur on the right to privacy, leading an oral statement of 92 organisations supporting this change. This new role, created in July 2015, was the culmination of this hard work. We look forward to working with Professor Joseph Cannataci, the new Special Rapporteur, on the intersection of these two rights, in the years to come.

The United Nations Human Rights Council

The UN Human Rights Council (UN HRC) is the UN's primary human rights body. Its resolutions help shape the development of international human rights law, and its mechanisms ensure accountability for abuses, as well as calling on states to provide redress for victims.

Expression and Belief: Resolution 16/18

ARTICLE 19 has led civil society's response to issues arising at the UN HRC where free expression and freedom of religion or belief intersect. The focus of this work in 2015 was the implementation of Resolution 16/18, a commitment made by States in 2011 to tackle religious intolerance not through censorship, but through the promotion of free expression, freedom of religion or belief, and by creating space for genuine dialogue.

We engaged in extensive advocacy at the UN HRC to maintain consensus around the Resolution; an exceptionally difficult challenge in the wake of the attack on *Charlie Hebdo* and the ensuing rise in calls to restrict speech. Crucially, we are now moving from policy to action, demonstrating through pilot projects in Tunisia, Bangladesh and Malaysia how Resolution 16/18 can be implemented at the national level.

We also provided substantial input to a report from the Universal Rights Group (URG) on the implementation of Resolution 16/18, recommending the Rabat Plan of Action, a framework which promotes a climate of free and open discourse, to prevent against incitement.

As well as advocacy at the UN in Geneva, we also focused in 2015 on ensuring these international standards were used as they are intended – to strengthen rights protection on the ground. Michelle Yesudas, a lawyer at Lawyers for Liberty in Malaysia, worked with us in Geneva, and took that experience back to her work at the national level, to inform demands for change in Malaysia.

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Setting the Agenda: Artistic Expression

ARTICLE 19's agenda-setting work on freedom of expression was given centre-stage at our side-event on artistic expression attended by ambassadors and diplomats, as well as artists from around the world who have experienced for themselves the dangers of censorship. Cartoonist Zunar from Malaysia, painter Nadia Plesner from Denmark, artist Issa Nyaphaga from Cameroon, and theatre director Natalia Kaliada from Belarus worked with us to send a clear message to the Human Rights Council that, across all societies, art is a powerful tool to challenge the status quo, question authority, and inspire new ways of thinking.

ARTICLE 19 was recognised as a key partner in ensuring the protection of the right to express through artistic media, as well as the right to engage in creative dissent. ARTICLE 19's engagement with States has solidified our position as both an expert and mobiliser of civil society, and David Kaye has committed to continue addressing the freedom of expression concerns of artists.

In 2015, ARTICLE 19 also...

- Held our first event at the UN General Assembly: an expert discussion on whistleblowers and the protection of sources;
- Submitted to, and were cited in, Special Rapporteur David Kaye's report on *Encryption and Anonymity*, as well as publishing our own report, *The Right to Online Anonymity*, holding a related panel event in London with Kaye and Sir David Omand, former director of the UK's Government Communications Headquarters (GCHQ), chaired by Carly Nyst;
- Engaged on freedom of expression items at the UN HRC concerning Eritrea, Myanmar and Iran;
- Made detailed demands for action to the UN High Commissioner for Human Rights on the deteriorating situation for freedom of expression in Myanmar. The High Commissioner then launched a public statement on the issue, and we were asked to provide political support to the Office of the High Commissioner for Human Rights following the statement's release; and
- Advocated for the freedom of expression focus in a UNESCO panel on online extremism.

Universal Periodic Review

The Universal Periodic Review (UPR) process provides a mechanism for States to review each other's human rights records on a regular basis, and gives civil society a genuine chance to contribute to the reviews via 'shadow reports', holding States to account in an international forum.

As well as submitting our own oral statements on Egypt, Gambia, Iran and Kazakhstan, ARTICLE 19 helped our partners bring their perspective to the table, such as Daysi Flores of JASS Associates, who delivered statements at both the Pre-Session and the outcome session held on Honduras in 2015.

Civic Space

Civic space is the physical and legal place where people live out their rights to express themselves, participate in public decision-making, associate with others, and assemble. Across the world, civic space is shrinking. More than 60 countries have passed or drafted laws which restrict the activity of non-governmental (NGOs) and civil society organisations (CSOs) in the last three years and 96 countries have taken steps to inhibit NGOs from working at full capacity.

ARTICLE 19, as part of the Swedish International Development Cooperation Agency (Sida)-funded Civic Space Initiative, spent much of 2015 ensuring that international standards and policies advance progressive interpretations of human rights laws that allow people to gather, speak, and seek information. We worked to ensure these international principles were applied in regional and national policy and law, and implemented projects on the ground which directly promote people's ability to achieve their rights to freedom of expression and information.

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Iran's Human Rights Defenders in the Diaspora

In November, ARTICLE 19 published our report on the hurdles faced by activists of the Iranian diaspora as they strive to continue their work outside Iran. This report was the first of its kind, and provided a much-needed mapping of the needs of this group of human rights defenders, and the 'gaps' in their resources.

The European Games in Azerbaijan

In June, Azerbaijan hosted the European Games in Baku. Working with human rights defenders across Europe and in the USA, ARTICLE 19 harnessed media interest in the sports event to highlight the country's deteriorating human rights situation, and its repeated violations of freedom of expression.

After the European Games, following campaigning efforts by organisations like ours across Europe, the Council of Europe's Secretary General, Thorbjørn Jagland, launched an investigation into Azerbaijan's compliance with its commitments under Article 52 of the European Convention on Human Rights.

This success in drawing attention to human rights in Azerbaijan was due in large part to initiatives such as the press briefing we organised in April with Human Rights Watch, Index on Censorship and Sport for Rights, at the Frontline Club in London, where we provided foreign journalists covering the European Games. A number of journalists covering the European Games went on to write critical articles about human rights in Azerbaijan, including the UK's Guardian newspaper and the BBC. To keep the pressure up throughout the European Games, ARTICLE 19 also organised an expert panel at Chatham House, joined civil society advocacy statements, and protested outside Azerbaijan's London embassy.

Digital

In the digital space, the interplay of interests and tensions between states, the private sector and users increasingly exposes the gap between the ideals of the Internet and the current reality.

ARTICLE 19 worked on two key areas in 2015: ensuring the Internet is a truly enabling environment for human rights at a structural level, and continuing to develop and provide the tools activists need to protect human rights in the digital era.

While people often view the Internet, and digital communications more generally, as powerful enablers of freedom of expression and information, the control over the exercise of rights online is held by the private sector and the state, often without public oversight or accountability. It is vital that this public space, even if largely built on private infrastructure, becomes a safe haven for human rights.

Translating human rights into Internet governance policies, and understanding the implications for protocols, standards and code, is crucial to making the Internet a free space. This cannot be done by civil society alone: formulating a shared comprehension of human rights in the digital era, and finding the best policies, procedures and practices to ensure these rights, will require close collaboration between all stakeholders, including the technical community, businesses, and governments.

Human Rights and Internet Infrastructure

There is a black hole in the Internet universe: a sense that human rights have no space in the worlds of engineering and business, the worlds that underpin the very function of the Internet. This misconception has created a chasm between the technology and the human rights communities.

ARTICLE 19 is working to close this gap by radically altering the discourse around the relationship between human rights and the Internet, both in terms of governance and the architecture itself. We are doing this through analysis and advocacy at the major power-centres of technology.

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A Net of Rights? Expression and Protocols

The Internet aspires to be the global ‘network of networks’, providing connectivity for all users, at all times, to any content: this connectivity increases the capacity for individuals to exercise their rights, meaning that the architectural design of the Internet is, necessarily, intertwined with the human rights framework.

We’re fostering an understanding of this intrinsic link within the technical community, with visible success. ARTICLE 19’s documentary Net of Rights premiered at the plenary session of the 94th Internet Engineering Task Force (IETF) at Yokohama in November, and Jari Arkko, Chair of the IETF, referred to it in his blog about the event.

Recognition that human rights have a role in Internet policy is being gradually accepted by the technology communities, but concretely mapping the relationship between the two is a new and crucial challenge. In 2015, ARTICLE 19 was made co-chair of the new Internet Research Task Force (IRTF)’s Human Rights Protocol Considerations Research Group, holding our place at the forefront of this movement.

Bangladesh’s Information and Communications Technology (ICT) Law

For nine years, ARTICLE 19 has demanded reform of the controversial 2006 ICT Law in Bangladesh, documenting the rights abuses stemming from its highly regressive and broad speech restrictions. Finally in 2015, following our advocacy and report on freedom of expression in Bangladesh, government ministers expressed support for amending the law.

Junaid Ahmed Palack, State Minister for Posts, Telecommunication and ICT, also welcomed ARTICLE 19’s consultation on the law as timely, in the light of plans to develop a new cyber-security law in 2016.

Our analysis was also cited in the Supreme Court in the case of *Arafat Hossain Khan and others Vs Bangladesh* to support arguments regarding violation of the right to freedom of expression.

Online Safety in Iran

Across the world, online activity is a game with three players: users, business and states, and users often lose. Our 2015 report, *Risky Online Behaviour*, revealed the online behaviours which too often result in imprisonment in the country.

As well as highlighting government violations, we wanted to convey our message about risk calculation to activists, so we created the *Iropoly* board game, which also formed the centre of a set of short films, in which four experts play the game, discussing online activism. More than 10,000 people downloaded the game and it was shared more than 100,000 times.

In December, we built on the success of *Iropoly* and expanded our advocacy work into the world of mobile phones, creating a set of stickers which were shareable via Iran’s most-used messaging app, Telegram. These stickers warned against risky behaviours identified by the report, and advised on staying as safe as possible. In the first month online, the stickers were shared 190,000 times and installed 30,406 times.

The Manila Principles

We all experience the digital world through intermediaries, including Internet service providers (ISPs), search engines and social media platforms. These are predominantly owned and operated by the private sector, and are regulated by states in an increasingly restrictive manner.

Intermediaries often block and ban certain types of content, without any transparency around what gets blocked and when, and there is a concerning absence of mechanisms for appealing these decisions. This regulation, which can amount to censorship, is often carried out via private contracts, further hindering accountability.

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In 2015, ARTICLE 19 joined a global coalition of leading digital rights organisations to create The Manila Principles for Intermediary Liability, which aim to counter this censorship of user-generated content, and provide a roadmap for the global community to protect online freedom of expression and innovation. The Manila Principles incorporate our policy position on Intermediary Liability, as set out in the Dilemma of Liability.

As well as being endorsed by nearly 300 leading press freedom and technology policy organisations and individuals, the Manila Principles have been referenced repeatedly, and by a wide range of individuals and groups, from governmental to academic.

Pakistan's Electronic Crimes Bill

Our legal analysis, published jointly with Digital Rights Foundation Pakistan, voiced serious concerns about Pakistan's proposed Prevention of Electronic Crimes Bill, which contains a number of provisions which would violate the rights to freedom of expression and privacy. In the light of this, the UN Special Rapporteur on the promotion and protection of the right to freedom of opinion and expression, David Kaye, voiced concerns about the Bill directly to the Government of Pakistan in December 2015 that the draft legislation could result in censorship and self-censorship in the media.

Russia's 'Right to be Forgotten'

Russia's 'Right to be Forgotten' Bill gives citizens the right to request that search engines remove or 'delist' links about them that are in violation of Russian law, inaccurate, out of date, or irrelevant. This 'right to be forgotten' is similar to that created in Europe by the Google Spain Case, which was confirmed in an appeal at the European Court of Justice in July.

Cited in the Moscow Times in an article by Andrei Soldatov, our legal analysis of the Bill demonstrated clearly that the law fails to provide crucial safeguards for the protection of the rights to freedom of expression and to information, most notably when it comes to information on public figures, or public interest issues.

This analysis fits into our wider thought leadership around the Google Spain case and the 'right to be forgotten', a debate we have been shaping throughout the year, with advocacy in November directed at European policy-makers on the EU General Data Protection Regulation, as well as global advocacy in Asia, Africa, and Latin America.

Brazil and the Marco Civil

The Marco Civil, the Civil Rights Framework for the Internet in Brazil, is a beacon for human rights online: in a world where governments are increasingly moving to restrict rights online, this Bill sets out a progressive charter for ensuring and protecting rights in the digital space.

In November 2015, we were the first civil society organization to analyse and publish a report on the implementation of the Marco Civil. It is a critical element of the global battle to positively define the rights to expression and information online, and ARTICLE 19 continues to lead on action and oversight to ensure that its implementation fulfils its promise.

Media

Digital technologies and the existence of an open, universal network have brought turmoil to the traditional media landscape. The Internet has begun to bring all categories of media into one infrastructure, known as *convergence*. Despite these global shifts, traditional mass media remain dominant in many places: community radio has even re-emerged as an important means of reaching less networked audiences and of reinforcing local civic space.

ARTICLE 19

Report of the trustees

For the year ended 31 December 2015

ARTICLE 19 works to ensure that media pluralism, media freedom and the public interest are protected and promoted in this increasingly globalised, digitalised and *converged* media landscape.

Ban lifted in Tanzania

ARTICLE 19 challenged a long-standing tool of media censorship in Tanzania in 2015, and won. Under the 1976 Newspaper Act, the Minister for Information has powers to ban or close down newspapers “in the public interest” or in the interest of “peace and good order” (Section 25). This piece of legislation has been used to suspend four publications in the last decade.

Newspaper *MwanaHalisi* had been under an indefinite ban since 2012, justified by vague claims that certain 2012 editions of the newspaper were seditious, but more likely due to the newspaper’s suggestion that state security forces might be complicit in the abduction of Dr Steven Ulimboka, a medical trade unionist who was part of a significant strike action at the time.

We were instrumental in getting the ban on *MwanaHalisi* lifted. The High Court found that the Minister for Information had violated due process, as the newspaper had not been given the right to be heard when the ban was put in place. This judgment ended a three-year battle, during which ARTICLE 19 supported the lawyer litigating the case, including with training on how to use constitutional and international law in national and regional strategic litigation to safeguard freedom of expression.

Media in Tunisia

Civil society continued to shape post-revolutionary Tunisia in 2015, with ARTICLE 19 playing a crucial role in the movement to embed freedom of expression in the infrastructure of governance, and in checks and balances on important actors across the media.

ARTICLE 19 is a vital player in the movement towards media self-regulation in Tunisia. Our provision of expertise and training, as well as our mediation role, is ensuring an informed and constructive debate around new media bodies. We also enhance the legitimacy of these bodies, by ensuring decisions and developments are collaborative.

In 2015, ARTICLE 19 facilitated the Union of Journalists and the Federation of Editors in beginning to set up a new self-regulatory body, the Tunisian Press Council. We also involved a committee of experts and key stakeholders from the media sector and helped ensure a transparent and inclusive process. A public consultation has now been launched around the composition, competencies, financing and mode of operation of the Council.

In December, we organised a mission to Belgium for key Tunisian stakeholders to study the media regulation (and self-regulation) model there. This led to the creation of an association to support the Press Council, which will follow the Belgian model in developing the Tunisian Press Council. We supported the process of the drafting of the agreement, providing legal and technical advice.

Myanmar’s Media Laws

In Myanmar, media laws are particularly important: television and radio broadcasters are an important source of information particularly for rural communities, where the printed press is unaffordable, inaccessible, or unavailable.

During this time of transition, it is vital that Myanmar establishes an independent, reliable and diverse broadcast media, a strong foundation for media freedoms in its developing democracy. The regulation of broadcasting protects the right to freedom of expression by ensuring limited wavelengths are shared out independently and fairly.

Two pieces of draft legislation raised serious concern for freedom of expression in Myanmar in 2015: the Broadcasting Bill and the Public Service Media Bill. Publishing detailed legal analyses and recommendations on both, we worked with

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For the year ended 31 December 2015

media unions to hold two conferences in different regions of the country, attended by 200 media workers, building support and legitimacy for reform of the proposed Bills.

The withdrawal of the Public Service Media Bill was announced in a news report on a national TV bulletin that showed ARTICLE 19's legal analysis, alongside the Minister.

After extensive advocacy around our legal analysis of the original Broadcasting Bill, there were a total of 60 amendments before the final Law was published. The final analysis of the Law was read by members of Myanmar's government, and reported on the BBC's Burmese Morning Broadcast.

Protection

Worldwide, the security situation for social communicators is worsening. As well as facing violence and intimidation directly from state officials, threats to freedom of expression are increasingly posed by organised criminal groups, religious militant groups, and corporations. State censorship also often operates *through* one of these groups, with the state giving silent permission, or 'turning a blind eye': fostering this impunity for violence creates a culture of fear, encouraging communicators to censor themselves.

In this context, ARTICLE 19 seeks to create an environment where people are empowered to protect themselves. One of the key ways we do this is by providing training on self-protection and risk management, legal safety, ethics and information management, first aid, and emotional and psychological support.

This is on top of the more structural work we do to develop or improve national protection mechanisms and legislation, and push for improved and forward-thinking standards at international bodies, or in laws at regional courts.

Bloggers in Bangladesh

Following a series of murders of communicators, including media workers, publishers, and activists, in Bangladesh, in 2015 a police chief warned bloggers that 'no one should cross the limit' and urged bloggers to self-censor. Self-censorship is among the most insidious forms of restriction on expression.

State involvement in crimes against free expression is also on the rise, as we explicitly showed in our 2015 study revealing state actors were the perpetrators in a third of all attacks on bloggers and media workers in Bangladesh.

After a year-long engagement with bloggers and online activists on the issues, as part of our wider response to the murders and attacks, ARTICLE 19 created our 12-point Charter of Rights for the Protection of Online Expression in Bangladesh, based on our Right to Blog policy, supported by the UK's Foreign and Commonwealth Office (FCO) Human Rights and Democracy Programme. This new charter demands that all laws on ICT comply with international standards, to provide a safe and robust space for bloggers.

Impunity on Film

In 2015, ARTICLE 19 launched a trilogy of documentaries in Brazil, *Impunity Blinds*, *Impunity Kills*, and *Impunity Silences*. The films are a response to the experiences of: Alex Silveira, a photographer found legally responsible for his own loss of sight due to a rubber bullet fired during a demonstration; Rodrigo Neto, for whose death not all of those accountable have been tried; and journalists and communicators on the Brazil-Paraguay border, whose work is inhibited by violence and impunity, hindering public interest stories, and often preventing accountability for power-holders and decision-makers.

The documentaries have been an effective advocacy tool, screened at cinemas, community centres, and even public hearings with the State Assembly, raising awareness, creating visibility and inspiring debate around impunity. The

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For the year ended 31 December 2015

documentaries complement our annual violations report, which documented 21 violations against communicators in Brazil in 2014.

Transparency

The world is entering an era of transparency, its importance now recognised in international and domestic laws and numerous international and national initiatives, with over 100 countries having adopted comprehensive national laws and policies.

The basis of transparency is the Right to Information: the right of individuals to obtain information from bodies, public and private, about policy and actions which relate to how government operates, or which affect the public interest. It creates a tool of empowerment: a means to understand and engage effectively with the institutions which hold power and affect our lives.

For over 20 years, ARTICLE 19 has been at the forefront of developing new international standards and principles on the right to information: this influence culminated in our crucial role in getting the right to information included in the new Sustainable Development Goals (SDGs).

ARTICLE 19 achieved a major win in September 2015 when the United Nations General Assembly adopted the Sustainable Development Goals (SDGs), a new set of goals to end poverty, protect the planet, and ensure prosperity. For the first time, the right to information has been recognised as a key component of these international efforts. The goals included a specific target regarding 'access to information' and protecting 'fundamental freedoms' (including freedom of expression) under the goal relating to good governance. This had been a major advocacy focus for ARTICLE 19 and our partners since 2012.

Tech-forward Training in Brazil and Mexico

Forging new paths in the worlds of digital security and holistic protection, as well as demonstrating our gender-sensitive and tech-savvy approach to protection, in 2015 we piloted virtual safe spaces specifically for women, using an open source and secure platform. This allowed for secure follow-up exchanges between participants of ARTICLE 19 protection training.

Information in Tunisia

As part of our Memorandum of Understanding with the Tunisian government, the Liberties and Rights Commission in the Tunisian Parliament invited ARTICLE 19 for a consultation about the new draft fundamental law on Access to Information, currently being discussed in the Assembly of the Representatives of the People. This invitation was a recognition of our extensive work over the last two years on Tunisia's legal framework for the right to information (RtI), and we presented our recommendations to the 25 Commission members who attended, as well as presenting global best practices.

When the government withdrew the draft law in July, the setback proved only temporary: due to pressure and advocacy, the draft bill was reintroduced the following month. By November, ARTICLE 19 had agreed with the General Directorate of Administrative Reforms (DGRPA) on an 'orientation document' regarding the implementation of the new law, and a 'guidance document' on the creation of a new RtI Commission.

Partnered with the DGRPA, we have also been working to identify barriers to RtI, analysing contradictory laws and texts, and informing government and public authorities about the legal obstacles to the implementation of RtI.

We also held an RtI conference, attended by 65 participants including Members of Parliament, information officers, government agencies, representatives of civil society, journalists, academics and international partners. Our training and information-sharing events, such as that held at the National School of Administration, continue to enable engaged discussion about the framework's development, and equip participants to pursue RtI within the existing framework.

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Report of the trustees

For the year ended 31 December 2015

The Right to Water and Right to Information in Brazil

Throughout 2015, the 20 million people living in the São Paulo area suffered a potentially avoidable drought. Based on our 2014 report analysing the transparency of public agencies, and the relationship between the right to water and the right to information, we have begun advocacy around the drought.

We presented our report to lawyers, journalists, and the general public, and it is currently being used by the Public Ministry in a judicial process about the water crisis. In 2015, we participated in numerous conferences and seminars, including a seminar at the São Paulo's State Public Defenders' School.

ARTICLE 19 worked hard to highlight the absence of transparency in government. We submitted numerous information requests regarding the water crisis, and had particular success regarding SABESP, the state-owned company which coordinates the water supply in São Paulo, whose contracts with companies and corporations has routinely been classified. After we filed the request, SABESP failed to send the contracts, then disclosed them, but with the names of companies, value and amount of water consumed blocked out.

Through a partnership with the Public Prosecutor's Office, we instigated a legal demand, even having our reports used as evidence, we were finally able to view and publicise the contracts. The contracts exposed major discounts on water being received by large corporations, in exchange for large high minimum monthly consumption rates, some of which were even signed after the start of the water crisis. This meant that while regular citizens were paying more if they used more water, companies were rewarded for doing the same: some discounts on bills reached 40% of the value.

Following our work and legal success, the information which had been uncovered was reported widely by *Publica* and other media outlets, and the corporate consumers' discounts were reduced, with changes being made in the water management administration.

We continue to face difficulties in accessing information in the state of São Paulo in regard to the water crisis, exacerbated by the concentration of media ownership in Brazil and its relationship with the government of São Paulo. We have, however, set a precedent regarding the exercise of the right to information law in Brazil, and following the judgement, we discovered further unjustly classified documents relating to public security and transport.

Breaking Barriers in Lebanon

People with disabilities in Lebanon continue to face attitudinal and environmental barriers to participation in many areas of life. Any political action or demand for change needs accurate and detailed information in order to effectively make the case; ARTICLE 19 worked throughout 2015 to empower individuals to use their right to information for meaningful public participation.

Accompanied by our report, *Lebanon: Disability and Access to Information*, we worked on capacity-building for members of local disability groups from three regions in Lebanon, delivering training on monitoring and techniques for access to information, as well as on advocacy principles and strategies. These principles formed the foundation of the beneficiaries' subsequent campaigning on inclusive education, employment and vocational education.

Obstetric Fistula in Senegal

In Senegal, the high instance of obstetric fistula, and the scarcity of information about preventing and treating it, demonstrates clearly why access to information is crucial. An obstetric fistula is caused by prolonged obstructed labour, creating a hole between the vagina and rectum or bladder, which leaves a sufferer incontinent. It is estimated that around one million women worldwide suffer from this injury, often untreated.

Our research revealed a lack of understanding of the treatment options available to sufferers of this childbirth complication. Harnessing the power of access to information, ARTICLE 19 helped health-care providers reach more

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Report of the trustees

For the year ended 31 December 2015

women to educate them about their treatment options, increasing the flow of vital health information to those who need it.

In 2015, ARTICLE 19 gained political backing for our work on fistula and the right to information: local authorities pledged their support for our work on the right to information around fistula in Tambacounda province, and we expanded into another region, Kolda. Our work in this topic has brought a new urgency to the issue of access to information in Senegal, resulting in the Minister of Good Governance agreeing to work with us towards the passing of a right to information law.

Public Interest Journalism in Uganda

Edward Ronald Sekyewa, a journalist trained by ARTICLE 19 in making information requests under Uganda's 2005 Access to Information Act, has won two cases against a government agency in February 2015. The National Forestry Authority's refusal to grant information was declared illegal, and the court ordered that the authority grant Sekyewa access to all the information he requested.

Investigative Journalism in Turkey

Joined by high-profile individuals such as Heather Brooke and Yaman Akdeniz, we carried out training in 2015 on right to information requests as a tool for investigative journalism, accompanied by a pocketbook guide for journalists on using the Turkish right to information law. Enhancing transparency in Turkey from both its angles, we also trained municipal officials on how best to respond to right to information requests.

Tracking Asia's Right to Information

Over the last 20 years, the global trend towards the free flow of information has swept into Asia: we took on the challenge of mapping right to information laws across 11 countries including China, Japan, and Nepal. The result is [Asia Disclosed](#), a unique report which reveals just how far the region has come in recognising the right to information.

FINANCIAL REVIEW

The financial results for the year ended 31 December 2015 are set out in the Statement of Financial Activities on page 25.

Income

Total consolidated income in 2015 increased by 8.91% to £4,356,196, compared with £3,999,783 in 2014. Trustees are grateful to new and continuing core donors, various trusts and foundations for their support and confidence in the work of the organisation.

ARTICLE 19's key donors are government departments in the Netherlands, Norway, Sweden, UK, USA and the European Commission.

In 2015, ARTICLE 19 received a total of £0.6 million directly and indirectly from Sida, partly as a core grant and partly as a member of a Sida-funded consortium led by the International Centre for Not-for-Profit Law (ICNL). The UK government provided a core grant through the Department for International Development (DFID) of £0.5 million and £0.4 million for specific projects through the Foreign and Commonwealth Office (FCO). The Norwegian Ministry of Foreign Affairs increased their funding providing a total of £0.7 million. The Netherlands and the European Commission both provided £0.2 million respectively.

ARTICLE 19

Report of the trustees

For the year ended 31 December 2015

Expenditure

Total expenditure in 2015 increased by 21.18% to £4,925,363 compared with £4,064,631 in 2014.

Within the Asia projects, activities in Myanmar and a new presence in Cambodia increased significantly. Projects were funded by the EC, FCO and Sida. The Bangladesh office increased its activities around the training of bloggers and journalists. In Latin America, the number of projects undertaken by ARTICLE 19 Brazil continued to grow with further funding from the Ford Foundation. Activities in Law & Policy primarily reflect the cost of major international meetings on Disability, the Right to Protest and the Right to Information funded by the Open Society Foundation. Activities funded by the FCO in Tunisia (see pgs. 15/17) helped towards a positive engagement with the Tunisian government. Grants to partners in Europe & Central Asia for the protection of journalists and other human rights defenders continued to increase in 2015.

Global training provided by staff, partners and consultants reached 2,792 human rights defenders, activists, broadcasters, bloggers, social communicators, judges, lawyers, community leaders, and citizens.

A significant increase in spend in our Global Thematic Projects reflected the launch of ARTICLE 19's new strategy, *The Expression Agenda*, which covers five thematic areas - civic space, digital, media, protection, and transparency. Funds from the UK, Norway and Swedish Ministries supported the expansion of ARTICLE 19's thematic-led projects.

Consultation on two major infrastructure changes within ARTICLE 19 took place in 2015, the first was investing in a new accounting software called Access Dimensions which will be implemented in the latter half of 2016 and 2017 throughout all ARTICLE 19's offices. The second is a pioneering software called Sycle provided by our supplier CAMMS, aimed at monitoring and measuring the organisations' targets linked to the objectives set out in the Expression Agenda which will be implemented in 2016.

Increased expenditure from unrestricted costs were also attributed to additional security costs, and the cost of covering maternity leave in 2015.

Remuneration policy

ARTICLE 19 is committed to ensuring that staff are paid in a transparent, fair and consistent manner, having regard to both charity market considerations, and the ability of ARTICLE 19 itself to pay. This is so ARTICLE 19 can attract and retain people with the right skills and therefore have the greatest impact in delivering our objectives.

ARTICLE 19 compares with other organisations within the Human Rights sector, and more specifically against those organisations which are in direct competition when it comes to the recruitment of high calibre staff.

The policy applies only to staff in the UK. Locally recruited staff based outside the UK have their salaries determined in accordance with local employment legislation.

In accordance with the SORP we:

- disclose all payments to trustees (no trustees are paid) and expenses reimbursed (detailed in note 5 to the accounts)
- disclose the number of staff in receipt of £60,000 and above (in bands of £10,000) (note 5 to the accounts)
- disclose pensions and other benefits (note 5 to the accounts).

Any review of ARTICLE 19's salary and benefits adjustments are analysed by the Finance and General Purposes Committee (FGPC) which recommends the outcome to the International Board.

At the end of 2014, a comprehensive salary and benefits benchmarking exercise took place. The outcome was approved by the International Board implemented during 2015 and the start of 2016.

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Report of the trustees

For the year ended 31 December 2015

Reserves

The total funds of ARTICLE 19 fell by £555,531 to £1,125,770, comprising the net use of balances of restricted funds of £376,720 and a reduction in unrestricted fund reserves of £178,811. At the end of the year, the unrestricted fund reserves amounted to £427,769 (this consists of free reserves £424,181, and fixed assets £3,588) and the remaining restricted funds were £698,001.

The Trustees have adopted a reserves policy in 2016 based on the charity's need for operational funds and around financial risks surrounding its projected unrestricted and restricted income and expenditure. The trustees have concluded that ARTICLE 19 should build its unrestricted funds incrementally towards a target of £750,000 in the coming years. In the meantime, the Trustees will be monitoring performance on a regular basis and reviewing the policy itself on an annual basis. The reserves are held to protect the organisation against areas mentioned in our risk review along with unexpected falls in income, unplanned increases in expenditure, security risks, supporting the organisations strategic growth and unexpected fluctuations in exchange rates.

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 then apply 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.

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Report of the trustees

For the year ended 31 December 2015

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 24 June 2016 and signed on their behalf by:

A handwritten signature in dark ink, appearing to read 'P. Coulter', written in a cursive style.

Paddy Coulter (Chair)

Independent auditor's report

To the members of

Article 19

We have audited the financial statements of Article 19 for the year ended 31 December 2015 which comprise the statement of financial activities, the balance sheet, statement of cash flows 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 2015 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

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.

A handwritten signature in dark ink that reads "Sayer Vincent LLP". The signature is written in a cursive, flowing style.

Noelia Serrano (Senior statutory auditor)

27 June 2016

for and on behalf of Sayer Vincent LLP, Statutory Auditors

Invicta House, 103 – 114 Golden lane, LONDON, EC1Y 0TL

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Statement of Financial Activities (incorporating an income and expenditure account)

For the year ended 31 December 2015

	Note	Unrestricted £	Restricted £	2015 Total £	Unrestricted £	Restricted £	2014 Total £
Income from:							
Donations and legacies	2a	1,787,764	-	1,787,764	1,465,373	-	1,465,373
Charitable activities	2b						
Africa projects		-	377,648	377,648	-	469,037	469,037
Asia projects		-	353,058	357,058	-	203,708	203,708
Latin America projects		-	377,916	377,916	-	436,688	436,688
Law & Policy projects		-	160,635	160,635	-	289,829	289,829
Europe & Central Asia projects		-	371,220	371,220	-	304,534	304,534
Middle East & North Africa projects		-	525,147	525,147	-	274,460	274,460
Global thematic projects		-	402,808	402,808	-	556,154	556,154
Total income		1,787,764	2,568,432	4,356,196	1,465,373	2,534,410	3,999,783
Expenditure on:							
Cost of raising funds	3	81,098	-	81,098	59,030	-	59,030
Charitable activities	3						
Africa projects		328,727	423,435	752,162	377,385	425,393	802,778
Asia projects		325,788	339,212	665,000	167,889	208,552	376,441
Latin America projects		252,288	376,639	628,927	307,426	477,482	784,908
Law & Policy projects		89,533	160,772	250,305	203,902	287,813	491,715
Europe & Central Asia projects		163,779	333,552	497,331	156,515	430,413	586,928
Middle East & North Africa projects		172,531	521,973	694,504	102,029	285,229	387,258
Global thematic projects		543,566	812,470	1,356,036	176,965	398,609	575,574
Total expenditure		1,957,310	2,968,053	4,925,363	1,551,140	2,513,491	4,064,631
Net (expenditure)/ income for the year	4	(169,546)	(399,621)	(569,167)	(85,767)	20,919	(64,848)
Transfers between funds		(22,901)	22,901	-	58,994	(58,994)	-
Net expenditure before other recognised gains and losses		(192,447)	(376,720)	(569,167)	(26,773)	(38,075)	(64,848)
Net gains from foreign exchange		13,636	-	13,636	6,052	-	6,052
Net movement in funds		(178,811)	(376,720)	(555,531)	(20,721)	(38,075)	(58,796)
Reconciliation of funds:							
Total funds brought forward		606,580	1,074,721	1,681,301	627,301	1,112,796	1,740,097
Total funds carried forward		427,769	698,001	1,125,770	606,580	1,074,721	1,681,301

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 15 to the financial statements.

ARTICLE 19

Balance sheet

Company no. 02097222


As at 31 December 2015

	Note	£	2015 £	2014 £
Fixed assets:				
Tangible assets	9		3,588	13,838
			<u>3,588</u>	<u>13,838</u>
Current assets:				
Debtors	10	818,281	124,466	
Cash at bank and in hand		1,223,716	2,577,868	
		<u>2,041,997</u>	<u>2,702,334</u>	
Liabilities:				
Creditors: amounts falling due within one year	11	919,815	1,034,871	
			<u>1,122,182</u>	<u>1,667,463</u>
Net current assets			<u>1,122,182</u>	<u>1,667,463</u>
Total net assets			<u><u>1,125,770</u></u>	<u><u>1,681,301</u></u>
The funds of the charity:	14			
Restricted income funds			698,001	1,074,721
Unrestricted income funds:				
Designated funds		3,588	13,838	
General funds		424,181	592,742	
		<u>427,769</u>	<u>606,580</u>	
Total unrestricted funds			<u>427,769</u>	<u>606,580</u>
Total charity funds	15		<u><u>1,125,770</u></u>	<u><u>1,681,301</u></u>

Approved by the trustees on 24th June 2016 and signed on their behalf by



Paddy Coulter
Chair



Nigel Saxby - Soffe
Treasurer

ARTICLE 19

Statement of cash flows

For the year ended 31 December 2015

	Note	2015	2014
		£	£
Cash flows from operating activities	16		
Net cash (used in) / provided by operating activities		(1,367,788)	779,241
Cash flows from investing activities:			
Purchase of fixed assets		-	(667)
Net cash (used in) / provided by investing activities		-	(667)
Change in cash and cash equivalents in the year		(1,367,788)	778,574
Cash and cash equivalents at the beginning of the year		2,577,868	1,793,242
Change in cash and cash equivalents due to exchange rate movements		13,636	6,052
Cash and cash equivalents at the end of the year	17	1,223,716	2,577,868

ARTICLE 19

Notes to the financial statements

For the year ended 31 December 2015

1 Accounting policies

a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (August 2014) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

The SORP 2015 stipulates that where overseas offices are legally registered in their country of operations, this is an indication that they should be treated as subsidiaries for accounting purposes. However, having reviewed the governance and management procedures in place, oversight from ARTICLE 19 in the UK is such that overseas offices, including those registered locally, are in substance branches. The only exception to this is ARTICLE 19 Mexico which is not included in the financial statements due to its level of governance and financial independence from ARTICLE 19.

b) Reconciliation with previously Generally Accepted Accounting Practice (GAAP)

In preparing the accounts, the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 a restatement of comparative items was required. The transition date was 1 January 2014.

At the date of transition in applying the requirement to recognise liabilities arising from employee benefits, a liability was recognised for short-term compensated absence arising from employee entitlement to paid annual leave. The initial liability recognised at the date of transition was for the holiday entitlement carried forward and for the entitlement arising in the year which was due but not taken. The initial liability was for £49,860. No other restatements were required.

In accordance with the requirements of FRS 102, a reconciliation of opening balances and net income / (expenditure) for the year is provided with the net income / (expenditure) under previous GAAP adjusted for the presentation of investment gains / (losses) as a component of reported income. This is provided in note 21.

c) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

d) Going concern

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

f) Fund accounting

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.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

g) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising 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;
- Expenditure on charitable activities includes the costs of training/workshops, grants to partners, events, campaigns and publications undertaken to further the purposes of the charity, and their associated support costs;
- Other expenditure represents those items not falling into any other heading.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

ARTICLE 19

Notes to the financial statements

For the year ended 31 December 2015

1 Accounting policies (continued)

i) Allocation of support costs

Resources expended (note 3) are allocated to a particular activity where the cost relates directly to that project. The cost of overall direction and administration of each activity consists of salary and overhead costs for the central function. This is apportioned on the following basis which are an estimate based on staff time and the amount attributable to each activity.

• Cost of raising funds	3%
• Africa projects	11%
• Asia projects	15%
• Latin America projects	14%
• Law & policy	6%
• Europe & Central Asia project	9%
• Middle East & North Africa projects	14%
• Global projects	28%

j) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

k) Fixed assets

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.

Where fixed assets have been revalued, any excess between the revalued amount and the historic cost of the asset will be shown as a revaluation reserve in the balance sheet.

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	4 years
• Computer Equipment	3 years

l) Investments in subsidiaries

Investments in subsidiaries are at cost.

m) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

n) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

o) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

p) Pensions

ARTICLE 19 operates a group pension scheme with Scottish Widows which pays an employer contribution of 8% for its employees in the UK. From November 2016, ARTICLE 19 will be joining the auto-enrolment scheme with the same pension provider.

q) Foreign exchange policy

ARTICLE 19 hold funds in the currency in which those funds will be transferred to its Regional Offices and also to its partners. Monetary assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into Sterling at the average rate of exchange for the year. Exchange differences are taken into account in arriving at the net movement in funds for the year.

ARTICLE 19

Notes to the financial statements

For the year ended 31 December 2015

2a Donations and legacies

	Unrestricted £	Restricted £	2015 Total £	2014 Total £
Official donors				
Department For International Development	542,687	-	542,687	542,687
Norwegian Ministry of Foreign Affairs	542,659	-	542,659	296,516
Swedish International Development Cooperation Agency				
	264,975	-	264,975	307,631
Sub total of Official donors	1,350,321	-	1,350,321	1,146,834
Trust and foundations				
Open Society Foundation	274,685	-	274,685	
Ford Foundation	-	-	-	91,990
Fritt Ord Foundation	50,992	-	50,992	80,000
Sub total of Trust and foundations	325,677	-	325,677	171,990
Other donors				
Anonymous donor	98,946	-	98,946	91,593
Other voluntary income	12,820	-	12,820	55,036
Sub total of other donors	111,766	-	111,766	146,629
Total	1,787,764	-	1,787,764	1,465,453

2b Income from charitable activities

Official donors				
Foreign & Commonwealth Office	-	449,307	449,307	305,554
Swedish International Development Cooperation Agency via				
International Centre for Not-for-Profit Law	-	395,281	395,281	1,087,851
Norwegian Ministry of Foreign Affairs	-	228,369	228,369	103,295
Dutch Ministry of Foreign Affairs	-	193,378	193,378	186,603
European Commission	-	170,793	170,793	63,873
US Department of State	-	55,460	55,460	-
Sub total of Official donors	-	1,492,588	1,492,588	1,747,176
Trust and foundations				
Open Society Institution	-	276,264	276,264	264,545
Ford Foundation	-	117,005	117,005	59,560
MacArthur Foundation	-	101,174	101,174	-
Hivos	-	100,091	100,091	88,770
The Guardian Foundation	-	75,000	75,000	-
Freedom House	-	70,678	70,678	-
Hewlett Foundation	-	-	-	99,944
Sub total of Trust and foundations	-	740,212	740,212	512,819
Other donors				
Others	-	335,632	335,632	305,128
Refunds	-	-	-	(30,713)
Sub total of other donors	-	335,632	335,632	274,415
Total	2,568,432	2,568,432	2,568,432	2,534,410

ARTICLE 19

Notes to the financial statements

For the year ended 31 December 2015

3 Analysis of expenditure

	Cost of raising funds	Charitable activities										2015 Total	2014	Total
		Europe & Central Asia					Middle East & North Africa		Global projects	Governance costs	Head Office support costs			
		Africa projects	Asia projects	Latin America projects	Law & Policy projects	Central Asia projects	North Africa projects							
	£	£	£	£	£	£	£	£	£	£	£	£	£	£
Staff costs (Note 5)	46,410	178,497	248,016	226,792	104,063	141,811	222,025	463,097	-	675,276		2,305,986	1,773,090	
Grants to partners	-	349	19,919	-	-	188,734	107,455	270	-	-		316,727	287,209	
Project expertise costs	-	87,896	28,113	60,789	3,448	27,900	43,686	96,033	-	66,371		414,236	439,379	
Training, events & workshops	-	136,631	61,161	17,722	3,536	5,857	85,453	143,419	-	11,197		464,975	302,133	
Media and publications	-	32,652	32,120	41,354	57,251	2,377	31,002	146,525	-	28,254		371,535	180,749	
Project travel costs	-	71,334	60,861	56,878	12,295	13,405	25,697	115,031	-	90,734		446,234	502,400	
Project support costs	-	99,857	40,691	58,609	336	13,182	17,309	66,556	-	155,360		451,900	497,184	
Infrastructure (software development) costs	-	-	-	-	-	-	-	-	-	74,441		74,441	-	
Governance costs	-	17,757	680	4,906	-	-	-	1,350	54,634	-		79,328	82,486	
	46,410	624,973	491,560	467,049	180,929	393,267	532,627	1,032,281	54,634	1,101,633		4,925,363	4,064,631	
Support costs	33,049	121,180	165,245	154,229	66,098	99,147	154,229	308,457	-	(1,101,633)		-	-	
Governance costs	1,639	6,010	8,195	7,649	3,278	4,917	7,649	15,298	(54,634)	-		-	-	
Total expenditure 2015	81,098	752,162	665,000	628,927	250,305	497,331	694,504	1,356,036	-	-		4,925,363	4,064,631	
Total expenditure 2014	59,030	802,778	376,441	784,908	491,715	586,928	387,258	575,574	-	-		4,064,632		

Of the total expenditure, £1,957,310 was unrestricted (2014: £1,551,140) and £2,968,053 was restricted (2014: £2,513,491).

ARTICLE 19

Notes to the financial statements

For the year ended 31 December 2015

4 Net expenditure for the year

This is stated after charging:

	2015 £	2014 £
Depreciation	10,250	8,674
Operating lease rentals:		
Property	203,634	192,264
Equipment	5,065	5,065
Auditors' remuneration (excluding VAT):		
Audit	12,200	12,000
Other services	6,240	15,350

5 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2015 £	2014 £
Salaries and wages	1,198,169	902,152
Social security costs	128,090	99,271
UK Employer's contribution to defined contribution pension schemes	73,700	65,260
Regional staff costs	784,825	596,234
Other forms of employee benefits	121,202	110,173
	2,305,986	1,773,090

The following number of employees received employee benefits (excluding employer pension costs) during the year between:

	2015 No.	2014 No.
£60,000 - £69,999	2	1
£70,000 - £79,999	2	-
£80,000 - £89,999	1	-

The total employee benefits including pension contributions for key management personnel were £421,424 (2014: £305,909).

The charity trustees were not paid nor received any other benefits from employment with the charity in the year (2014: £nil). No charity trustee received payment for professional or other services supplied to the charity (2014: £nil).

Trustees' expenses represents the reimbursement of travel and subsistence costs totalling £4,244 (2014: £1,047) incurred by six trustees (2014: four) relating to attendance at International Board meetings.

ARTICLE 19

Notes to the financial statements

For the year ended 31 December 2015

6 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was as follows:

	2015 No.	2014 No.
Fundraising	1	1
Africa projects	17	15
Asia projects	6	8
Latin America projects	18	16
Law & Policy projects	4	4
Europe & Central Asia projects	2	2
Middle East & North Africa projects	9	7
Global projects	21	17
	78	70

7 Related party transactions

Galina Arapova is a trustee of ARTICLE 19 and is also a director of Mass Media Defence Centre (MMDC).

Mass Media Defence Centre is a partner organisation working with ARTICLE 19 on projects in Russia within 'grants to partner' disbursements as per donor agreements.

A total of £3,184 was received from Mass Media Defence Centre for the delivery of project activities in Russia during the course of 2015. Article 19 paid £7,930 to MMDC in 2014 for the delivery of project activities in Russia. Galina Arapova is not involved in the decision-making process for awarding grants to partners.

Jennifer Robinson is also a board member of ARTICLE 19's Mexico Board.

8 Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

9 Fixed assets

	Computer equipment £	Office equipment £	Total £
Tangible fixed assets			
Cost or valuation			
At the start of the year	63,697	27,236	90,933
At the end of the year	63,697	27,236	90,933
Depreciation			
At the start of the year	49,859	27,236	77,095
Charge for the period	10,250	-	10,250
At the end of the year	60,109	27,236	87,345
Net book value			
At the end of the year	3,588	-	3,588
At the start of the year	13,838	-	13,838

ARTICLE 19

Notes to the financial statements

For the year ended 31 December 2015

10 Debtors

	2015 £	2014 £
Prepayments	7,114	-
Accrued income	784,064	105,832
Other debtors	27,103	18,634
	818,281	124,466

11 Creditors: amounts falling due within one year

	2015 £	2014 £
Trade creditors	35,426	42,099
Deferred income (note 12)	523,266	625,373
Taxation and social security	49,501	31,525
Pension contributions due (note 13)	11,744	4,223
Accruals	86,579	94,633
Other creditors	213,299	237,018
	919,815	1,034,871

12 Deferred income

Deferred income consists of funds received in 2015 from the Norwegian Ministry of Foreign Affairs, DFID and an anonymous donation to cover project activities in 2016.

	2015 £	2014 £
Balance at the beginning of the year	625,373	388,029
Amount released to income in the year	(625,373)	(388,029)
Amount deferred in the year	523,266	625,373
	523,266	625,373

13 Pension scheme

The charity has a defined contribution pension scheme with Scottish Widows for UK employees. The assets of the scheme are held separately from those of the company in an independently administered fund with Scottish Widows. The pension costs represent contributions payable by the charity to the fund in the year and amounted to £73,700 (2014: £65,260) (note 5). Contributions totalling £11,744 (2014: £4,227) were payable to the fund at the balance sheet date and are included in creditors.

14 Analysis of net assets between funds

	General unrestricted £	Designated £	Restricted £	Total funds £
Fixed assets	-	3,588	-	3,588
Net current assets	424,181	-	698,001	1,122,182
	424,181	3,588	698,001	1,125,770

ARTICLE 19

Notes to the financial statements

For the year ended 31 December 2015

15 Movements in funds

	At 1 January 2015 £	Incoming resources & gains £	Outgoing resources & losses £	Transfers £	At 31 December 2015 £
Restricted funds:					
Africa projects	250,608	377,650	(423,435)	19,472	224,295
Asia projects	4,366	353,057	(339,212)	18,527	36,738
Latin America projects	130,816	377,916	(376,639)	(21,572)	110,521
Law & Policy projects	1,369	160,635	(160,772)	-	1,232
Europe & Central Asia projects	29,188	371,220	(333,552)	1,458	68,314
Middle East & North Africa projects	(5,096)	525,146	(521,973)	3,520	1,597
Global Thematic projects	663,470	402,808	(812,470)	1,496	255,304
Total restricted funds	1,074,721	2,568,432	(2,968,053)	22,901	698,001
Unrestricted funds:					
Designated funds:					
Fixed asset fund	13,838	-	(10,250)	-	3,588
Total designated funds	13,838	-	(10,250)	-	3,588
General funds	592,742	1,801,400	(1,947,060)	(22,901)	424,181
Total unrestricted funds	606,580	1,801,400	(1,957,310)	(22,901)	427,769
Total funds	1,681,301	4,369,832	(4,925,363)	-	1,125,770

Purposes of restricted funds

The restricted funds are for various programmes that ARTICLE 19 is commissioned to perform throughout the world. The fund and related activities are described more fully in the Trustee's Annual Report.

Transfers between funds represents exchanges differences and correction of errors in the project accounting leading to under-/over-allocation of costs to restricted projects.

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.

ARTICLE 19

Notes to the financial statements

For the year ended 31 December 2015

16 Reconciliation of net income / (expenditure) to net cash flow from operating activities

	2015 £	2014 £
Net income / (expenditure) for the reporting period (as per the statement of financial activities)	(569,167)	(64,848)
Depreciation charges	10,250	8,674
(Increase)/decrease in debtors	(693,815)	369,882
Increase/(decrease) in creditors	(115,056)	465,533
Net cash provided by / (used in) operating activities	(1,367,788)	779,241

17 Analysis of cash and cash equivalents

	At 1 January 2015 £	Cash flows £	Other changes £	At 31 December 2015 £
Cash in hand	948	18,713	-	19,660
Cash at bank	2,576,920	(1,386,501)	13,636	1,204,055
Total cash and cash equivalents	2,577,868	(1,367,788)	13,636	1,223,716

18 Operating lease commitments

The charity's total future minimum lease payments under non-cancellable operating leases are as follows for each of the following periods:

	Property 2015 £	2014 £	Equipment 2015 £	2014 £
Less than one year	140,214	34,875	-	-
One to five years	619,278	-	5,065	5,065
	759,492	34,875	5,065	5,065

19 Capital commitments

At the balance sheet date, the charity had committed to £241,402 (2014: £Nil) for development and implementation of accounting and project management software.

20 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

21 Impact of transition to FRS 102 and SORP 2015

Reserves position	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	31 December 2014			1 January 2014		
	£	£	£	£	£	£
Funds previously reported	656,440	1,074,721	1,731,161	677,161	1,112,796	1,789,957
Adjustments on transition						
Holiday pay provision	(49,860)	-	(49,860)	(49,860)	-	(49,860)
Deferred income recognition	-	-	-	-	-	-
Restatement of lease costs	-	-	-	-	-	-
Funds restated on transition	606,580	1,074,721	1,681,301	627,301	1,112,796	1,740,097

The transitional adjustment had no impact on the prior year's income and expenditure figures.