

Companies House Registered Number: 3912587

PEACE BRIGADES INTERNATIONAL UNITED KINGDOM SECTION

(A company limited by guarantee and not having a share capital)

Charity Registration Number 1101016

REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2005

PEACE BRIGADES INTERNATIONAL UNITED KINGDOM SECTION

Report of the trustees for the year ended 31 December 2005

The trustees, who are also directors of the charity for the purposes of the Companies Acts, submit their annual report and audited financial statements for the year ended 31 December 2005 for Peace Brigades International United Kingdom Section ("PBI UK").

Objects

The objects of the charity are:

'to promote human rights for the benefit of the public by

1. Securing the enforcement of human rights law and promoting the sound administration of human rights law through accompanying and observing persons from organisations promoting human rights and preventing human rights abuses and people whose lives are in danger from the work they do provided that this work does not extend to promoting a political purpose (including a change in the law or government policy or the administrative decisions of the government authorities); and

2. Raising awareness of human rights and human rights abuses provided that this work does not extend to promoting a political purpose (including a change in the law or government policy or the administrative decisions of government authorities).

For the purposes of this object 'human rights' means the abolition of torture, slavery, forced labour, extra-judicial killing (such as genocide) and those rights secured under or by virtue of:

- a. Legislation adopted in the country in which the rights are being promoted by the Charity or;
- b. International law (more particularly the Universal Declaration of Human Rights and the International Covenant of Civil and Political Rights) having effect in the country in which the rights are being promoted by the Charity'

These objects are primarily carried out by supporting (both operationally and financially) the projects of Peace Brigades International ("PBI"), a U.S.A incorporated non-profit organisation registered as an overseas company (registered number FCO19368) in the United Kingdom under s.691 of the Companies Act 1985, and through which the protective accompaniment programmes in countries such as Colombia, Guatemala, Indonesia, Mexico and Nepal are carried out.

Legal Status

The organisation is a charitable company limited by guarantee. It was incorporated with Companies House registration number 3912587 under a Memorandum of Association on 19 January 2000 and is governed under its Articles of Association. It was registered with the Charity Commission on 3 December 2003 with charity number 1101016.

Although PBI UK is constituted as an independent body with separate legal responsibility, it adheres to guiding principles of PBI laid down at an international level and continued use of the PBI name is dependent on this.

Advisers

The charity's auditors are Critchleys Chartered Accountants of Greyfriars Court, Paradise Square, Oxford, OX1 1BE.

The charity's bankers are the Co-operative Bank at 62-64 Southampton Row, Holborn, London WC1B 4ND.

PEACE BRIGADES INTERNATIONAL UNITED KINGDOM SECTION**Report of the trustees for the year ended 31 December 2005 - continued****Review**

During the year ended 31 December 2005, the activities of the organisation resulted in net outgoing resources of £1,132. This resulted in total funds (restricted and unrestricted) of £41,734 being carried forward at 31 December 2005.

Movements in fixed assets are set out in note 4.

Total expenditure of the organisation in 2005 amounted to £173,200 (2004 - £167,082), reflecting continued activity in all areas of work including advocacy, direct financial support for projects, fund-raising, outreach, publicity, and the recruitment and training of potential project volunteers. Direct financial support to projects again represented the dominant part of spending, with the aggregate amount transferred to projects reaching £91,899 (2004 - £102,489).

As regards other areas, particular mention should be made of PBI UK involvement in two major awareness-raising speaking tours to the U.K by two women human rights defenders that we accompany in the field, one by Tita Radilla, a human rights defender from Mexico, and one by Soraya Gutierrez, president of CAJAR (a lawyers collective based in Colombia). Both speakers addressed many different organisations and audiences during their visits, helping to promote awareness of human rights abuses and of how our accompaniment programme makes their work possible. We are grateful to the Law Society, the Bar Human Rights Committee, the International Solicitors Human Rights Group and the Funding Network for their contribution to making Soraya's tour possible. Both training weekends in the year for potential project volunteers were fully attended, and the photographic exhibition "Making Space for Peace" was widely toured in Ireland. PBI UK also maintained the number of volunteers in the field at 15 in 2005 (15 in 2004).

With limited staff resources (1 full-time co-ordinator and 1 part-time fund-raiser), the nature and ethos of PBI UK is such that many of its activities are carried out on a voluntary basis and it is considered that a significantly above average level of human resource is provided by its team of highly committed volunteers. It is not practicable at present to quantify the value of the many hundreds of unpaid hours they contribute each year but this time is crucial to the effectiveness of the organisation's work. As an indication, however, the number of volunteers playing a regular role in the U.K is estimated at having averaged 20 during 2005.

The development and expansion of PBI UK outreach strategy has been considerably boosted by support from the Quaker Peace and Social Witness joint initiative with Joseph Rowntree Charitable Trust, which has provided a full time peaceworker intern, Lani Parker, who commenced with the charity in September 2005.

The Trustees also express their considerable thanks and appreciation to long standing supporters the Sigrid Rausing Trust, the Polden-Puckham Charitable Foundation and the Network for Social Change for their invaluable support and commitment to PBI UK. PBI UK is also very grateful to the Prisoners of Conscience Appeal for renewing their grant in 2005 for our work in support of Mexican human rights defenders.

Since the year end, a further significant grant of £150,000 (of which £100,000 is restricted for funding to field projects) has been committed by the Sigrid Rausing Trust. Furthermore, firm indications of significant funding support for 3 years have also been received from the Bromley Trust, the Allan & Nesta Ferguson Trust and the Tinsley Foundation. This has contributed to a secure medium term financial outlook which has enabled Trustees to draw up a new 3 year strategic plan to build further on the achievements to date. The overall financial situation is, however, continuously monitored to ensure the organisation operates at a level of activity appropriate to available funding. In this context, the trustees' policy is to maintain a general reserve of unrestricted funds equal to 3 months future core expenditure.

PEACE BRIGADES INTERNATIONAL UNITED KINGDOM SECTION

Report of the trustees for the year ended 31 December 2005 - continued

Review - continued

The financial position has, in part, been achieved by the more substantial fund-raising efforts which commenced in June 2004 with the hire of a part time fund-raiser, Jane Walker, from the PBI International Secretariat to work with the co-ordinator on fund-raising. This arrangement continued through most of 2005 until October when Jane sadly moved on from PBI with great thanks and best wishes for the future. Since the year end, the Trustees have directly employed a new part-time fund-raiser to assist in carrying on this vital work, but thanks are due to Tamsin Mitchell who was employed on a temporary basis at the end of 2005 and contributed, amongst other efforts, to some vital Trust applications.

Organisation/Directors

Trustees who have served during the year, and up to the date of this report, are as follows:

Christopher Chapman
Susan Cosgrove
Joanne Holden
Andrew Kendle

All trustees are members of the management committee. They meet monthly to administer the charity's activities. A full time paid co-ordinator is appointed by the management committee to manage the day-to-day operations of the organisation, including supervision of the numerous volunteer activities

Trustees wish to express their immense thanks to the efforts of all staff, volunteers, donors, funders and supporters who have contributed to a further successful year of PBI UK activity. We want to give special mention to our co-ordinator, Susi Bascon, for her continued professionalism and dedication to PBI UK throughout the year. We are also very grateful to Keith Smith, our accountant, for his excellent work over the year.

Finally, and with regret, the trustees are sad to report the death of Professor John Ziman FRS, a member of the Network for Social Change, who had been a major supporter of PBI UK. His moral and financial support of our work over many years strengthened our work in many different ways. We will miss him greatly.

Approved by the Trustees on 4th April 2006 and signed on their behalf by:



Keith E Smith ACA
Company Secretary

Registered Office:
Peace Brigades International United Kingdom Section, 1b Waterlow Road, London N19 5NJ

PEACE BRIGADES INTERNATIONAL UNITED KINGDOM SECTION

Statement of trustees' responsibilities

The trustees are required 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 its incoming resources and application of resources, including the net income or expenditure, for the period. In preparing those financial statements the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice 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 charity will continue in operation.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the financial statements comply with the Companies Act 1985. The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

PEACE BRIGADES INTERNATIONAL UNITED KINGDOM SECTION

Independent auditors' report to the members of Peace Brigades International United Kingdom Section

We have audited the accounts of Peace Brigades International United Kingdom Section for the year ended 31 December 2005 which comprise the statement of financial activities, balance sheet and the related notes. The accounts have been prepared under the accounting policies set out therein.

This report is made solely to the charitable company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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 described in the Statement of Trustee's Responsibilities, the trustees (who are also directors of Peace Brigades International United Kingdom Section for the purpose of company law) are responsible for the preparation of the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the accounts in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the accounts give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Report of the Trustees is not consistent with the accounts, if the charitable company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit or if information specified by law regarding trustees' remuneration and transactions with the charitable company is not disclosed.

We read other information contained in the Report of the Trustees and consider whether it is consistent with the audited accounts. We consider the implications for our report if we become aware of any apparent misstatement or material inconsistencies with the accounts. Our responsibilities do not extend to any other information.

Basis of Audit Opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the accounts, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the accounts.

Opinion

In our opinion the financial statements:

- give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the charitable company's affairs as at 31 December 2005 and of its incoming resources and application of resources for the year then ended; and
- have been properly prepared in accordance with the Companies Act 1985.

Oxford

20 April 2006

Critchleys
Chartered Accountants
Registered Auditors

PEACE BRIGADES INTERNATIONAL UNITED KINGDOM SECTION

**Statement of Financial Activities
for the year ended 31 December 2005**

	Note	Unrestricted Funds	Restricted Funds	Total Funds 2005	Total Funds 2004
		£	£	£	£
INCOMING RESOURCES					
Grants receivable	2	6,500	143,285	149,785	142,120
Donations received		7,333	9,867	17,200	14,657
Membership subscriptions		705	0	705	825
Fees from training potential project volunteers		1,120	0	1,120	1,160
Fund-raising events income		1,965	0	1,965	7,699
Bank interest receivable		667	0	667	506
Other income		626	0	626	67
TOTAL INCOMING RESOURCES		18,916	153,152	172,068	167,034
RESOURCES EXPENDED					
	3				
Cost of generating funds:					
Fund-raising costs		17,125	10,726	27,851	18,415
Charitable expenditure:					
Costs of activities in furtherance of the charity's objects		1,791	127,164	128,955	128,826
Support costs		0	10,555	10,555	14,579
Management and administration		2,774	3,065	5,839	5,262
TOTAL RESOURCES EXPENDED		21,690	151,510	173,200	167,082
NET INCOMING RESOURCES FOR YEAR					
Balances brought forward		41,366	1,500	42,866	42,914
Balances carried forward		38,592	3,142	41,734	42,866

There were no recognised gains or losses during the year, other than those included in the above statement.

All amounts relate to continuing activities.

The notes on pages 8 to 12 form part of these financial statements

PEACE BRIGADES INTERNATIONAL UNITED KINGDOM SECTION

Balance sheet as at 31 December 2005

	Note	2005 £	2004 £
Fixed assets			
Tangible assets	4	<u>0</u>	<u>323</u>
Current assets			
Stock - books	5	45	124
Debtors and prepayments	6	665	831
Cash at bank and in hand		<u>48,499</u>	<u>48,533</u>
		49,209	49,488
Creditors: amounts falling due within one year	7	<u>(7,475)</u>	<u>(6,945)</u>
Net current assets		<u>41,734</u>	<u>42,543</u>
Total net assets		<u>41,734</u>	<u>42,866</u>
Represented by:			
Unrestricted funds	10	38,592	41,366
Restricted funds	10	<u>3,142</u>	<u>1,500</u>
		<u>41,734</u>	<u>42,866</u>

The financial statements were approved by the Management Committee on 4th April 2006


Trustee


Trustee

The notes on pages 8 to 12 form part of these financial statements

PEACE BRIGADES INTERNATIONAL UNITED KINGDOM SECTION

Notes to the financial statements for the year ended 31 December 2005

1. Accounting Policies

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice, Accounting and Reporting by Charities (SORP 2000), applicable accounting standards and the Companies Act 1985.

Incoming resources

Grants and donations are accounted for as soon as their amount and receipt are certain. In the case of donations this is usually when received. All other income is accounted for on a receivable basis, including Gift Aid reclaims. Grants received prior to the year end, relating to expenditure in a future financial year, are deferred and included in creditors. Donations in kind are recognised when the value to the charity can be quantified and a third party is bearing the cost.

Resources expended

Expenditure is included on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed, they have been allocated to activities on a basis consistent with the use of resources. Expenditure includes irrecoverable VAT where applicable.

Fixed assets and depreciation

Tangible fixed assets costing more than £500 are capitalised. Computer and office equipment is written off on a straight-line basis over their estimated useful life of 3 years.

Stock

Stocks are valued at the lower of cost and net realisable value.

Leasing

Rentals payable under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

Intangible Income

Donations in kind are included, where practicable, at the financial cost to the provider of the service. Volunteer time is not included in the financial statements.

PEACE BRIGADES INTERNATIONAL UNITED KINGDOM SECTION

Notes to the financial statements for the year ended 31 December 2005

	2005	2004
	£	£
2. Grants receivable		
The Sigrid Rausing Trust	110,000	100,000
Prisoners of Conscience Appeal Fund	13,200	9,600
Polden-Puckham Charitable Foundation	10,000	10,000
Network for Social Change	6,000	0
The Funding Network	5,085	0
The Rowan Charitable Trust	3,000	0
Appletree Fund	2,000	2,000
Radley Charitable Trust	500	300
Amnesty International Human Rights Defenders Programme	0	6,500
Ben & Jerry's	0	6,000
Ashworth Charitable Trust	0	2,000
The Philanthropic Trust	0	2,000
W. F. Southall Trust	0	1,500
A.W.60 Charitable Trust	0	600
H.T. & L.B. Cadbury Trust	0	500
Calpe Trust	0	500
Bryan Lancaster's Trust	0	500
C A Rodewald Charitable Settlement	0	120
	<u>149,785</u>	<u>142,120</u>
Total		

In addition, a £5,000 grant instalment for 2006 expenditure was received from the Bromley Trust and is included under creditors at note 7 as grants received in advance.

3. Total resources expended

	Staff Costs	Other Direct Costs	Other Allocated Costs	Total 2005	Total 2004
	£	£	£	£	£
Funding to field projects	0	91,899	0	91,899	102,489
Advocacy and project support	10,872	0	2,733	13,605	11,615
Outreach and publicity	8,231	4,125	2,733	15,089	6,924
Field volunteer recruitment and training	3,106	2,523	2,733	8,362	7,798
Fund-raising	24,977	141	2,733	27,851	18,415
Support costs to International Secretariat	0	10,555	0	10,555	14,579
Management and administration	3,106	0	2,733	5,839	5,262
	<u>50,292</u>	<u>109,243</u>	<u>13,665</u>	<u>173,200</u>	<u>167,082</u>

In common with other country groups, PBI UK contributes to global project support, monitoring and coordination that takes place at an international level within PBI. These amounts are included as support costs above.

PEACE BRIGADES INTERNATIONAL UNITED KINGDOM SECTION

Notes to the financial statements for the year ended 31 December 2005

3. Total resources expended - continued

	2005	2004
Staff Costs comprise:	£	£
Salaries	32,448	22,977
Social security costs	3,322	2,288
Staff training and travel	417	151
Hire of part time fundraiser from PBI International Secretariat	10,064	6,460
Temporary fundraiser	4,041	0
	<u>50,292</u>	<u>31,876</u>

Salaries, and the associated social security costs, cover one full time co-ordinator and the outreach worker referred to in note 10.

	£	£
Other Direct Costs comprise:		
Funding to PBI Mexico project	24,362	35,632
Funding to PBI Colombia project	39,320	41,991
Funding to PBI Indonesia project	21,487	18,048
Funding to PBI Guatemala project	6,730	6,818
Total direct funding to field projects	<u>91,899</u>	<u>102,489</u>

Contributions to PBI International Secretariat	9,824	13,820
Attendance at PBI Assemblies	731	759
Speaking tours by overseas human rights defenders and conference stalls	568	373
Publicity, newsletter, information packs, membership leaflets	1,080	593
Annual review	777	696
Human Rights photography exhibition	355	0
Volunteer training weekends	2,523	2,536
Direct fundraising costs	141	340
John Ziman memorial event/Annual General Meeting	1,345	0
	<u>109,243</u>	<u>121,606</u>

	£	£
Other Allocated Costs comprise:		
Rent, rates, insurance and service charges	5,035	4,701
Computer and telephone costs	971	1,507
Printing, stationery, postage and office supplies	1,979	1,809
Depreciation on computer equipment including write-offs	323	324
Accountancy	2,140	2,106
Audit fee	1,998	2,000
Volunteer travel expenses	769	648
Trustees' travel expenses	5	12
Sundry expense	445	493
	<u>13,665</u>	<u>13,600</u>

The trustees received no remuneration during the year.

Travel expenses totalling £5 were reimbursed to one trustee in 2005.

PEACE BRIGADES INTERNATIONAL UNITED KINGDOM SECTION

Notes to the financial statements for the year ended 31 December 2005

4. Fixed assets	Computer Equipment		
Cost	£		
At 1 January 2005	2,200		
Additions	<u>0</u>		
At 31 December 2005	<u>2,200</u>		
Depreciation			
At 1 January 2005	1,877		
Charge for year	<u>323</u>		
At 31 December 2005	<u>2,200</u>		
Net book value at 31 December 2005	<u>0</u>		
Net book value at 31 December 2004	<u>323</u>		
		2005	2004
		£	£
5. Stock			
Books - "Unarmed Bodyguards" at cost		<u>45</u>	<u>124</u>
6. Debtors (due within one year)			
Trade and other debtors		291	457
Prepayments and accrued income		<u>374</u>	<u>374</u>
		<u>665</u>	<u>831</u>
7. Creditors: amounts falling due within one year			
Deferred income - grants received in advance		5,000	0
Other creditors and accruals		2,475	2,426
Other taxes and social security		0	2,091
PBI Mexico project		<u>0</u>	<u>2,428</u>
		<u>7,475</u>	<u>6,945</u>
8. Operating lease commitments			
As at 31 December 2005, the company had commitments under a non-cancellable lease as follows:			
		2005	2004
		£	£
Expiring within one year		<u>1,019</u>	<u>1,026</u>
9. Company status			
The company is limited by guarantee and does not have a share capital. Each member's liability under the guarantee is limited to £1.			

PEACE BRIGADES INTERNATIONAL UNITED KINGDOM SECTION

Notes to the financial statements for the year ended 31 December 2005

10. Statement of funds	At 1 Jan 2005	Incoming Resources	Resources Expended	At 31 Dec 2005
	£	£	£	£
Unrestricted funds:				
General	41,366	18,916	(21,690)	38,592
Total unrestricted funds	41,366	18,916	(21,690)	38,592
Restricted funds:				
Sigrid Rausing Trust - field projects	0	70,000	(70,000)	0
Sigrid Rausing Trust - core support*	0	40,000	(40,000)	0
Transferred to field projects:				
Appletree Fund (to Colombia)	0	2,000	(2,000)	0
Prisoners of Conscience(to Mexico)	0	13,200	(13,200)	0
Rowan Trust(all projects)	0	3,000	(3,000)	0
Iona Community(to Mexico)	0	400	(400)	0
Other, including individual donors	0	3,162	(3,162)	0
Polden-Puckham - outreach and other	0	10,000	(10,000)	0
John Ziman Memorial/AGM	0	880	(880)	0
Human rights defender visit	0	300	(300)	0
Funding Network - outreach strategy	0	5,085	(1,943)	3,142
Outreach worker	0	5,125	(5,125)	0
Volunteer training weekend	1,500	0	(1,500)	0
Total restricted funds	1,500	153,152	(151,510)	3,142
Total funds	42,866	172,068	(173,200)	41,734

Restricted funds are funds which have been granted or donated for particular purposes or projects.

The volunteer training weekend fund was funded by the W.F.Southall Trust.

The human rights defender visit fund was donated by the Bar Human Rights Committee of England and Wales.

The year end balance on the Funding Network - outreach strategy fund represents funds to be used in 2006 for further outreach work, including a feasibility study.

The outreach worker fund represents the estimated cost of a donation in kind, being the salary of a full time outreach employee from September 2005. The employee is a peacemaker intern of a Quaker Peace & Social Witness joint initiative with Joseph Rowntree Charitable Trust and is for a one year duration.

The John Ziman Memorial/AGM fund was donated by members of the Network for Social Change.

* includes allocation to PBI International Secretariat - see note 3.