

THE PRISONERS OF CONSCIENCE APPEAL FUND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

ALISON WARD ACCOUNTANTS
CHARTERED CERTIFIED ACCOUNTANTS

28 HILLS ROAD
BUCKHURST HILL
ESSEX IG9 5RS

**THE PRISONERS OF CONSCIENCE APPEAL FUND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

CONTENTS

Pages	1	Trustee's Report
	9	Independent Examiner's Report
	9	Statement of Financial Activities
	11	Balance Sheet
	12	Notes to the Financial Statements

**THE PRISONERS OF CONSCIENCE APPEAL FUND
TRUSTEE'S REPORT - STATUTORY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2016**

Trustee Prisoners of Conscience Appeal Fund (Trustee) Limited

Directors of the Corporate Trustee

Ian Baker
Victoria Brittain
Sir Henry Brooke CMG (retired April 2016)
Dorothy Connell
John Cooper QC
Katy Fattuhi (retired January 2016)
Stefanie Grant
Roger Harrison (appointed December 2016)
David Ivy
Catriona Jarvis
Maria Saro-Wiwa
Ansel Wong

Chief Executive Lynn Carter

Principal address of the charity P O Box 61044
London SE1 1UP

Charity number 213766

Bankers HSBC PLC
90 Baker Street
London W1U 6AX

CAF Bank Limited
Kings Hill
West Malling
Kent ME19 4TA

Independent examiner Alison Ward FCCA
Alison Ward Accountants
Chartered Certified Accountants
28 Hills Road
Buckhurst Hill
Essex IG9 5RS

**THE PRISONERS OF CONSCIENCE APPEAL FUND
TRUSTEE'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2016**

The Trustee presents its report and the independently examined financial statements of the charity for the year ended 31 December 2016. The statutory information is shown on Page 1.

Structure, Governance and Management

Constitution and Charity Objectives

The Prisoners of Conscience Appeal Fund (PoC) was established in 1962 as a Charitable Trust with the object of relieving the hardship of prisoners of conscience and their families and also to cover the costs of travel and resettlement of former prisoners of conscience who have been granted asylum in other countries. In addition, it can provide funds for the relief of poverty of those who have fled their country to avoid being imprisoned for their political or religious beliefs; but excluding those guilty of crimes of violence, inciting violence, or fomenting hatred between races.

In 2011 a new company was established; The Prisoners of Conscience Appeal Fund (Trustee) Limited (the Corporate Trustee), which is the sole corporate trustee of the charity. All the serving trustees resigned in December 2011 and except for two of their number, they were all appointed as Directors of the Corporate Trustee. The object of PoC has now been condensed as follows:

The object of the charity is to relieve the poverty of any person throughout the world (and any spouse, child or dependant of any such person) who has performed an act of conscience for which he or she has been, or are likely to be imprisoned, persecuted or subjected to suffering, or have fled from their country to avoid such imprisonment, persecution or suffering, provided they have not used or advocated violence.

Recruitment and Appointment of Trustees

PoC no longer has any individual trustees. Its sole trustee is the Corporate Trustee. The Corporate Trustee is therefore responsible for the management of the charitable funds of the Charity. In practice, the Corporate Trustee is represented by and makes decisions through its board of directors who are responsible for running the Corporate Trustee. This structure is illustrated below:

Board of Directors (those who were previously trustees of the Charity)

Prisoners of Conscience Appeal Fund (Trustee) Limited
(the Corporate Trustee)

The Prisoners of Conscience Appeal Fund
(the Charity)

Organisation

PoC is administered by a sole corporate trustee, the board of which meets four times a year. The charity is also supported by a number of distinguished Patrons.

**THE PRISONERS OF CONSCIENCE APPEAL FUND
TRUSTEE'S REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2016**

Induction and Training of Directors of the Corporate Trustee

Once a Director has been appointed, they are issued with written guidelines, the Trust Deed and the Memorandum and Articles of the Corporate Trustee to enable them to fulfil their role as Director of the Corporate Trustee. To assist with their induction they will be partnered with a serving Director when they first start assessing grants. They are also made aware of their legal responsibilities as Directors of the Corporate Trustee and the legal responsibilities of the Corporate Trustee, as Trustee of PoC.

All Directors meet quarterly and are in regular contact with the Chief Executive. The Board monitors the strategy implemented by the Chief Executive. Directors also remain very closely involved with PoC's activities, as a rotating sub-committee of at least two Directors approve every grant made.

Equal Opportunities

PoC opposes direct and indirect discrimination in relation to recruitment and training of Directors on the grounds of race, ethnic origin, religion, colour, or marital status, sexual orientation, physical disability, spent criminal conviction, age and social background. This also applies to paid staff and volunteers.

PoC's employment/recruitment practices will be based on an individual's ability to perform his or her work, which necessitates a commitment to the aims and objectives of the Prisoners of Conscience Appeal Fund. PoC needs the contribution of all members of society. Thus, active steps are taken to ensure that all members of the community should have equal opportunity to give service.

Grant Making Policy

PoC's charitable purpose is to relieve poverty for a specific beneficiary group by offering financial grants to eligible prisoners of conscience and their families. A prisoner of conscience refers to any person throughout the world (and any spouse, child or dependant of any such person) who has performed an act of conscience for which he or she has been, or are likely to be imprisoned, persecuted or subjected to suffering, or have fled from their country to avoid such imprisonment, persecution or suffering, provided they have not used or advocated violence.

Applications for financial grants are made through approved third-party agencies on behalf of individuals and families. The aim is to help people whose lives have been destroyed by persecution to make a new start. PoC must be satisfied that these criteria have been met and that the needs of any persons seeking assistance are clearly established. PoC must also ensure that in allocating its financial grants to its beneficiaries does not result in any detrimental effects to the beneficiary themselves or their families or any other section of society or the environment.

**THE PRISONERS OF CONSCIENCE APPEAL FUND
TRUSTEE'S REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2016**

Public Benefit

PoC uses its donated funds for financial grants for its beneficiaries, regardless of where they live and at no cost to them personally. As there are few other organisations that can offer similar support to this group of individuals, in most cases, PoC is the only organisation that can offer such assistance to prisoners of conscience and their families worldwide. PoC also uses its resources to fund bursaries, to allow prisoners of conscience in the UK to convert their qualifications to UK-recognised standards, enabling them to resume their lives and careers in exile. We believe that offering such vital support to people in distress at key times in their lives is of a public benefit as well as a benefit to the individuals concerned.

The Trustee of PoC has paid due regard to the Charity Commission's guidance on public benefit and is satisfied that PoC is fulfilling its responsibilities with regard to public benefit.

Activities in 2016

To further our aim of relieving the poverty of prisoners of conscience, we made grants to 154 individuals totalling £164,751. An additional 194 dependants were logged in 2016 which gives a total of 348 people helped.

In order to carry out our work in 2016 we collaborated with 49 different referral agencies in the UK and overseas and we registered 27 new agencies throughout the year. Grant requests are processed weekly through our secure online grant application system and a sub-committee of two directors approve each application, with advice from the office.

PoC relies on the experience and integrity of its referral agencies to further its activities and to fulfil its object of relieving the poverty of prisoners of conscience and their families. To that end, our referral agencies are carefully chosen and include many organisations who are working on the ground with the beneficiary group we aim to assist. Few of these agencies have money available for giving relief to individuals but offer other services such as advice, information, counselling and advocacy.

As with all of our grant-making overseas, we are acutely aware that the situation on the ground can affect the ability of our referral agencies to access and refer eligible prisoners of conscience at certain times and we appreciate the restraints under which they are working. We will continue to work closely with our overseas referral agencies to be in a position to offer urgent financial relief when it is needed, while taking into account the safety and security of both the applicant and the referral agency staff.

**THE PRISONERS OF CONSCIENCE APPEAL FUND
TRUSTEE'S REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2016**

Use of grants

The aim is to help people whose lives have been destroyed by persecution to make a new start. Our grants cover three broad purposes - relief, resettlement and rehabilitation. Our turnaround time for granting applications is swift, usually taking about two weeks to make a decision, with emergencies being able to be handled in 24 hours or less.

Our grants are typically used to supply the applicant's urgent basic needs which include food, clothes, furniture, medical help for their special needs which arise as a result of torture, and educational costs. Larger grants can cover travel costs for family reunion and emergency grants for food and safe accommodation for victims immediately after persecution or torture occurs.

We also have a separate 'Bursaries Fund', which allocates educational grants for re-qualification costs and post-graduate fees to enable refugee professionals in exile to convert their existing qualifications in order to secure employment on a level commensurate with their skills and experience, enabling them to fulfil their potential and contribute more quickly to the economic, social and cultural life of the UK, which is not just an individual benefit but a public benefit for the community as a whole.

For each grant awarded we receive signed receipts from our recipients and, in many cases, letters of thanks. We receive constant evidence of just what a huge difference our grants can make. A Prisoners of Conscience grant is not just about practical help. It shows people who have been brave enough to stand by their principles that others admire their courage.

Fundraising

We fundraise annually to raise the income to support all our activities. Our two principal sources of income are charitable trusts in the UK and individual donors in the UK and overseas. Although many give regularly, very few give confirmed pledges to us in advance so we have to write regularly to each of our donors. We normally report to charitable trusts annually throughout the year and we normally request assistance from our individual donors between three and four times in a year.

Donations from individuals amounted to £117,237 in 2016. We also benefited from the generous support of 56 different Charitable Trusts in 2016 totalling £106,674 and received £106,039 in legacy income.

**THE PRISONERS OF CONSCIENCE APPEAL FUND
TRUSTEE'S REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2016**

Online and Social Media

We continued to send e-newsletters to all of our online supporters on an ad-hoc basis. In addition we also have over 830 people from around the world following us on the social networking site Facebook and 600 following us on Twitter.

Events

Kurt Jackson Art Auction

Under the title 'Pigeonholed', leading British artist, Kurt Jackson, created a collection of works, in aid of PoC. The collection depicted pigeons in various guises which Kurt created to reflect the experience of prisoners of conscience. The works include images of wood pigeons, racing pigeons and doves of peace, which revealed aspects of solitude, of despair, of loneliness, but for the most part, of desire for and experience of peace and freedom, of being reunited with family and friends, of messages sent, whether actual or imagined.

The collection was exhibited in the foyer of the offices of the Guardian from the 21st to the 29th November, culminating in a sale of works on 29th November, all proceeds of which were donated to PoC.

A special edition book, featuring images of Kurt's works in the collection and contributions from prisoners of conscience was also launched at the exhibition. The special edition book featured poems and prose from campaigners and writers including the Orange Prize for Fiction shortlisted authors Gillian Slovo and Kamila Shamsie, Justice Edwin Cameron, as well as contributions from three of PoC's patrons, Desmond Tutu Archbishop Emeritus, Sir Geoffrey Nice QC and Sir Henry Brooke CMG.

Big Give Christmas Challenge

We were lucky enough again to take part in the Big Give Christmas Challenge where, for a limited time, donors were able to have their donations doubled if they donated through the Big Give initiative. We focused on our Bursaries Fund this year and raised £16,000.

Clifford Chance Bursaries Reception

This event is a highlight of the PoC calendar each year where our donors can mingle with our successful bursary holders, staff, trustees, patrons and volunteers. Clifford Chance have kindly hosted this event every year since our 50th anniversary year in 2012. Hosted by our patron, Sir Geoffrey Nice QC, our keynote speaker and presenter of the awards was Andrei Sannikov, the former Belarusian presidential candidate. Andrei received the second highest percentage of the popular vote during the presidential elections in Belarus in 2010, but rather than move on to the second round, he was thrown into jail instead. He was finally released after 16 months of the most brutal and inhumane treatment.

Andrei had written a heart-wrenching account of his time as a political prisoner - 'My Story', copies of which he kindly brought with him to the event, all proceeds of which went towards helping other Belarusian prisoners of conscience.

Other speakers on the night included two women bursary holders, one from Iran and one from Ethiopia.

**THE PRISONERS OF CONSCIENCE APPEAL FUND
TRUSTEE'S REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2016**

Governance

Our very experienced Chair, Sir Henry Brooke CMG, a retired Lord Justice of the Appeal, was due to retire in 2016 as he reached his maximum term of service of nine years. Given the crucial importance of the Chair in ensuring the smooth running of PoC, it was essential that there was a seamless transfer to a new Chair.

Sir Henry's successor was identified at the end of 2015 in our then Vice-Chair, Catriona Jarvis. Catriona assumed the Chair when Sir Henry retired in April 2016. Catriona has extensive experience in global refugee and human rights issues. She was a judge in the asylum, human rights and immigration field for 21 years, and is a former Council member of the International Association of Refugee Law Judges and its Vulnerable Persons Working Party. She is currently the Chair of the Unaccompanied and Separated Migrant Children's Court Steering Group, a trustee of the Inderpal Rahal Memorial Trust and the Co-Convener of Last Rights, a project that is creating a new legal framework to ensure respect for the rights of missing and dead refugees and migrants and bereaved family members.

Risk Management

The Directors of the Corporate Trustee have examined the major strategic, business and operational risks which the charity faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen these risks.

The Charity makes grants to individual prisoners of conscience - people (and their families) who are generally at great risk in countries with oppressive regimes. Due to issues surrounding the safety and security of our beneficiaries, it is not advisable for all our areas of operation to be published. Therefore, only certain overseas countries where our beneficiaries are resident are detailed in our 'Restricted funds' on page 22, as well as being detailed in our Annual Return to the Charity Commission.

Reserves Policy

It is the policy of PoC to maintain unrestricted funds which are the free reserves of the charity at a level of not less than £60,000, plus any restricted funds. This provides sufficient funds to cover management and administration and support costs for a six-month period. To this end a fund has been designated for this purpose.

Investment Policy

The Directors of the Corporate Trustee have considered the most appropriate policy for investing funds and has found that investment in the Caf Bank Ltd. High Interest Account is the most suitable for the charity's requirements.

PoC has a Treasurer on the Board and has several sub-committees, one of which is focused on Finance.

**THE PRISONERS OF CONSCIENCE APPEAL FUND
TRUSTEE'S REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2016**

Statement of Trustee's Responsibilities

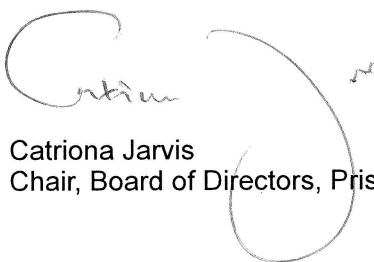
Trustees are required under the Charities Act 2011 to prepare financial statements for each financial year which give a true and fair view of the charity's financial activities during the year and of its financial position at the end of the year. In preparing those financial statements giving a true and fair view, the Trustees should follow best practice and:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charity will continue in operation.

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 applicable law and regulations. They 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.

Approval

This report was approved by the Corporate Trustee on the 12th July 2017 and signed on its behalf.

A handwritten signature in dark ink, appearing to read 'Catriona', is written over a large, faint circular stamp or watermark.

Catriona Jarvis
Chair, Board of Directors, Prisoners of Conscience Appeal Fund (Trustee) Limited

**INDEPENDENT EXAMINER'S REPORT
TO THE TRUSTEE OF THE PRISONERS OF CONSCIENCE APPEAL FUND
FOR THE YEAR ENDED 31 DECEMBER 2016**

I report on the accounts of the Trust for the year ended 31 December 2016 which are set out on pages 10 to 23.

Respective responsibilities of trustee and examiner

The charity's Trustee is responsible for the preparation of financial statements. The charity's Trustee considers that an audit is not required under section 145 of the Charities Act 2011 (the Act) and that an independent examination is needed. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of ACCA.

It is my responsibility to

- examine the accounts under section 145 of the 2011 Act,
- follow the procedures laid down in the General Directions given by the Charity Commissioners under section 145 (5) (b) of the Act, and
- to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commissioners. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

Independent examiner's statement

In connection with the examination, no matter has come to my attention:

(1) which gives me reasonable cause to believe that in any material respect the requirements

- to keep accounting records in accordance with section 130 of the 2011 Act; and
- to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the 2011 Act have not been met;

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Alison Ward FCCA

Alison Ward Accountants
Chartered Certified Accountants
28 Hills Road
Buckhurst Hill
Essex IG9 5RS

12th July 2017

THE PRISONERS OF CONSCIENCE APPEAL FUND
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2016

		Unrestricted Note Funds £	Restricted Funds £	Designated Funds £	Total 2016 £	Unrestricted Funds £	Restricted Funds £	Designated Funds £	Total 2015 £
Income:									
Donations and legacies	4	243,335	91,570	-	334,905	252,612	50,088	-	302,700
Other trading activities	5	1,397	-	-	1,397	351	-	-	351
Income from investments	6	163	-	-	163	213	-	-	213
Total income		<u>244,895</u>	<u>91,570</u>	<u>-</u>	<u>336,465</u>	<u>253,176</u>	<u>50,088</u>	<u>-</u>	<u>303,264</u>
Expenditure on:									
Raising funds	7	58,275	-	-	58,275	67,183	4,480	-	71,663
Charitable activities	8	135,406	136,469	-	271,875	174,445	76,201	-	250,646
Total expenditure		<u>193,681</u>	<u>136,469</u>	<u>-</u>	<u>330,150</u>	<u>241,628</u>	<u>80,681</u>	<u>-</u>	<u>322,309</u>
Net income\ (expenditure)		51,214	(44,899)	-	6,315	11,548	(30,593)	-	(19,045)
Transfer between funds	9	(31,681)	31,681	-	-	-	-	-	-
Reconciliation of funds									
Total funds brought forward		<u>54,417</u>	<u>23,543</u>	<u>60,000</u>	<u>137,960</u>	<u>42,869</u>	<u>54,136</u>	<u>60,000</u>	<u>157,005</u>
Total funds carried forward		<u>73,950</u>	<u>10,325</u>	<u>60,000</u>	<u>144,275</u>	<u>54,417</u>	<u>23,543</u>	<u>60,000</u>	<u>137,960</u>


The company made no recognised gains and losses other than those reported in the income and expenditure account.

The notes on pages 12 to 23 form part of these financial statements

THE PRISONERS OF CONSCIENCE APPEAL FUND
BALANCE SHEET AT 31 DECEMBER 2016

	Note	2016 £	2015 £
FIXED ASSETS			
Tangible assets	11	320	639
CURRENT ASSETS			
Debtors	12	18,112	11,785
Cash at bank and in hand		191,424	156,542
		209,536	168,327
CREDITORS: Amounts falling due within one year	13	(65,581)	(31,006)
NET CURRENT ASSETS		143,955	137,321
NET ASSETS		£ 144,275	£ 137,960
RESERVES			
Unrestricted funds	14 & 15	73,950	54,417
Designated funds	14 & 15	60,000	60,000
Restricted funds	14 & 15	10,325	23,543
		£ 144,275	£ 137,960

The accounts were approved by the Trustee on 12th July 2017 and signed on its behalf by



Catriona Jarvis
Chair, Board of Directors, Prisoners of Conscience Appeal Fund (Trustee) Limited

The notes on pages 12 to 23 form part of these financial statements

THE PRISONERS OF CONSCIENCE APPEAL FUND
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2016

1. ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

1a. Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice 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)) as amended by Update Bulletin 1 issued in February 2016 and the Financial Reporting Standard applicable in the UK Republic of Ireland (FRS 102).

The Prisoners of Conscience Appeal Fund meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

1b. Tangible fixed assets

Capital items costing in excess of £1,000 are capitalised. Fixed assets are shown at historical cost.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life by the straight line method.

	%
Office equipment	25

1c. Reconciliation with previous Generally Accepted Accounting Practice

In preparing the accounts, the Trustee considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required.

At the date of transition in applying the requirement to recognise liabilities arising from employee benefits, a liability was calculated for short term compensated absence arising from employee entitlement to paid annual leave. The liability was not recognised as it was not material and hence no restatements were required.

**THE PRISONERS OF CONSCIENCE APPEAL FUND
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2016**

1. ACCOUNTING POLICIES (CONTINUED)

1d. Preparation of the accounts on a going concern basis

The Prisoners of Conscience Appeal Fund has reported a net surplus of £6,315 for the year. The Trustee is of the view that the immediate future of the Trust for the next 12 to 18 months is secure and that on this basis the charity is a going concern.

The uncertain economic outlook and willingness of the public and trusts to donate is a significant area of uncertainty which the Trustee has mitigated by reviewing the activities of the charity. The charity remains in regular contact with donors to secure their on-going support.

1e. Income

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

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income received in advance of a specified service it is deferred until the criteria for income recognition are met.

**THE PRISONERS OF CONSCIENCE APPEAL FUND
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2016**

1. ACCOUNTING POLICIES (CONTINUED)

1f. Donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised. The Trustee's annual report contains information about the contribution to the charity made by volunteers.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

1g. Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally on notification of the interest paid or payable by the Bank.

1h. Funds

Unrestricted funds are available to spend on activities that further any of the purposes of charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations or grants which the donor has specified are to be used solely for particular purposes/areas of the charity's work or for specific projects undertaken by the charity.

1i. 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 comprise the costs of administering the donor data base and associated support costs.
- Expenditure on charitable activities includes the costs of making relief grants and other activities 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.

**THE PRISONERS OF CONSCIENCE APPEAL FUND
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2016**

1. ACCOUNTING POLICIES (CONTINUED)

1j. Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance personnel, payroll and governance costs which support the charity's grant programme and activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities. The basis on which support costs have been allocated are set out in note 10.

1k. Operating leases

The charity classifies the lease on the office as an operating lease; the title to the property remains with the lessor. Rental charges are charged on a straight line basis over the term of the lease.

1l. 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.

1m. 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.

1n. 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.

1o. Taxation

The charity is exempt from taxation under section 521 to 536 of the Income Tax Act 2007 (ITA 2007).

THE PRISONERS OF CONSCIENCE APPEAL FUND
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2016

1. ACCOUNTING POLICIES (CONTINUED)

1p. Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in the year.

2. Operating surplus/(deficit)

	2016	2015
	£	£
The surplus/(deficit) is stated after charging:		
Independent examiner's fee	2,016	2,016
Depreciation and amortisation		
Tangible assets: owned	319	319
Staff costs (note 3)	114,694	114,065
	<hr/>	<hr/>

3. Staff costs and remuneration of key management personnel

The charity considers its Key Management Personnel to be the directors of the corporate trustee and the Director.

Staff costs during the year amounted to:	2016	2015
	£	£
Wages and salaries	101,589	101,791
Social security costs	7,661	8,705
Other pension costs	5,444	3,569
	<hr/>	<hr/>
	£ 114,694	£ 114,065
	<hr/>	<hr/>

The average monthly number of full time equivalent of employees during the year was 2.2 (2015 - 2.2).

No employee earned more than £60,000 during the year.

THE PRISONERS OF CONSCIENCE APPEAL FUND
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2016

4. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total 2016 £	Total 2015 £
Donations - trusts	39,544	67,130	106,674	137,191
Donations - other	97,752	19,485	117,237	107,699
Donations in kind	-	4,955	4,955	7,146
Legacies	106,039	-	106,039	50,664
	<u>£ 243,335</u>	<u>£ 91,570</u>	<u>£ 334,905</u>	<u>£ 302,700</u>

The charity is grateful to Clifford Chance for hosting the Bursaries Reception in December 2016. The value of this to the charity is estimated at £4,955 (2015 - £4,480). In 2015 The Prisoners of Conscience Appeal Fund also benefitted from Jon Webster's pro bono pension advice which was valued at £2,666. The estimated value of these services is recognised within incoming resources as a donation, and an equivalent charge included within Charitable activities under Other costs.

The charity benefits greatly from the involvement and enthusiastic support of its volunteers, details of which are given in our annual report. In accordance with FRS 102 and the Charities SORP (FRS 102), the economic contribution of general volunteers is not recognised in the accounts.

5. Other trading activities

	Unrestricted Funds £	Restricted Funds £	Total 2016 £	Total 2015 £
Event income and sundry fundraising	1,397	-	1,397	351
	<u>£ 1,397</u>	<u>£ -</u>	<u>£ 1,397</u>	<u>£ 351</u>

6. Investment income

	Unrestricted Funds £	Restricted Funds £	Total 2016 £	Total 2015 £
Bank interest receivable	163	-	163	213
	<u>£ 163</u>	<u>£ -</u>	<u>£ 163</u>	<u>£ 213</u>

THE PRISONERS OF CONSCIENCE APPEAL FUND
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2016

7. Raising funds

	Unrestricted Funds £	Restricted Funds £	Total 2016 £	Total 2015 £
Staff costs	44,217	-	44,217	45,184
Fundraising events	-	-	-	8,966
Fundraising other	10,460	-	10,460	13,356
Annual report & newsletter	3,598	-	3,598	4,157
	<u>£ 58,275</u>	<u>£ -</u>	<u>£ 58,275</u>	<u>£ 71,663</u>

8. Charitable activities

	Unrestricted Funds £	Restricted Funds £	Total 2016 £	Total 2015 £
Relief payments	33,237	131,514	164,751	136,399
Relief payments returned	(12,930)	-	(12,930)	-
Staff costs	68,672	-	68,672	68,365
Professional fees	5,324	-	5,324	5,299
Bank charges	3,099	-	3,099	3,040
Governance	6,249	-	6,249	6,984
Other costs	31,755	4,955	36,710	30,559
	<u>£ 135,406</u>	<u>£ 136,469</u>	<u>£ 271,875</u>	<u>£ 250,646</u>

9. Transfer between funds

The charity received an unexpected unrestricted legacy in the year and used those funds to augment payments for particular areas of activity which had already received some restricted funding. The transfer between funds represents the use of those funds during 2016.

THE PRISONERS OF CONSCIENCE APPEAL FUND
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2016

10. Expenditure

	Fundraising costs £	Relief payments and support costs £	Governance costs £	Total 2016 £	Total 2015 £
Relief payments	-	164,751	-	164,751	136,399
Relief payments returned	-	(12,930)	-	(12,930)	-
Staff costs	44,217	68,672	1,805	114,694	114,065
Staff training	-	-	-	-	1,310
Fundraising events	-	-	-	-	8,966
Fundraising other	10,460	-	-	10,460	13,356
Professional fees	-	5,324	150	5,474	5,462
Annual report & newsletter	3,598	-	-	3,598	4,157
Independent examination	-	-	2,016	2,016	2,016
Trustee meeting costs	-	-	94	94	163
Trustee indemnity insurance	-	-	2,029	2,029	1,961
Trustee training	-	-	142	142	855
Bank charges	-	3,099	-	3,099	3,040
Other costs	-	36,710	13	36,723	30,559
	<u>£ 58,275</u>	<u>£ 265,626</u>	<u>£ 6,249</u>	<u>£ 330,150</u>	<u>£ 322,309</u>

Staff costs have been allocated on the basis of staff time spent on each of the three activity headings. Other costs supporting the activities, which could not be allocated directly, were apportioned 35% to fundraising costs and 65% to relief payments.

THE PRISONERS OF CONSCIENCE APPEAL FUND
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2016

11. Tangible fixed assets

	Fixtures & Equipment £	Total £
Cost		
At 1 January 2016	21,181	21,181
At 31 December 2016	<u>21,181</u>	<u>21,181</u>
Depreciation		
At 1 January 2016	20,542	20,542
For the year	319	319
At 31 December 2016	<u>20,861</u>	<u>20,861</u>
Net Book Amounts		
At 31 December 2016	<u>£ 320</u>	<u>£ 320</u>
At 31 December 2015	<u>£ 639</u>	<u>£ 639</u>

12. Debtors

	2016 £	2015 £
Gift aid debtor	7,923	5,392
Staff loan	2,883	2,853
Other debtors	3,000	-
Prepayments	4,306	3,540
	<u>£ 18,112</u>	<u>£ 11,785</u>

THE PRISONERS OF CONSCIENCE APPEAL FUND
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2016

13. Creditors: Amounts falling due within one year

	2016	2015
	£	£
Accounts payable	4,641	1,602
Other creditors including taxation and social security	3,553	3,229
Accruals	57,387	26,175
	<hr/>	<hr/>
	£ 65,581	£ 31,006
	<hr/>	<hr/>

14. Analysis of net assets between funds

	Unrestricted	Restricted	Designated	Total	Total
	Funds	Funds	Funds	2016	2015
	£	£	£	£	£
Fund Balances at 31 December 2016 are represented by					
Tangible fixed assets	320	-	-	320	639
Current assets	130,871	18,665	60,000	209,536	168,327
Current liabilities	(57,241)	(8,340)	-	(65,581)	(31,006)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Net Assets	£ 73,950	£ 10,325	£ 60,000	£ 144,275	£ 137,960
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

THE PRISONERS OF CONSCIENCE APPEAL FUND
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2016

15. Funds

	1/1/16	Incoming	Outgoing	Transfers	31/12/16
	£	£	£	£	£
Restricted funds					
Burma fund	-	5,000	(5,000)	-	-
Bursaries fund	498	44,115	(61,151)	16,538	-
Big Give Christmas Challenge	-	16,000	(16,000)	-	-
Zimbabwe fund	3,000	3,000	-	-	6,000
Pakistan fund	6,000	7,000	(14,400)	1,400	-
Tibet fund	12,870	-	(12,870)	-	-
Tibet monitoring fund	1,175	-	-	-	1,175
Family reunion	-	5,500	(8,628)	3,128	-
Journalists in exile	-	6,000	(13,465)	10,615	3,150
In kind donations	-	4,955	(4,955)	-	-
	<u>23,543</u>	<u>91,570</u>	<u>(136,469)</u>	<u>31,681</u>	<u>10,325</u>
Unrestricted funds					
Relief funds	-	59,962	(28,281)	(31,681)	-
General funds	54,417	184,933	(165,400)	-	73,950
Designated funds	<u>60,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>60,000</u>
	<u>£ 137,960</u>	<u>£ 336,465</u>	<u>£ (330,150)</u>	<u>£ -</u>	<u>£ 144,275</u>

The description, purpose and nature of the funds is as follows:

Burma fund

Restricted to relief for Burmese prisoners of conscience.

Bursaries fund

Restricted to the cost of bursary grants.

Zimbabwe fund

Restricted to relief for Zimbabwean prisoners of conscience.

Pakistan fund

Restricted to relief for Pakistani prisoners of conscience.

Tibet fund

Restricted to relief for Tibetan prisoners of conscience.

Tibet monitoring fund

Restricted to monitoring costs of the Tibet Fund.

Family reunion

Restricted to family reunion costs.

**THE PRISONERS OF CONSCIENCE APPEAL FUND
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2016**

15. Funds (CONTINUED)

Journalists in exile

Restricted to journalists at risk in Africa.

Big Give Christmas Challenge

Restricted funds raised through the Big Give Christmas Challenge in December 2016 for the Bursaries Fund.

Designated fund

Funds designated by the Trustee below which unrestricted funds must not fall.

16. Trustee's expenses

The Trustee neither received nor waived any emoluments during the year (2015 - £Nil)

17. Related parties

Other than the costs relating to the corporate trustee, as stated in note 10, there were no related party transactions during the year.

18. Lease commitments

The charity has entered into a lease in respect of the office which extends over a period of up to 4 years.

The minimum annual rentals under the lease is:

	2016	2015
	£	£
- within 1 year	£ 12,000	£ 12,000
	<u> </u>	<u> </u>