

**Report of the PRI Board and
Financial Statements For The Year Ended 31 December 2011
for
PENAL REFORM INTERNATIONAL**

Tudor John LLP
Chartered Accountants
and Registered Auditors
Nightingale House
46-48 East Street
Epsom
Surrey
KT17 1HQ

PENAL REFORM INTERNATIONAL

Chairman's Report for the year ended 31 December 2011

PRI is an international non-governmental organisation (NGO) promoting penal reform worldwide. It was established in 1989 and registered in the Netherlands as an association, registration number 40025979.

The Constitution sets out its objectives:

- The development and implementation of international human rights instruments in relation to law enforcement and prison conditions
- The elimination of unfair and unethical discrimination in all penal measures
- The abolition of the death penalty
- The reduction of the use of imprisonment throughout the world
- The use of constructive non-custodial sanctions, which support the social reintegration of offenders whilst taking into account the interests of victims.

PRI works with penal reform activists, NGOs and governments, as well as inter-governmental institutions. Working with civil society is central to PRI's programme activities and it actively supports the greater involvement of civil society in criminal justice reform. PRI works in partnership with governments, but only seeks and accepts funds from governments to undertake work in accordance with its agreed programme. As an independent NGO, PRI does not accept any funds which threaten its autonomy or require it to depart from its mandate or programme of work. Its policy on working with governments is set out on the website www.penalreform.org.

Its key working methods are through:

- Providing support to governments and non-governmental organisations seeking to reform their penal systems
- Assisting penal reform activists and specialists in setting up organisations within their own countries
- Assessing prison conditions at the request of governments and NGOs, recommending sustainable improvements and developing projects to bring those improvements about
- Developing alternatives to custody, and other penal reform projects that are culturally relevant
- Producing training resources and training criminal justice officials and NGO staff on international standards in human rights
- Organising national, regional and worldwide conferences, seminars and exchange visits, bringing together penal reform activists, specialists and government representatives
- Publishing newsletters that cover developments in penal reform, reporting on penal conditions worldwide
- Developing relationships with the United Nations and its agencies, the Council of Europe, the African Commission on Human and Peoples' Rights, and other inter-governmental organisations.

PENAL REFORM INTERNATIONAL

Report of the Board for the year ended 31 December 2011

REFERENCE AND ADMINISTRATIVE DETAILS

Bankers

HSBC
512 Brixton Road
London SW9 8ER

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

PRI's governing document is its Constitution, which sets out its objects, mission and powers as a registered association. It is a membership organisation, with members electing the Board at its general meeting, currently held every five years. The most recent Board meeting took place on 26 and 27 November 2011, when it was agreed that PRI should seek registration as a charity in the UK.

Risk management

The major risks to which PRI may be exposed were reviewed at the Board meeting in November 2011 and systems are in place to manage the risks identified.

The Board

PRI aims to have Board members from all the major regions of the world. Prospective new Board members must be members of PRI and are expected to be active and expert in the field of penal reform. Before and after joining the Board, they are provided with information about the Constitution and PRI activities. On joining, they are sent Board meeting Minutes of previous meetings and general information to facilitate their role. The Board or Executive Board can appoint new members in between general meetings (subject to election at the general meeting).

The Board meets annually and agrees the strategic direction of the organisation. In between meetings it delegates authority to the Executive Board, comprising the Chairperson, Treasurer and Secretary General, and their deputies. The position of Deputy Treasurer is currently vacant. The Executive Board usually meets quarterly and exercises guidance and direction of ongoing activities. It also advises on operational issues where appropriate. The decisions of the Board and Executive Board are implemented by the Executive Director, who reports directly to the Board and Executive Board to set out progress on agreed thematic priorities with reference to PRI's strategic plan for the period 2010-2015.

The Organisation

PRI has Consultative Status with the United Nations Economic and Social Council (ECOSOC) and the Council of Europe, and Observer Status with the African Commission on Human and Peoples' Rights (ACHPR).

PRI's head office is in England and its regional offices are based in Georgia, Jordan, Kazakhstan and Russia. Regional offices carry out donor-funded programmes and advocacy activities to promote and support reform in the countries of their region. At the end of the year, the total staff of the organisation was 35, of whom twelve were based in the head office in London. Regional staffing comprises a Regional Director, programme management, administrative and financial support staff. The head office leads and co-ordinates the international policy and advocacy activities. It also provides planning, programme development and fundraising, publications and website information resources, training, monitoring and evaluation as well as overall personnel, administrative and financial control functions.

The Executive Director leads the management team, which includes all Regional Directors, and the Policy and Programme Development Directors, based in London.

PENAL REFORM INTERNATIONAL

Report of the Board for the year ended 31 December 2011

PRI Moscow office carried out a comprehensive analysis of pre-trial detention practice, leading to practical recommendations and training programmes for judges, police officers, and prosecutors. In Ukraine we supported pre-trial detention reform and improved conditions particularly for children and women in Kyiv remand prison. We gave evidence-based recommendations to governmental bodies, judges and prosecutors to support a more humane approach to preventive custody. Results showed that in the first half of 2011, Kiev's investigators sent to jail 13.18% fewer detainees than for the same period in 2010, and juvenile detention decreased by 17.65%.

Significant progress was made in legislative activity. Changes to the draft Criminal Procedure Code were put forward to promote a reduction in remands in custody, resulting in improved judicial practice.

Seminars were organized to provide a platform for dialogue between experts, judges, prosecutors, investigators and the public. These increased awareness and professional competence of the target groups, developing a common understanding of the need to apply alternative measures. This in turn contributed to a decrease in the percentage of people arrested and detained pending trial and shortened detention times during pre-trial investigation and court proceedings.

Psychological assistance was provided for children and women in Kyiv remand prison, by volunteer graduate students of Kyiv National University. They gave offenders a better understanding of themselves, enabling them to discover new directions for the future.

PRI's Regional Director delivered a speech on probation in Russia at a national conference, presenting examples of international good practice that could be introduced in Russia. In September, together with the Moscow Center for Prison Reform she participated in a radio programme about probation services.

PRI's Central Asia office provided expert assistance towards establishing a probation system in Kazakhstan. This included co-organizing, in cooperation with the Penal Committee, Ministry of Justice, OSCE Center in Astana and Legal Policy Research Center (LPRC), a round table discussion on the draft law on probation and how to develop probation services in Kazakhstan. This resulted in amendments being made to the draft law currently before Parliament. Discussions on alternatives and probation continued at an international conference on the future of the penal system in Kazakhstan in Astana on November 23 2011.

PRI's South Caucasus office publishes data regularly on the use of imprisonment, levels of overcrowding and alternatives, raising awareness and support for a reduction in the excessive use of prison sentences. As a result, these issues have been taken up by a number of other organizations and the government activated the use of community service as a key non-custodial sanction in Georgia. The figures show that the use of community service increased compared to the previous year as a result.

We provided expertise to parole boards on the operation, guidelines and criteria for decision-making on early conditional release of prisoners. The penitentiary authorities now intend to review and revise their working methods to improve decision-making. The prison population is still high in Georgia although in recent months the number of offenders receiving prison sentences has decreased as the authorities increasingly realize the importance of reducing prison overcrowding.

During 2011, PRI's Middle East and North Africa (MENA) office worked with local NGOs in Lebanon to reduce the use of arbitrary arrest, lengthy pre-trial detention and long trial delays as well as reducing overcrowding. However, the pace of work was slow, in part due to the political situation in Lebanon. MENA office also advocated for non custodial measures and alternatives to imprisonment in Jordan through participation in a national conference targeted at the judiciary. Alternatives to imprisonment are now widely debated in some countries, including Jordan, Lebanon, Morocco, Qatar, Tunisia and the United Arab Emirates. It is still a new concept that needs further research and analysis.

Prevention of torture and other cruel, inhuman or degrading treatment or punishment

The three-year EU-funded multi-national programme for torture prevention for nine countries from the Commonwealth of Independent States (CIS) is nearing the end of its first year. PRI's partner, the Freedom from Torture (former Medical Foundation) brought experts from the nine countries involved to London for training on rehabilitation methods. Training of trainers on rehabilitation was held in the Moscow, Central Asia and South Caucasus regions, with more than 50 experts participating. A small grants competition was announced for rehabilitation projects for victims of torture in all nine countries.

PENAL REFORM INTERNATIONAL

Report of the Board for the year ended 31 December 2011

- A training of trainers on rehabilitation for torture victims was conducted for representatives of three countries in Almaty at the end of October.
- Information resources were gathered for the "Together against Torture" web site. More than 200 analytical reports, legislative regulations and other information from the region were uploaded. Twelve issues of e-newsletter were disseminated among civil society organizations and individuals.

These activities resulted in:

- Increased cooperation of governmental bodies with civil society organizations; increased number of meetings and monitoring visits,
- Recommendations for establishing NPMs and investigating torture cases were developed, disseminated and widely supported by state officials. Some recommendations were taken into account in drafting the new Criminal-Procedural Code of Kazakhstan.
- A new system of educating new members of the NPM will be implemented.
- Cooperation between national civil society organisations working on torture prevention was strengthened throughout the region.
- With the help of the exposure visit and training of trainers, the skills of civil society leaders from all three countries were developed and small funds for their first activities on rehabilitation of victims of torture were provided.

As a member of a working group set up by the Ministry of Justice of Georgia PRI South Caucasus contributed to the development of a national strategy and new action plan. Most of our recommendations were reflected in the documents which were later officially adopted by Presidential Decree. Roundtable discussions held or co-organized by PRI in each target country helped bring together civil society actors, government officials and international organizations to discuss examples of ill-treatment and problem areas needing urgent solutions and highlighted the need for cooperation among different actors.

We also contributed to raising awareness and sharing information about torture prevention, by uploading documents to the website 'Together against Torture' in English and Russian. News updates as well as information on cases of ill-treatment, and activities in South Caucasus were included in 12 newsletters circulated to over 700 recipients in the region. Civil society organizations share information through the online forum as well as the newsletters.

All nine countries in the programme carried out baseline research on the legal framework, practice and policy on ill-treatment and existing mechanisms for torture prevention. This evidence can be used as evidence to support the need for change.

Two countries in MENA - Lebanon and Tunisia - ratified OPCAT in 2011 and the MENA office is considering whether it can provide technical assistance to the Tunisian government in setting up its NPM.

Abolition of the death-penalty and promotion of humane alternatives

The death penalty abolition project funded under the European Instrument for Democracy and Human Rights will end in 2012. It initially covered 19 countries in five regions; however due to security and political concerns, we were not able to work in Bahrain and Yemen.

With four months left to close the project, most activities have been completed. In total they include: 13 fact finding missions; 13 national conferences; 15 national trainings; five regional conferences; one multi-regional conference; and a variety of publications including two information packs, three training resources (in English and French with Russian and Arabic versions being finalised), a MENA advocacy toolkit (in Arabic, but due to be translated to English) and policy briefings - on the MENA region post Arab Spring, and on the EC Regulation regarding the export of lethal injection drugs to the USA. Research papers were published in December 2011. Four documentary films and film festivals were held in the regions to promote abolition of the death penalty and were seen as a great success and innovation for PRI.

PENAL REFORM INTERNATIONAL

Report of the Board for the year ended 31 December 2011

The Central Asia office held a regional conference with representatives from Tajikistan, Kazakhstan and Kyrgyzstan. This strengthened cooperation between NGOs and raised the possibility of other countries abolishing the death penalty in the light of Kyrgyzstan's experience. One main achievement of the conference was the disclosure of official information about lifers and their status. The visit of PRI Board member Dirk Van Zyl Smit to a lifers' prison in Kazakhstan helped gather information for the regional research.

A seminar for prison staff in Tajikistan focused attention on life imprisonment and as a result, amendments were made to legislation which improve the rights of lifers- for example to see relatives more often and hold bank accounts to buy food in prison shops.

In South Caucasus, roundtable meetings were held in the three countries as well as a regional conference. Publication of the research on lifers improved understanding of the problems and the gap in compliance with international standards. Life-sentenced prisoners who were the most disadvantaged group of prisoners are more of a priority for the authorities in all three countries. In Georgia long-term family/conjugal visits were introduced for the first time, in Armenia and Azerbaijan some additional entitlements have been introduced for lifers, and a new prison is being built for them in Azerbaijan. There is a better understanding of the vulnerability of this category of prisoners and the excessive restrictions placed on their daily lives.

Our office in MENA is implementing two projects for progressive abolition of the death penalty in the region. These involve a wide range of activities and interventions at both local and regional level that provide a platform for informed debate between decision makers, Islamic scholars, think tanks and human rights activists. The projects also include campaigns to inform the general public about the facts surrounding the death penalty as a punishment. There is a new opportunity to promote abolition in some countries like Tunisia and a need to keep the debate going, maintaining pressure to strengthen calls for abolition.

Incarceration of children as a measure of last resort

In 2011 the London office published a 10 point plan to promote justice for children, available on the website as an information and campaigning tool. We attended expert meetings held by UNODC in Vienna to finalise a new UN model juvenile justice law.

A new Justice for Children Training Manual was developed and will be published early in 2012. The Programme Development Director managed contracts for juvenile justice reform in Tanzania and Macedonia, in the course of which the various training materials were developed and tested, including a range of tools to monitor conditions of detention for juveniles. These are now available to a large number of agencies including UNICEF.

We are a member of the steering group of the Interagency Panel on Juvenile Justice (IPJJ), comprising UN organisations and international NGOs with relevant expertise. It promotes and disseminates good practice and provides technical advice and assistance in relation to policy development, capacity-building, legal reform, monitoring data collection and information tools. During the year, the Programme Development Director attended IPJJ meetings and PRI's Executive Director spoke at a number of IPJJ members' events, for Defence of Children International and the International Juvenile Justice Observatory. Topics covered the mental health problems of children in conflict with the law, monitoring places of detention and the need for a restorative and diversionary approach to juvenile justice. She also promoted implementation of the Bangkok Rules in relation to girls in conflict with the law.

The IPJJ welcomed the adoption of a resolution on 'human rights in the administration of justice, in particular juvenile justice' on 29 September by the Human Rights Council. This encourages states not to set the minimum age of criminal responsibility too low (with 12 as the proposed minimum age).

PRI campaigns to prevent violence against children, particularly at the time of arrest and in pre-trial detention. Key activities included:

- Research and data gathering with a view to assessing the size and scope of the problem in target countries
- Working with regional offices and partners to lobby for necessary changes including greater use of diversion measures and training of criminal justice personnel
- Preparing and circulating a policy paper on the importance of raising the age of criminal responsibility

At the Committee for the Rights of the Child (CRC), PRI was represented by our Hon. President Dr Rani Shankardass, Policy Director and one of our Programme Officers, for the CRC's Day of General Discussion on children of incarcerated parents. One of the main aims was to stress the need for individual consideration of cases.

PENAL REFORM INTERNATIONAL

Report of the Board for the year ended 31 December 2011

A proportionate and sensitive response to women in conflict with the law

Throughout PRI, intensive activities were set in train to raise awareness of the existence and content of the new Bangkok Rules, which improve the treatment of women offenders, as even human rights mechanisms and monitoring bodies were often unaware of them. The Policy Director drew attention to them during a visit to Geneva with OHCHR staff of the Committee on Torture, the Human Rights Committee and the SPT, encouraging monitoring them during country missions and in consideration of state reports. A meeting with staff of the new Working Group on the discrimination of women in law and practice was particularly fruitful, encouraging the group to take up the issue of discrimination of women in the justice system and briefing them on the Bangkok Rules. It was agreed that PRI would prepare a submission for distribution throughout their network outlining the main issues with regard to the discrimination of women in the justice system.

The Bangkok Rules were the basis for PRI's submission to the Committee on the Rights of the Child ahead of the Day of General Discussion on children of incarcerated parents, providing the only explicit reference to this issue. The Policy Director successfully persuaded the OHCHR and UNODC to include the Rules in the compilation of international law on the OHCHR website.

She also established contact with the European NPM project of the Council of Europe (CoE), encompassing all monitoring bodies established under OPCAT and members of the Russian monitoring commissions as observers. She gave them a presentation on the Bangkok Rules and received excellent feed-back. The CoE staff and workshop participants expressed great interest in PRI's forthcoming guidance document as well as the index of compliance, which will be available in 2012. As a consequence of this initiative, PRI will be able to distribute these documents to all NPMs in the 47 Council of Europe member states, thereby facilitating their monitoring of the Rules and raising PRI's profile and influence. The Policy Director is in discussion with OMCT and QUNO in Geneva to organise a joint side event or seminar coinciding with the Human Rights Council session in March 2012. This will further raise awareness of the Bangkok Rules at the UN level.

The Policy Director presented the healthcare-related Rules at a conference in Astana, Kazakhstan, organised by the Central Asia office and the Executive Director gave a briefing on the Bangkok Rules at a workshop in Vienna on 'Developing a Health Monitoring Tool for Places of Pre-trial Detention'. A list has been compiled of contacts interested in and relevant for the promotion and implementation of the Bangkok Rules, comprising 131 interlocutors.

This issue is one of the PRI Moscow office's priorities for Russia and Ukraine. Its programme for penitentiary reform in Ukraine is developing new approaches for women and mothers with babies in places of detention and after release. Activities included round tables, research, trainings for prison personnel and for convicted women. Six out of twelve correctional colonies for women were included, making women prisoners aware of their basic rights and strengthening their life skills. To conduct distance learning for convicted women and prison personnel a specific type of web-conferences (webinar) was developed and introduced in Ukraine. These have a number of advantages - significantly lower costs, high accessibility and time savings in organizing training.

PRI Central Asia participated in the side event on the Bangkok Rules organized during the UN Crime Commission session in April. It is also implementing a EU-funded programme on women prisoners' health in two prisons in Kazakhstan, raising awareness of the healthcare provisions in the Bangkok Rules. The programme includes training for women prisoners in two women's colonies on HIV/AIDS and TB prevention, transmission risks and the need for sustainable treatment. Two patients' schools were opened. Specialist doctors provide care and are testing a holistic model for healthcare - covering informational, medical and psychological aspects. Research on legislation and practice on women's health in prisons has been carried out and will be used during 2012.

Together with International Harm Reduction Association and the NGO Alternative Georgia, PRI South Caucasus held meetings with various key government officials to raise awareness of the Bangkok Rules in general and in particular the gender-specific needs of women prisoners with addiction problems. We also run a small project to develop life and vocational skills for women prisoners shortly to be released with a local NGO partner. A follow up project has been recently approved for funding by the EU. This will provide training for prison staff on gender-specific needs of women prisoners and encourages a sensitive response to them. Decision-making by prison authorities and parole boards will be enhanced to give due consideration to women's gender-specific needs and provide comprehensive services.

PENAL REFORM INTERNATIONAL

Report of the Board for the year ended 31 December 2011

FINANCIAL REVIEW

Reserves policy

The Board has established a policy of aiming to maintain reserves equivalent to six months support costs and resources expended on managing and administering the association. This is believed to be sufficient to sustain the organisation in the event of an unexpected change in the association's activities.

During the year under review the association has made a surplus of €363,486 before designating funds of €170,859 in respect of costs already committed at the balance sheet date. The majority of the surplus is a direct result of the PPA funding received from DFID during the year. The PPA runs from 1st April 2011 but was not signed until June 2011 leading to an under-spend in the year. The board have budgeted a deficit in 2012 which reflects the additional spending in accordance with the milestones set out within the PPA.

As at 31st December 2011 the association had free reserves of €836,172 (2010 €634,111).

STATEMENT OF BOARD MEMBERS' RESPONSIBILITIES

The constitution requires the Board to prepare financial statements for each financial year which give a true and fair view of the state of the association and of the surplus or deficit of the association for that period.

In preparing those financial statements, the Board is required to:

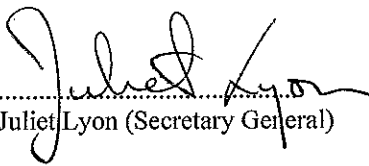
- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Association will continue in business.

The Board is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the association and to enable them to ensure that the financial statements comply with the Constitution. They are also responsible for safeguarding the assets of the association and hence for taking reasonable steps for the prevention of fraud and other irregularities.

AUDITORS

Tudor John LLP have expressed their willingness to continue as auditors.

ON BEHALF OF THE BOARD:


.....
Juliet Lyon (Secretary General)

Date: 20th April 2012

PENAL REFORM INTERNATIONAL

Statement of Financial Activities
for the year ended 31 December 2011

	Notes	Unrestricted funds €	Restricted funds €	2011 Total funds €	2010 Total funds €
INCOMING RESOURCES					
Incoming resources from generated funds					
Voluntary income	2	927,341	-	927,341	495,187
Investment income	3	2,564	-	2,564	3,504
Incoming resources from activities					
Advocating for Prison and Penal Reform	4	-	426,405	426,405	176,567
Reducing the use of imprisonment		-	529,177	529,177	1,222,795
Prevention of cruel, inhumane or degrading treatment		-	396,716	396,716	173,908
Abolition of the death penalty		-	609,120	609,120	329,634
Incarceration of children as a last resort		-	569,384	569,384	419,528
A proportionate and sensitive response to women offending		-	116,066	116,066	2,861
Other incoming resources		<u>2,499</u>	<u>-</u>	<u>2,499</u>	<u>2,334</u>
Total incoming resources		932,404	2,646,868	3,579,272	2,826,318
RESOURCES EXPENDED					
Costs of generating funds					
Costs of generating voluntary income	5	46,346	-	46,346	101,427
Activities					
Advocating for Prison and Penal Reform	6	71,086	426,405	497,491	410,799
Reducing the use of imprisonment		25,524	521,067	546,591	1,277,642
Prevention of cruel, inhumane or degrading treatment		7,552	477,360	484,912	183,307
Abolition of the death penalty		43,018	781,862	824,880	428,362
Incarceration of children as a last resort		43,579	585,440	629,019	468,502
A proportionate and sensitive response to women offending		4,424	133,070	137,494	2,861
Governance costs	8	<u>49,053</u>	<u>-</u>	<u>49,053</u>	<u>35,727</u>
Total resources expended		290,582	2,925,204	3,215,786	2,908,627
NET INCOMING/(OUTGOING) RESOURCES before transfers					
		641,822	(278,336)	363,486	(82,309)
Gross transfers between funds	15	<u>(278,336)</u>	<u>278,336</u>	<u>-</u>	<u>-</u>
Net incoming/(outgoing) resources		363,486	-	363,486	(82,309)
RECONCILIATION OF FUNDS					
Total funds brought forward		651,841	-	651,841	734,150
TOTAL FUNDS CARRIED FORWARD		<u>1,015,327</u>	<u>-</u>	<u>1,015,327</u>	<u>651,841</u>

The notes form part of these financial statements

PENAL REFORM INTERNATIONAL

Notes to the Financial Statements for the year ended 31 December 2011

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Incoming resources

All incoming resources are included on the Statement of Financial Activities when the association is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Resources expended

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

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

Computer equipment	- 33% on cost and 25% on cost
--------------------	-------------------------------

Taxation

HM Revenue & Customs has agreed that the grants and donations income of the organisation will not be subject to UK taxation. Furthermore, HM Revenue & Customs has agreed that interest received, up to the amount of £5,000 per annum without deduction of income tax, will not be liable to UK taxation. Where interest received exceeds the level of £5,000 per annum there is a liability to UK taxation on the total amount of interest received.

Fund accounting

Unrestricted funds can be used in accordance with the association's objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the association. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Foreign currencies

Assets and liabilities in foreign currencies are translated into Euro at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

PENAL REFORM INTERNATIONAL

**Notes to the Financial Statements - continued
for the year ended 31 December 2011**

4. INCOMING RESOURCES FROM ACTIVITIES - continued

Grants received, included in the above, are as follows:

	2011	2010
	€	€
Belgian Ministry of Foreign Affairs	-	576,021
Swedish International Development Agency	298,233	355,323
Open Society Institute	512,223	263,901
Swiss Development Corporation	441,641	488,982
European Union	1,043,280	473,838
UNICEF	215,989	56,209
Foreign and Commonwealth Office, UK	73,907	20,061
Centre for the Victims of Torture	16,499	43,145
Organisation for Security and Cooperation in Europe	-	15,000
Norwegian Mission of Rule of Law Advisors to Georgia	-	4,236
UN Quakers	6,073	2,861
Development Cooperation Ireland	-	15,413
Other income	7,274	10,303
Response International	8,817	-
L'Association Libonaise pour L'education et la formation	4,754	-
Dutch MFA	14,076	-
Norwegian Womens Training	2,638	-
Commonwealth Secretariat	1,464	-
	<u>2,646,868</u>	<u>2,325,293</u>

5. COSTS OF GENERATING VOLUNTARY INCOME

	2011	2010
	€	€
Staff costs	-	99,112
Fundraising activity	2,946	2,315
Support costs	43,400	-
	<u>46,346</u>	<u>101,427</u>

6. ACTIVITIES COSTS

	Direct costs	Support costs	Totals
	€	(See note 7) €	€
Advocating for Prison and Penal Reform	161,536	335,955	497,491
Reducing the use of imprisonment	494,793	51,798	546,591
Prevention of cruel, inhumane or degrading treatment	477,360	7,552	484,912
Abolition of the death penalty	781,862	43,018	824,880
Incarceration of children as a last resort	585,440	43,579	629,019
A proportionate and sensitive response to women offending	133,070	4,424	137,494
	<u>2,634,061</u>	<u>486,326</u>	<u>3,120,387</u>

PENAL REFORM INTERNATIONAL

**Notes to the Financial Statements - continued
for the year ended 31 December 2011**

12. TANGIBLE FIXED ASSETS

	Computer equipment €
COST	
At 1 January 2011	174,330
Additions	5,159
Disposals	(133,323)
Exchange differences	<u>4,394</u>
At 31 December 2011	<u>50,560</u>
 DEPRECIATION	
At 1 January 2011	156,600
Charge for year	14,776
Eliminated on disposal	(133,323)
Exchange differences	<u>4,211</u>
At 31 December 2011	<u>42,264</u>
 NET BOOK VALUE	
At 31 December 2011	<u>8,296</u>
At 31 December 2010	<u>17,730</u>

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2011	2010
	€	€
Other debtors	<u>517,894</u>	<u>428,127</u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2011	2010
	€	€
Trade creditors	43,587	58,802
Other creditors	<u>1,690,335</u>	<u>1,669,454</u>
	<u>1,733,922</u>	<u>1,728,256</u>