

REGISTERED NUMBER: 04354366 (England and Wales)

Report of the Directors and
Audited Financial Statements for the Year Ended 31 January 2012
for
Privacy International

Armstrong & Co
Chartered Accountants & Statutory Auditors
4a Printing House Yard
Hackney Road
London
E2 7PR

Privacy International (Registered number: 04354366)

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for the Year Ended 31 January 2012

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Privacy International
Company Information
for the Year Ended 31 January 2012

DIRECTORS: Prof. Ian Angell
Karen Banks
Dr Fleur Fisher
Dr Steven Wright
Daniel Cooper
Anna Fielder
Kim Cameron
Barry Stephen Steinhardt

SECRETARY: Anna Fielder

REGISTERED OFFICE: 2nd Floor
46 Bedford Row
London
WC1R 4LR

REGISTERED NUMBER: 04354366 (England and Wales)

AUDITORS: **Armstrong & Co**
Chartered Accountants & Statutory Auditors
4a Printing House Yard
Hackney Road
London
E2 7PR

BANKERS: **The Co-operative Bank plc**
PO Box 101
1 Balloon Street
Manchester
M60 4EP

Report of the Directors
for the Year Ended 31 January 2012

The directors present their report with the financial statements of the company for the year ended 31 January 2012.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of research and advocacy of personal privacy.

REVIEW OF BUSINESS

The results of the period and financial position of the company are shown in the annexed financial statements.

The Income and Expenditure Account shows a surplus for the year of £20,542 and reserves of £153,097.

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 February 2011 to the date of this report.

Prof. Ian Angell
Karen Banks
Dr Fleur Fisher
Dr Steven Wright
Daniel Cooper
Anna Fielder
Kim Cameron
Barry Stephen Steinhardt

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period. In preparing these financial statements, the directors are required to:

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Report of the Directors
for the Year Ended 31 January 2012

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, Armstrong & Co, will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:

Anna Fielder - Director

14 May 2012

Report of the Independent Auditors to the Members of
Privacy International

We have audited the financial statements of Privacy International for the year ended 31 January 2012 on pages six to ten. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on pages two and three, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors, including "APB Ethical Standard - Provisions Available for Small Entities (Revised)", in the circumstances set out in note twelve to the financial statements.

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 January 2012 and of its surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

Report of the Independent Auditors to the Members of
Privacy International

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Report of the Directors.

Anthony Armstrong (Senior Statutory Auditor)
for and on behalf of Armstrong & Co
Chartered Accountants & Statutory Auditors
4a Printing House Yard
Hackney Road
London
E2 7PR

14 May 2012

Income and Expenditure Account
for the Year Ended 31 January 2012

	Notes	2012 £	2011 £
INCOME		447,521	487,293
Direct project costs		364,812	369,193
GROSS SURPLUS		82,709	118,100
Administration		62,506	21,974
OPERATING SURPLUS	3	20,203	96,126
Interest receivable and similar income		425	375
SURPLUS ON ORDINARY ACTIVITIES BEFORE TAXATION		20,628	96,501
Tax on surplus on ordinary activities	4	86	79
SURPLUS FOR THE FINANCIAL YEAR		20,542	96,422
Retained surplus brought forward		132,555	36,133
RETAINED SURPLUS CARRIED FORWARD		153,097	132,555

The notes form part of these financial statements

Balance Sheet
31 January 2012

		2012		2011	
	Notes	£	£	£	£
FIXED ASSETS					
Tangible assets	6		6,059		-
CURRENT ASSETS					
Debtors	7	25,008		15,698	
Cash at bank		169,881		161,168	
		-----		-----	
		194,889		176,866	
CREDITORS					
Amounts falling due within one year	8	47,851		44,311	
		-----		-----	
NET CURRENT ASSETS			147,038		132,555
			-----		-----
TOTAL ASSETS LESS CURRENT LIABILITIES			153,097		132,555
			=====		=====
FUNDS					
Income and expenditure account			153,097		132,555
			-----		-----
			153,097		132,555
			=====		=====

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved by the Board of Directors on 14 May 2012 and were signed on its behalf by:

Anna Fielder - Director

The notes form part of these financial statements

Notes to the Financial Statements
for the Year Ended 31 January 2012

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).

Going concern

The company's income is mainly derived from non self generated sources, such as grants, statutory funding and other non-governmental sources. The accounts have been prepared on the basis that this support will be continuing.

Tangible fixed assets

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

Fixtures and fittings - 25% on cost

Computer equipment - 50% on cost

Income recognition

Income is recognised when the company has a contractual or other right to its receipt. Income with conditions attached to its receipt is recognised when the company has fulfilled those conditions.

Deferred income

Income received which is contractually or otherwise not expendable until a future period is deferred.

Allocation of costs

Costs are allocated directly to projects where they can be identified as relating solely to that project. Other costs are allocated between the funds, based on staff time spent on the fund activities or other appropriate criteria.

2. DIRECTORS' EMOLUMENTS

Emoluments include salaries, fees, bonuses, expense allowances and estimated non-cash benefits receivable. All directors serve in a voluntary capacity and do not receive any payments for their services.

3. OPERATING PROFIT

The operating profit is stated after charging:

	2012	2011
	£	£
Depreciation - owned assets	1,165	-
Auditors fees - audit services	2,500	2,400
Auditors fees – other services	1,520	1,116
	=====	=====

Notes to the Financial Statements - continued
for the Year Ended 31 January 2012

4. **TAXATION**

The company is non profitmaking and receives the majority of its income from grants and other non-trading activities. The directors' believe that the company is only liable to tax on its investment and similar income. Expenditure is recognised in the period in which it is incurred and includes attributable vat which cannot be recovered.

5. **INCOMING RESOURCES**

Incoming resources and surpluses are attributable to the principal activities of the company.

6. **TANGIBLE FIXED ASSETS**

	Fixtures & fittings	Computer equipment	Totals
	£	£	£
COST			
Additions	2,419	4,805	7,224
	-----	-----	-----
At 31 January 2012	2,419	4,805	7,224
	-----	-----	-----
DEPRECIATION			
Charge for year	111	1,054	1,165
	-----	-----	-----
At 31 January 2012	111	1,054	1,165
	-----	-----	-----
NET BOOK VALUE			
At 31 January 2012	2,308	3,751	6,059
	=====	=====	=====

7. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2012	2011
	£	£
Other debtors	3,961	-
Rent deposit	3,015	-
Accrued income	15,698	15,698
Prepayments	2,334	-
	-----	-----
	25,008	15,698
	=====	=====

8. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2012	2011
	£	£
Corporation tax	86	79
Payroll & taxation	4,211	2,437
Salaries control account	-	849
Deferred income	40,554	-
Accruals	3,000	40,946
	-----	-----
	47,851	44,311
	=====	=====

Notes to the Financial Statements - continued
for the Year Ended 31 January 2012

9. OPERATING LEASE COMMITMENTS

The following operating lease payments are committed to be paid within one year:

	2012	2011
	£	£
Expiring:		
Between one and five years	12,060	-
	=====	=====

10. CONTINGENT LIABILITIES

The company had no material contingent liabilities at 31 January 2011 nor at 31 January 2010.

11. RELATED PARTY DISCLOSURES

There were no disclosable related party transactions during the year.

12. APB ETHICAL STANDARD - PROVISIONS AVAILABLE FOR SMALL ENTITIES

In common with many other businesses of our size and nature we use our auditors to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements.

13. POST BALANCE SHEET EVENTS

There were no significant post balance sheet events.

14. COMPANY STATUS

The company is limited by guarantee and has no share capital. The guarantors' liability in the event the company is wound up is restricted to a maximum of £1 each.

Detailed Income and Expenditure Account
for the Year Ended 31 January 2012

	2012		2011	
	£	£	£	£
Income				
JRRT surveillance society	33,750		20,000	
EUPHR	43,351		111,658	
EPIC	3,114		6,226	
IDRC – Asia	228,163		349,023	
Other donations	993		386	
DNA	4,613		-	
EPIAF	75,245		-	
OSF – REV	58,292		-	
	-----	447,521	-----	487,293
Direct project costs				
Staff salaries	102,000		53,436	
Staff social security	11,422		5,807	
Project expenses	161,591		276,799	
Consultancy fees	89,799		33,151	
	-----	364,812	-----	369,193
GROSS SURPLUS		82,709		118,100
Other income				
Interest received		425		375
		-----		-----
		83,134		118,475
Expenditure				
Travel & transport	39,146		10,349	
Insurance	985		-	
Heat & light	27		-	
Repairs and renewals	610		-	
Household & cleaning	371		-	
Computer consumables	1,300		-	
Office expenses	2,826		8,006	
Rent & rates	9,804		-	
Miscellaneous expenses	896		-	
Legal & professional fees	1,320		-	
Bank charges	36		103	
Auditors fees - audit services	2,500		2,400	
Auditors fees - other services	1,520		1,116	
Depreciation of tangible fixed assets				
Fixtures & fittings	111		-	
Computer equipment	1,054		-	
	-----	62,506	-----	21,974
NET SURPLUS		20,628		96,501
		=====		=====

This page does not form part of the statutory financial statements