

INTERNATIONAL P.E.N.

England & Wales · Charity number 1117088

Details

Other names	THE INTERNATIONAL P.E.N., THE INTERNATIONAL P.E.N. FOUNDATION, PEN INTERNATIONAL
Status	Registered
Legal form	Charitable company
Company number	05683997
Registered	2006-11-30
Register	View on the Charity Commission register

Contact

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Activities

Objects: 3. THE OBJECTS OF THE CHARITY ARE:3.1 TO PROMOTE HUMAN RIGHTS (AS SET OUT IN THE UNIVERSAL DECLARATION OF HUMAN RIGHTS ("UDHR") AND SUBSEQUENT UNITED NATIONS CONVENTIONS AND DECLARATIONS AND IN REGIONAL CODES OF HUMAN RIGHTS WHICH INCORPORATE THE RIGHTS CONTAINED IN THE UDHR AND THOSE SUBSEQUENT CONVENTIONS AND DECLARATIONS) THROUGHOUT THE WORLD BY ALL OR ANY OF THE FOLLOWING MEANS:- (A) MONITORING ABUSES OF HUMAN RIGHTS;(B) OBTAINING REDRESS FOR THE VICTIMS OF HUMAN RIGHTS ABUSE;(C) RELIEVING NEED AMONG THE VICTIMS OF HUMAN RIGHTS ABUSE;(D) RESEARCH INTO HUMAN RIGHTS ISSUES;(E) EDUCATING THE PUBLIC ABOUT HUMAN RIGHTS;(F) PROVIDING TECHNICAL ADVICE TO GOVERNMENT AND OTHERS ON HUMAN RIGHTS MATTERS;(G) CONTRIBUTING TO THE SOUND ADMINISTRATION OF HUMAN RIGHTS LAW;(H) COMMENTING ON PROPOSED HUMAN RIGHTS LEGISLATION;(I) RAISING AWARENESS OF HUMAN RIGHTS ISSUES;(J) PROMOTING PUBLIC SUPPORT FOR HUMAN RIGHTS;(K) PROMOTING RESPECT FOR HUMAN RIGHTS AMONG INDIVIDUALS AND CORPORATIONS;(L) INTERNATIONAL ADVOCACY OF HUMAN RIGHTS; AND (M) ELIMINATING INFRINGEMENTS OF HUMAN RIGHTS.3.2 TO ADVANCE THE UNDERSTANDING, APPRECIATION AND DEVELOPMENT OF THE CREATIVE ART OF WRITING.

Activities: Promotion of cooperation amongst writers everywhere in the world. Promotion of freedom of expression and defence of those whose freedom of expression is suppressed whether by imprisonment or otherwise.

Classification

- **How:** Provides Advocacy/advice/information, Acts As An Umbrella Or Resource Body
- **What:** Education/training, Arts/culture/heritage/science, Economic/community Development/employment, Human Rights/religious Or Racial Harmony/equality Or Diversity
- **Who:** Children/young People, Other Defined Groups, The General Public/mankind

Geography

- **Area of benefit:** THROUGHOUT THE WORLD.
- Southwark

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£1,736,000	£1,653,000	£536,000	14
2023-12-31	£1,349,000	£1,445,000	£453,000	13
2022-12-31	£1,539,000	£1,475,000	£546,000	13
2021-12-31	£1,784,000	£1,803,000	£488,000	17
2020-12-31	£1,444,000	£1,691,000	£510,000	15

Trustees

Name	Role	Appointed
Arne Svingen		2024-10-01
Beatrice Lamwaka		2022-10-07
Burhan Sonmez		2018-09-27
Dr Kimberley Ann Echlin		2024-10-01
Ege Dundar		2023-11-22
Eric Lax		2019-08-19
Jose Gabriel Seisdodos		2021-10-01
Mads Julius Elf		2025-09-05
Salil Tripathi		2021-10-01
Tanya Tuma		2022-10-07

INTERNATIONAL P.E.N.

England & Wales - Charity number 1117088

Accounts



INTERNATIONAL P.E.N.

TRUSTEES' ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

CHARITY NUMBER: 1117088

COMPANY NUMBER: 05683997

Company and Charity Registration is in England and Wales

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WELCOME

In some periods, history is experienced forward rather than backward. At the present time, the world is fraught with devastating conflicts, the slightest misstep has the potential to cause catastrophic consequences for the future of humanity. Therefore, every step that will avert mistakes is an investment in the future of humanity. Every person and organization that strives to achieve improvements in the human condition, from governments to civil society organizations, from the United Nations to PEN International, is positively shaping the history of the future, today.

The sense of responsibility places a heavy burden on individuals and institutions. Although this may seem like a political and social burden, it also has an ethical essence. Helping people we don't know and thinking about the future, not only of people but also of nature and the entire planet leads us to make ethical choices. Therefore, concepts such as freedom, justice, and peace are not ordinary political expressions, but values that are at the core of human existence.

What happens in Afghanistan, Gaza, Sudan, Ukraine and other places at war or in conflict, demonstrate the depths of human suffering. War also highlights what remains unspoken, that is, remaining silent in the face of pain and oppression. Mistakes made today leave lessons for future generations to understand and resolve. While we continue PEN International's mission, we act with this awareness and, knowledge that we are the continuation of past generations, we strive to pass on their legacy to future generations in the best way possible.

The number of writers we help increases every year, which also shows that the world is a difficult place for writers. Improving the lives of writers is one of the ways to improve our world, with this mission we help everyone wherever we can and raise the call for freedom and peace for the whole of humanity. If we succeed in this work, it is thanks to the Trustees of PEN International, our Committee Chairs, all our fellow PEN members around the world and our dedicated staff at the Secretariat.

Our end of year financial numbers in this year's report suggest PEN International is emerging strongly from a period that genuinely threatened its existence. Numbers also suggest that PEN is following new fundraising paths, providing assistance to more people and going through a sustained period of transformation.

This is good to see the organisation is building its resilience to serve our communities who continue to go through very challenging times.

I express my gratitude, together with fellow Trustees, to our supporters, partners, and volunteers. The work mentioned in this report became possible with their support and significant contributions.

Thank you for your commitment to the ideals of free literature, freedom of expression, and justice around the world by helping PEN International.

Burhan Sonmez
President of International P.E.N.

The Trustees of International P.E.N. present their Annual Report and financial statements for the year ended 31 December 2024 under the Charities Act 2011, the Companies Act 2006 and 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 2019). This report also contains the directors' report as required by company law

To ensure our reporting of activity and finances over the year is accessible to all, we have produced three documents:

- International P.E.N. Learning Report;
- PEN in Numbers explains some of our activity using statistics, including a simple guide to our finances; and
- This Annual Report, which features the Report of the Trustees and the audited financial statements.

All these documents are available on our website: <https://www.pen-international.org/who-we-are>

Our Mission (PEN Charter)

Literature knows no frontiers and must remain common currency among people in spite of political or international upheavals.

In all circumstances, and particularly in time of war, works of art, the patrimony of humanity at large, should be left untouched by national or political passion.

Members of PEN should at all times use what influence they have in favour of good understanding and mutual respect between nations and people; they pledge themselves to do their utmost to dispel all hatreds and to champion the ideal of one humanity living in peace and equality in one world.

PEN stands for the principle of unhampered transmission of thought within each nation and between all nations, and members pledge themselves to oppose any form of suppression of freedom of expression in the country and community to which they belong, as well as throughout the world wherever this is possible.

PEN declares for a free press and opposes arbitrary censorship in time of peace. It believes that the necessary advance of the world towards a more highly organised political and economic order renders a free criticism of governments, administrations, and institutions imperative. And since freedom implies voluntary restraint, members pledge themselves to oppose such evils of a free press as mendacious publication, deliberate falsehood and distortion of facts for political and personal ends.

Our Vision

PEN International is a global solidarity movement. It is the voice of writers for writers and the champion of free expression for all. We campaign in defence of freedom of expression, we celebrate literatures and promote the right to linguistic diversity. PEN advocates for mutual respect through campaigning, fostering cross-cultural dialogue, education, literary exchanges, and translation.

OBJECTIVES AND ACTIVITIES

International P.E.N. (commonly known as PEN International) stands at the intersection of culture and human rights. It is the foremost and largest association of writers. Founded in London in 1921, PEN operates today across five continents in over 90 countries, with 130 Centres. It exists to promote friendship, fellowship, and intellectual co-operation among writers everywhere, regardless of their political or other views; to fight for freedom of expression and to defend vigorously writers suffering from persecution by oppressive regimes. It is a forum where writers meet freely to discuss their work; it is also a voice that speaks for writers silenced in their own countries.

PEN International works to promote the PEN Charter to ensure that people everywhere have the freedom to create literature, to impart information and ideas, to express their views, and to access the views, ideas, and literatures of others.

Literature plays a key role in fostering empathy, understanding, peace, and collective growth, and galvanises the voices that challenge the status quo. This is why writers should be allowed to speak and write without fear of persecution. As the very principles of international human rights and humanitarian law are being increasingly questioned by governments worldwide, we must redouble our efforts, defending the values that unite us: freedom, justice, and equality. The challenges that we face in 2025 are immense. We stand ready to meet them.

Ma Thida, Chair PEN International Writers in Prison Committee

We champion the freedom to write, recognizing the power of literature to transform the world. PEN works closely with a range of literary, cultural and free expression organisations to affect change on issues of common concern. As writers, PEN's members are uniquely placed to use stories to open minds and encourage dialogue. Our influence reaches leaders and communities – we engage them through creative voices and experience, we unite writers of influence globally to press for a world where writers and freedom of expression for all are fully protected; where languages and literatures are respected and celebrated; and where the free exchange of literatures and ideas build tolerance and understanding within and across borders.

PEN International celebrated its Centenary in 2021 and has long been recognised as a leading international charity and expert on freedom of expression.

PEN International is a non-political organisation which holds Special Consultative Status at the UN and Associate Status at UNESCO.

ACHIEVEMENTS AND PERFORMANCE

In 2024 PEN International pursued its strategic plan focusing on Equity in Expression, developed through consultations with the Board of Trustees, staff and the membership. Throughout the year we assessed our impact and learning through internal and external consultations with members and beneficiaries, we revisited and refined our objectives and strategy to ensure it is effective for the future. Our approach to change is incremental and participatory as we seek to deepen our engagement in promoting our mission - defending freedom of expression for all, promoting literatures and linguistic diversity, and encouraging equity, mutual respect, and tolerance.

PEN International, its members and fellow writers across the world continued to speak truth to power, challenging authoritarianism and misinformation, often at great personal risk to themselves, as shown by the 138 individuals documented in our annual Case List 2024. Attacks on writers ranged from murder to imprisonment, physical assaults and online threats of banishment and exile. Literature and independent media were censored, books banned, and inconvenient truths violently repressed. Corporate power and social media continued to amplify propaganda and misinformation, often serving state interests, silencing diverse voices and undermining fundamental freedoms. In a world polarised by war, conflict and climate change, the escalating wave of repression feeds into a political narrative that seeks to deepen division.

PEN International's advocacy and campaigning continued through 2024 to seek an end to these human rights violations, provide and support protection and systems of refuge that can help support writers to continue their essential work, and to seek redress for harms suffered.

As outlined in PEN's Charter, literature knows no frontiers and must remain common currency among people in spite of political or international upheavals as unhampered transmission of thought within each nation and between all nations fosters mutual understanding and ultimately peace. In all circumstances, and particularly in time of war, works of art, the patrimony of humanity at large, should be left untouched by national or political passion

IMPROVING THE SITUATION OF WRITERS AT RISK WHO ARE DISPLACED, IMPRISONED OR OTHERWISE PERSECUTED

Research and monitoring – The PEN International Case List

PEN International monitored, researched and recorded unprecedented attacks on freedom of expression across the globe in 2024. PEN's Case List [Identity on Trial: Persecution and Resistance](#) highlights the increasing persecution of writers based on their identity. The report documents the alarming rise in censorship, imprisonment, and threats faced by writers due to their gender, sexual orientation, ethnicity, or religious beliefs. It underscores a disturbing global trend: those who dare express their identity or challenge dominant narratives are being silenced through legal threats, censorship, and violence. The Case List records 138 attacks on writers in 2024.

2024 was another year where internal and international **conflicts** took a devastating toll on civic space and cultural life in countries including the **Democratic Republic of Congo, Haiti, Myanmar, Palestine, Sudan, and Ukraine**, through death, destruction of infrastructure, and displacement, as well as on future generations' right to participate in and enjoy their culture. PEN International recorded at least six writers who died in the ongoing war in **Gaza**, bringing the total since October 2023 to 23. In **Ukraine**, PEN International honoured the memory of **Victoria Amelina**, killed in a Russian missile strike in July 2023 while recording testimonies of witnesses and survivors for her book about the war.

Journalists, particularly in the Americas, continued to be targeted and killed for their work, as documented by PEN International in its annual [Day of the Dead campaign](#). Regrettably, **impunity** for attacks and killings of writers remained a challenge, including in **Brazil, Mexico, Norway, Serbia, and Türkiye**, despite some inadequate or incomplete trial proceedings. Such a lack of accountability sends an alarming message to writers in all regions.

Lengthy prison terms such as those against the writer **Arnon Nampha** who is serving a cumulative sentence of almost 19 years in **Thailand** in relation to multiple convictions under the notorious lèse-majesté law, **Kaciaryna Andrejeva** (real name Bachvařava) was vindictively issued with an additional eight-year sentence after completing her previous two-year sentence for livestreaming a peaceful protest in **Belarus**. Other writers were detained, sometimes without trial or held after the expiration of their sentences, including in **Algeria, Egypt, Eritrea, India, Israel, Morocco, the Philippines** and the **UAE**.

In line with the growing threat of **mis- and disinformation**, which the PEN Charter clearly identifies as something that writers must stand together to resist, smears and stigmatization by officials were a growing problem in a number of countries, including **Argentina, Egypt, Mexico, Montenegro, Morocco, Serbia, the Philippines** (where the stigmatizing use of 'red-tagging' continued) and **Türkiye**. Sometimes beginning with censorship of books and book promotion, which expanded exponentially in the **USA**, and was also seen in **Argentina, Mexico, the Russian Federation** and **Türkiye**, such stigmatization was often the precursor to threats or even physical attacks; writers and journalists were threatened, including with rape and death, in **Honduras, Malta, Serbia** and **Venezuela**.

Finally, as in all walks of life, identity plays a part in persecution. Although women made up only 29% of PEN cases, they were more likely to be on trial or suffer various kinds of harassment. Indigenous writers in the Americas, such as in **Canada** and **Mexico**, writers who were members of minorities faced persecution for expressing those identities. In addition to Baha'i poet **Mahvash Sabet** in **Iran**, Uyghur and Tibetan writers in **China** faced long prison terms. For example, Professor **Ilham Tohti**, a member of the Uyghur minority, is serving a life sentence in connection with his activism for his community, while Kurdish writer **Yavuz Ekinci** faced over seven years in prison in **Türkiye** on bogus terrorism charges for his book *Dream Divided*, which is banned for publication, distribution or sale in the country. Writers discussing themes of gender identity, sexual orientation and sexual abuse also faced repression, including censorship and harassment in **Argentina**, **Equatorial Guinea**, **Uganda**, **Nigeria**, **Türkiye**, and the **USA**.

Solidarity – good news

Some persecuted writers saw improvements in their situation, in part due to PEN International's campaigns.

Mubarak Bala, the president of the Humanist Association of **Nigeria** was freed by the High Court in Kano on 19 August 2024. He was arrested in 2020 for posting 'blasphemous' content on Facebook and sentenced to 24 years imprisonment in 2022, later reduced to five years on appeal. PEN International joined appeals for his unconditional release in 2021. Authorities unconditionally withdrew a criminal and civil prosecution instituted by the President of **Gambia** against journalist **Musa Sheriff**, President of PEN Gambia and his colleague **Momodou Justice Darboe** in retaliation for their journalistic work after public pressure and private outreach to the presidency by press freedom and human rights groups. Similarly, PEN International was delighted that the prosecution of PEN Togo president, **Marthe Nounfoh Fare** ended after authorities withdrew frivolous charges brought against her in retaliation for a video she had posted and commented about on her TikTok account.

In the Americas after almost a decade of advocacy by PEN International, with the solidarity of many PEN centres, authorities in **Honduras** overturned the sentence passed against **Cesario Padilla**, a journalist, author, and PEN Honduras member. In **Brazil**, the investigation into the murder of British journalist **Dom Phillips**, although not yet concluded, has led to the prosecution of the mastermind and those responsible for the crime. In **Canada**, charges of obstructing the police brought against journalist and author **Brandi Morin** were dropped, following campaigning by many organisations, including PEN Canada. In **Cuba**, during 2024, we celebrated the release of musician **Richard Zamora** and journalist **Lazaro Yuri Roca Valle**, joined in January 2025 by artist **Jessica Lisbeth Torres Calvo** and rapper **Randy Arteaga**. In other good news, poet **Carlos Bucio Borja**, was released in **El Salvador** after a campaign for his release by local and regional organisations, including PEN International.

Among the positive developments in the Asia Pacific region is the Malaysian authorities' decision in April to close the case against writer **Uthaya Sankar SB**, almost two years after an investigation was first opened over a comment he posted on social media. In May, writer and editor **Prabir Purkayastha** was released on bail after India's Supreme Court declared his arrest to be invalid.

In Bangladesh, the long-running probe against photojournalist **Shahidul Alam** was suspended in November, with the interim government also announcing its intention to repeal the repressive Cyber Security Act. In December, PEN member **Zholia Parsi** was awarded the Martin Ennals Prize in recognition of her selfless advocacy for the rights of women and girls in Afghanistan.

On 8 March, Serbia lifted an expulsion order against Russian literary translator **Elena Kuposova**, who had signed a petition condemning the Russian Federation's war against Ukraine. That month, authorities in Montenegro dropped all charges against PEN member **Boban Batrićević** brought in relation to his writings.

On 25 June, Wikileaks founder and publisher **Julian Assange** was released from prison in the United Kingdom following a plea deal with US prosecutors. Russian-US journalist **Alsu Kurmasheva** was freed from prison in the Russian Federation on 1 August in a prisoner exchange that included US reporter **Evan Gershkovich** and Russian British writer **Vladimir Kara-Murza**. On 31 October, Belarusian filmmaker and journalist **Andrej Hniet**, at risk of extradition to Belarus, was freed from house arrest and allowed to leave Serbia. Kurdish poet **İlhan Sami Comak** was released on 26 November after spending 30 years in prison in Türkiye. PEN members continued to write to persecuted writers throughout the region, providing much needed encouragement and hope.

In July, PEN International welcomed the release of **Moroccan** journalists **Omar Radi**, **Soulaiman Raissouni** and **Taoufik Bouachrine** after receiving royal pardons from King Mohamed VI, and also the temporary or conditional releases in **Iran** of **Sedigheh Vasmaghi** in April and **Narges Mohammadi** and **Mahvash Sabet** in December.

Emergency humanitarian support

Providing direct assistance, PEN International worked closely with PEN Centres, the PEN Emergency Fund (PEF), and partners, to provide life-saving support to writers and their families. This included emergency relocation and the provision of emergency financial aid through a one-off grant for a range of urgent needs such as safe passage, medical assistance and general support towards living expenses.

Many many thank you for your support! Your timely assistance has been a beacon of hope amidst the darkness, providing us with the means to navigate through adversity.

As a human rights defender and online activist, my journey has been fraught with challenges. Following a harrowing attack by extremists and unjust detention ... I found myself facing imminent threats to my life and liberty. However, your compassionate intervention has offered a glimmer of hope in our darkest hour.

With your support, I am empowered to seek refuge in a safe haven, away from the dangers that once loomed ominously over me. Your kindness has not only saved my life but has also reaffirmed my faith in the inherent goodness of humanity.

I extend my heartfelt thanks to each member of your esteemed team for their unwavering support and solidarity. Your selfless act of kindness has touched our lives in ways beyond measure, and for that, we will be forever grateful.

Writer from South Asia

In 2024, the largest number of the 85 grants made (a 17% rise over 2023) went to assist **Palestinian** writers trying to flee the war in Gaza (13), while the almost total repression of free speech in **Afghanistan** (11) and **Myanmar** (9) meant that the grants continued to be a lifeline for persecuted writers there. Four of the grants to Afghan writers were to women, all facing gender-based violence from the Taliban authorities. Not surprisingly, the high levels of repression in **Nicaragua** (5), **Türkiye** (5), **Ethiopia** (4), **Belarus** (3) and **Cuba** (3) required considerable support while conflict or civil unrest contributed to high demand from writers in **Sudan** (4), **Bangladesh** (2), **Guatemala** (2), **Lebanon** (2) **Syria** (2). Grants were also made to one writer from each of **China**, **Colombia**, **Ecuador**, **Eritrea**, **Gambia**, **Ghana**, **Haiti**, **Honduras**, **Mali**, **Serbia**, **Pakistan**, **Rwanda**, **Somalia**, **Togo**, **Venezuela**, **Vietnam** and **Zimbabwe**.

The ongoing hostility to LGBTQI individuals in some African countries remained of grave concern, and led to support for a writer and transgender woman from **Nigeria** whose ability to live a free life and build a livelihood was at risk of transphobic attacks from police and from community harassment. Support was also given to a polygender and queer writer, editor, performer, and rapper with multiple disabilities from **Uganda**, no longer able to support themselves from their creative work and facing economic hardship as a result, following enactment of repressive anti-LGBTQI rights legislation.

The numbers of grants to writers from countries in crisis and the wide geographical spread of support, demonstrates the vital role of this relief work and the need for increased and sustained funding to support it.

PEN also published its report, [*Emergency Assistance: The Challenges in Ensuring the Safety of Writers in Times of Crisis*](#). This policy document illustrates the spectrum of challenges PEN International has faced in assisting writers forced to flee from their homes in countries such as **Afghanistan**, **Belarus**, **Eritrea**, and **Nicaragua**.

The report comes at a critical moment as repression targeted at writers – as well as many other civil society actors – intensifies, and the brunt of authoritarianism deepens worldwide. Writers who, like their journalist and human rights defender peers, are being persecuted and similarly face exile, imprisonment, harassment or even death for exercising their writerly expression. However, unlike other at-risk groups, they lack access to necessary and timely protections. PEN International stresses the need for better international mechanisms to protect writers at risk. The organisation calls on the global community to reassess its responsibilities under human rights law and standards, as well as the adaption and extension of established mechanisms to better safeguard writers at risk.

ADDRESSING STRUCTURAL THREATS AND BARRIERS TO FREEDOM OF EXPRESSION

The deterioration in Freedom of Expression globally, features a noticeable development in 2024 - the rise of **transnational repression** where governments, including **Kenya**, **Türkiye**, the **United Arab Emirates (UAE)** and **Uganda**, have colluded with other states to deliver writers and critics visiting or living abroad into what are often black holes of detention, as happened to Egyptian-Turkish poet **Abdul Rahman Youssef al-Qaradawi**, detained in **Lebanon** and extradited to the **UAE** on account of his criticism of the UAE authorities.

Happily, Belarusian filmmaker and journalist **Andrej Hniet** was eventually freed from risk of extradition to **Belarus** from **Serbia**, as was Julian Assange in the **UK** after he negotiated a deal with the **USA** to avoid extradition and prosecution for his work with Wikileaks, but their ordeals highlight the chilling effect of the increasingly long tentacles of state repression.

The weaponization of the judicial system to crush dissent through strengthened **cybercrime laws and regulations** that risked harming freedom of expression were passed or introduced in **Algeria, China, Cuba, El Salvador, Malaysia, Nicaragua, and Vietnam**, while **internet shutdowns** to prevent free expression around elections and protests occurred in **Mozambique, Comoros, Venezuela, Bangladesh, Myanmar and Pakistan**. **Insult and defamation laws** – which in sub-Saharan Africa are part of a colonial legal legacy that governments are in no hurry to overturn – have long been part of the arsenal of governments or their supporters seeking to quell dissent, and 2024 was no different. Defamation was one of the charges brought against **Professor Étienne Fakaba Sissoko** in **Mali** who was sentenced to one year in prison for his criticism of the military government, while similar charges were used to persecute writers in **Italy, Peru, the Philippines and Thailand**. The **Russian Federation** continued to abuse its ‘LGBTQI propaganda’ law to censor discussion of same-sex relations and to persecute LGBTQI activists and organisations, while similar laws were passed in **Bulgaria and Georgia**.

The misuse of vaguely worded national security or anti-terror legislation to silence journalists and writers was also common in many sub-Saharan African countries (although **Eswatini** bucked the trend), as well as in **Algeria, Belarus, China, Nicaragua, Egypt, India, Iran, Russian Federation, Türkiye, and the UAE**. **Mahvash Sabet**, a member of Iran’s Baha’i minority who began writing poetry during her previous lengthy imprisonment, was serving a 10-year prison sentence for unfounded charges of ‘espionage’ in relation to her religious beliefs. In other countries, authorities resorted to bogus criminal charges to lock up writers, including in **Cuba, Morocco, and the Russian Federation**.

PEN International’s research documenting the instances and impact of persecution on writers amounting to serious violations of human rights were provided in **reports** and **submissions** to States and human rights bodies. PEN International presented detailed recommendations pressing for redress and reform before the United Nations Human Rights Council, the African Commission on Human and Peoples’ Rights, the Inter-American Commission on Human Rights, the Council of Europe and European Parliament. Countries under review in 2024 included: **Bosnia, China, Cuba, Egypt, Eritrea, India, Nicaragua, Turkey and countries in Western Balkans**.

Resolutions and Declarations

Intended to support the PEN network in its work, two resolutions were adopted by PEN Centres at PEN International’s 90th Annual Congress held in Oxford, in September 2024. The first [on freedom of expression in Palestine and Israel](#) addressing the catastrophic violations of freedom of expression in Palestine and Israel since 7th October 2023 attacks and throughout the ongoing Israeli war on Gaza, in the Occupied Palestinian Territories and in Israel. The resolution calls for swift and coordinated action from all sectors—governments, civil society, and cultural institutions—to safeguard and advocate for justice, equity, and human rights for writers in Palestine, Israel, and beyond.

The second, [on protection mechanisms for writers at risk](#) – emerging from our policy dialogue (highlighted earlier) calling on the international community to ensure more robust protections to writers. PEN International reiterates the need for international bodies, including the UN Special Rapporteur in the field of cultural rights, the UN Special Rapporteur on Human Rights Defenders, and UN Special Rapporteur on Freedom of Expression, to conduct thorough studies into the barriers faced by writers and to establish monitoring mechanisms that assess states' compliance with their international obligations regarding freedom of movement for writers and creatives. PEN International's **Translation and Linguistic Rights Committee** approved a [Declaration on Sami Language and Literature](#), calling greater support from national authorities in Finland, Sweden and Norway to support the production of Sámi literature. The Declaration also presses the EU to improve support programs that strengthen the use of Sámi languages in literature and education.

PEN INTERNATIONAL'S MISSION TO EU INSTITUTIONS

PEN members in the Western Balkans continued to face harassment smears, and death threats by state and non-state actors, merely for peacefully expressing their views. In February 2025, PEN International [urged](#) the Serbian authorities to uphold the right to peacefully protest and ensure a safe and enabling environment for journalists, as student-led demonstrations continued to sweep through the country.

PEN International's report *Toxic Narratives. Silencing Expression in the Western Balkans*, [published](#) in October 2023 with the generous support of the Fritt Ord Foundation, details the myriad pressures, intimidation, and threats aimed at stifling independent voices – specifically writers and other creatives – in the Western Balkans region (Bosnia and Herzegovina, Kosovo, Montenegro and Serbia).

As the report launch event in Sarajevo, Bosnia and Herzegovina, clearly demonstrated, diplomatic contacts, UN missions and OSCE representatives are aware of the main difficulties faced by journalists in the Western Balkans, but not necessarily of the specific challenges experienced by writers and other creatives, who operate in an increasingly toxic and suffocating atmosphere, which seriously impacts their expression and who report increasing levels of self-censorship.

Tanja Tuma, Vice-Chair, PEN International Board and President of PEN Slovenia, **Milan Marković**, Secretary General of the Montenegrin PEN Centre, and **Aurélia Dondo**, Head of Europe and Central Asia, travelled to Brussels to continue advocating for long-awaited reforms in the region by bringing lived experiences of writers into the EU's discussions with Bosnia and Herzegovina, Kosovo, Montenegro, and Serbia on their accession to the Union. The delegation aimed to:

- Promote the report and its findings with key decision-makers at the European Commission and European Parliament, who can help generate change.
- Raise awareness of the specific plight of writers and other creatives in the Western Balkans – specifically Serbia and Montenegro.
- Inform 2025 accession reports.
- Strengthen advocacy links with decision-makers, including on PEN cases and concerns.
- Strengthen cooperation with Brussels-based partner organisations.

Productive meetings were held with members of DG-ENEST and cabinet members of **Marta Kos**, the new EU Commissioner for Enlargement. PEN International successfully shed light on the specific plight of writers and other creatives in the Western Balkans, and DG-ENEST representatives warmly welcomed PEN's proposal to provide timely information on key cases and concerns, which will feed into the next accession reports. Cabinet members requested information on how public funds in candidate countries are being distributed to writers and publishers – thereby highlighting a gap in their knowledge and reinforcing PEN International's unique contribution. The delegates also visited the European Parliament and shared copies of the report. The delegation met with the **European Federation of Journalists (EFJ)** a key partner of PEN International. All agreed to continue joining forces on key cases and concerns, including through the Council of Europe's Platform for the Safety of Journalists and the **Mapping Media Freedom Rapid Response (MFRR)**. Discussions with the Director of the **Federation of European Publishers (FEP)** helped identify possible joint actions moving forward.

In a positive development, the **Coalition Against SLAPPs** in Europe, which includes PEN International, welcomed the adoption of a Directive against Strategic Lawsuits Against Public Participation (SLAPPs), intended to protect journalists and media outlets from abusive litigation across European Union member states. The April 2024 Council of Europe's non-binding recommendation provided a roadmap for jurisdictions that are not subject to the EU Directive. The May 2024 **European Media Freedom Act (EMFA)** established new EU rules to protect media pluralism and independence.

CREATING NEW SPACES FOR LITERATURE, LANGUAGE, DEBATE, DIALOGUE, IDEAS AND OPINIONS

At PEN International's 90th Congress, themed '[Writers in a World at War](#)', delegates from over 90 countries convened against the backdrop of ongoing global crises to explore crucial issues, including the significance of the [PEN Charter](#), the role of literature 'across frontiers,' and the future of PEN's principles and mission of solidarity.

Palestinian author **Adania Shibli** inaugurated Congress with a poignant keynote address, intertwining personal narratives with broader insights on silence, language, and the colonial effects on Palestinian identity. Welcoming remarks were delivered by **Burhan Sonmez** (President of PEN International), **Margaret Busby** (President of English PEN), and **Anthony Brewerton** (Bodleian Libraries).

Highlights featured "Literature knows no frontiers", a panel discussion between award winning writer **Elif Shafak** and **David Roche**, Non-Executive Chairman for The London Book Fair, and the panels "Equity in Expression", "Writers in times of War (and Conflict)" and "Young Voices", with the participation of delegates from PEN Centres in Argentina, Bolivia Chiapas, Guatemala, Norway and Ukraine, among others.

Congress also saw the participation of acclaimed writers **Margie Orford** (Former President of PEN South Africa), **Sir Ben Okri** (member of PEN International Writers Circle), **Boris A Novak** (PEN International Vice President), and **Jennifer Finney Boylan**, (President PEN America), as well as PEN International's friends **Peter MacDonald** (University of Oxford) and **Rachel Potter** (University of East Anglia).

Civil Society Programme

Working through our flagship Civil Society Programme (CSP), PEN International contributes to a dynamic and informed civil society, by creating spaces for creativity and dialogue, where ideas are shared and challenged and where expression in all its forms can flourish.

PEN's projects notably in the global south, are delivered through PEN Centres in local communities, doing outreach on priority areas such as improving literacy for girls and marginalised children. The projects promote writing, reading and critical thinking as essential for a healthy and representative society. We reach marginalised groups with grassroots interventions to improve literacy, protect civic space, defend linguistic and cultural rights, and tackle threats to freedom of expression. These efforts are genuinely cross-national, and built on values of openness, tolerance, and empathy.

PEN International provided platforms for debate around pluralism of ideas and perspectives, this included inclusive spaces for minoritized groups particularly women and girls. The programme strengthens initiatives, which enhance the participation of women and minorities through campaigns and advocacy, literary events, festivals, and community outreach, educational support programmes, literary and research initiatives.

Equity in Expression

The broader vision for the equity in expression strategy – strengthening inclusion through bringing marginalised literary voices into the mainstream through equitable processes, has been at the fore of our CSP work for over a year and a half. The work is subject to regular reporting including group and bilateral meetings/notes/tweaking through a coherent program of monitoring and evaluation to ensure that the processes we exalt as critical to equitable and equal participation are, in fact, robust.

Particular focus has been on laying the ground for the commissioning of 25 literary thought pieces from indigenous writers in Latin America through a project named *Lenguas Vivas* (funded by the Hawthornden Foundation) and another 25 through Centres in southern Africa through a UNESCO Aschberg funded project named the Right to Write, which focused on the role of the writer and artistic expression. PEN International has worked diligently in its collaboration with Centres for both projects to enable a process of greater inclusion – bringing in writers who are not part of the PEN fold or literary mainstream.

Both projects have entered a phase of work, in which Centres **Malawi**, South Africa (**Afrikaans**), **Uganda**, **Zambia**, and **Zimbabwe**) and (**PEN Argentina**, **PEN Chiapas**, **PEN Chile**, **PEN Guatemala** and **PEN Quechua**) have been working to produce anthologies. In the case of the *Lenguas Vivas* project Centres have been working to produce local booklets featuring writing in 23 indigenous languages. And in the case of both projects a regional anthology (*Lenguas Vivas* in indigenous languages and Spanish and UNESCO into English), are currently being produced to sustain visibility and propel tolerant discussion about the problems faced by marginalized groups, in gaining access to the mainstream. We are currently reviewing how to maximise project impact (including participation at various regional literary festivals). Centres have all propelled their work through innovative external engagement – including in the case of PEN Guatemala who are hosting a series of podcasts.

Poetry and narrative in native languages, by definition, is resistance. Not only because of the audacity to continue writing in the languages that few people will read, either because they are languages with so few speakers or because the linguistic self-esteem of the many speakers has been annihilated and what they have left is not enough to approach the texts written in the language of their grandmothers and grandfathers, but, above all, because it is a question of writing against the current, against the hegemony of language and colonizing thought.

Miguel Angel Oxlaj Cúmez

Invisible Child

Wrapping up the second phase of the Invisible Child project: Larger grants provided for specific Centres to carry out another phase of their work. Funding was provided to **PEN Malawi**, **PEN Togo**, **PEN Afrikaans** for this programmatic effort. Over 2023 and 2024 [PEN Afrikaans](#) has worked with 60 primary aged school children, and 5 groups of 10 – 20 high school learners, i.e. approximately 135 learners and 12 presenters in total to introduce them to the Invisible Child text. In addition to this granular work, and to sustain its efforts, PEN Afrikaans worked in collaboration with an educationalist - over the first half of 2024 - to produce a stand-alone manual for teachers.

[PEN Malawi](#) wrapped up the second phase of its Invisible Child project at the end of 2024, working with 100 children (female: 61/male: 39) through a series of workshops using creative exercises to explore an additional text written in Chichewa. [Parental involvement](#) remains critical to extra-curricular efforts in Malawi particularly as students live in one of the world's poorest countries and any such interventions require careful planning and implementation, so as not to usurp and saturate space but also to support parents who are under considerable pressure. The Centre has developed its own manual for teachers (sharing their lessons learnt with PEN Afrikaans – encouraging peer to peer learning). At the centre of all our programmatic efforts, is the inclusion of youth who remain the key to sustaining ideas and values generated through this work.

The youth have been at the fore of the work done by PEN Togo who in addition to the Invisible Child project (where they have worked with 150 students with a translated version of the text into French) have run [literary cafes](#) and [writing workshops](#) with students, women and influential authors (under the Renaissance project) to foster literary engagement and provide expression platforms for diverse groups in Togo. They have also worked to establish PEN-Clubs in schools, universities, and public spaces, with a focus on enhancing membership and participation.

Inclusion has similarly been running through the work of **PEN Sri Lanka** who in September launched their first ever anthology of poetry by up-hill Tamil tea workers following its facilitation and hosting of creative writing workshops amongst communities who have historically lacked any access to mainstream spaces. As a result of this work, [PEN Sri Lanka](#) was invited to the [Galle Literary festival](#) – one of the most prestigious in the region, to talk about the work and the writing.

The war in Ukraine and its continuing impact on the cultural sphere, remains a priority for PEN International – working with [PEN Ukraine](#) through specific funds (in agreement with SIDA). Over the course of last year, **PEN Ukraine** has worked diligently under immensely difficult conditions to host (28) events in its PEN Space, conduct 4 PEN bus trips (to Kherson, Mykolaiv, Kharkiv and Odesa - travelling to liberated zones to understand the impact of the war on the cultural sector). Despite harsh conditions, it has worked to ensure public dialogue, stakeholder negotiations, and community-driven event planning, so that the work it undertakes remains relevant and part of the broader efforts of civil society to hold the line. In visibilising its critical work and documenting violations, PEN Ukraine's website has enabled its monitoring to reach further, and it has become a frequented site by peers to understand the ongoing impact of the war on the cultural sector.

In addition to directly funded programs, through the CSP we continue to maintain support (even where not in receipt of project grant) to Centres such as **PEN Afghanistan** and **PEN Belarus**. The latter continues its program of work of monitoring violations targeted at the cultural sector and cultural workers. This year they are intending on expanding their lens to include women and the gendered experience they face in a broader realm of ongoing repression.

PEN OPP – Swedish PEN

PEN/Opp's core mission is to provide a platform for those writers that for different reasons cannot publish their work in their local contexts. Writers in exile continue to be important contributors to the magazine. In 2024 texts from imprisoned writers have also been featured. The last two years we have paid more attention to the situation for indigenous writers and minority languages. Working together with two Tatar poets and a Swedish publisher on an issue on indigenous languages within the Russian federation has taken this work further. PEN/Opp is constantly thinking of ways to connect with a younger generation of writers and readers, in order to be relevant to a new generation of writers. In 2024, the platform showcased writers who are founders of PEN International's Young Writers Committee. Seeking to reach wider audiences, the number of readers has slowly but steadily increased over the last three years, and in 2024 readership has almost doubled, from 35,000 readers in 2023 to 61,000 readers in 2024, in part due to working with guest editors with their own wide networks.

THEME: THE NON-RUSSIAN RUSSIA: THE DECOLONIAL LITERATURES

This theme includes texts written by representatives of a handful of Russia's indigenous people. They are written from within the cultural decolonization processes that have long been underway in the country. For a long time, we've gone to the Russians to learn about the Tatars, the Udmurts – or the Ukrainians. This theme encourages the reader to seek to read and listen to them directly. The issue was made in collaboration with guest editors **Mikael Nydahl**, **Dinara Rasuleva** and **Galina Rymbu**.

THEME: WOMEN LIFE FREEDOM – VOICES FROM AN UPRISING

2024 marked the second anniversary of the death of Kurdish **Jina Mahsa Amini**, who was arrested and beaten by Iran's morality police for not wearing a veil properly. Her death was the starting point for the **Women Life Freedom** protest movement, which saw large-scale demonstrations in Iran where women burned their veils and cut off their hair in protest. To mark the anniversary PEN/Opp published a number of texts reflecting on the protests.

STRENGTHENING THE INSTITUTIONAL CAPACITY AND SUSTAINABILITY OF PEN, SO THAT THE MOVEMENT IS FULLY REPRESENTATIVE AND RELEVANT

PEN Dominican Republic was welcomed as new Centre at PEN International's 90th Congress. **Burhan Sonmez** was re-elected as President, **Arne Svingen** was elected as International Secretary, **Salil Tripathi** was re-elected as a Board member along with **Kim Echlin**. **Carles Torner** was elected as Vice President. The **Young Writers Committee** was established as PEN International's fifth and most recent Committee.

Capacity Building and Policy Development

Enhancing skills developing tools

PEN International ran a residential workshop in Nairobi, Kenya over five days from 23 – 29 June 2024, as part of the *Right to Write*, Aschberg UNESCO and Sida funded work.

The workshop was conceived as part of an overall process which aims to increase the capacity of five Africa PEN Centres: **Afrikaans, Malawi, Uganda, Zambia, and Zimbabwe** to mobilize their members and relevant stakeholders through strategic actions to promote diverse literatures, linguistic rights and defend freedom of expression.

Through presentations and exploration of key knowledge, skills, attitudes and practice themes, participants shared insights necessary for advancing the status and rights of writers and other practitioners in the artistic expression field, in their countries as well as regionally and internationally as members of the PEN movement.

The workshop introduced participants to key concepts necessary for meaningful participation in national processes affecting literary/artistic expression and linguistic rights. These concepts included human rights principles and their meaning in the context of PEN International's work; integration of a human rights-based approach in actions that advance the promotion and protection of the right to literary expression and artistic freedom, relevant protection mechanisms for writers at national, regional and international levels, skills development in advocacy, campaigning, movement and coalition building, as well as effective governance and management of voluntary membership associations.

A common understanding of these concepts and exploration of basic skills will enable PEN Centres to effectively develop actions to advance the project. Specifically in relation to equality and inclusion within their associations and strategies to strengthen their capacity to advance the protection of the rights of writers and other artists and culture practitioners at the national and regional levels. Project plans were shared and methods to integrate good practices in activity planning and implementation, governance and financial management in the operations of their PEN Centres.

As part of our continued commitment to strengthening the operational capacity of PEN Centres, we delivered our first combined Finance and Governance Training Workshop in 2024. This landmark initiative brought together **17 participants** from **six PEN Centres**, providing them with tailored guidance on budgeting, financial reporting, internal controls, and governance best practices. The interactive format encouraged strong engagement, with participants actively contributing to discussions and exercises.

The finance module focused on practical tools and approaches for effective financial management, including the benefits of full cost recovery, transparent reporting, and audit readiness. Governance training emphasised the importance of having constitutions aligned with PEN International's framework, legally registered centres, risk management, operational bank accounts, and diverse, professional boards.

Since the workshop, we have observed significant improvements in financial oversight and reporting practices within participating Centres. However, we recognise that ongoing support is needed. To this end, we are committed to a long-term capacity-building programme, providing follow-up training and resources to ensure all PEN Centres are equipped to operate with strong governance and financial accountability.

A Guide to Defending Writers at Risk

On 10 December, Human Rights Day PEN International launched [A Guide to Defending Writers at Risk](#), a comprehensive manual designed to empower PEN members, supporters and other activists in their crucial work of defending freedom of expression and supporting writers at risk. This handbook serves as an essential resource for anyone involved in advocacy, campaigning, and media strategy, offering a structured and practical approach to creating lasting impact in the fight for human rights.

The guide is divided into seven detailed chapters, each focused on a specific aspect of PEN International's global mission. From understanding the organisation's structures and core principles to crafting effective advocacy strategies and harnessing the power of social media, this guide is an invaluable tool for both experienced and new campaigners.

The handbook's practical approach equips readers with the knowledge to develop impactful campaigns. Drawing on a theory of change, it explains how to analyse complex situations, identify clear objectives, and map key stakeholders. These insights are complemented by compelling examples of how PEN Centres worldwide have successfully mobilised support for writers under threat. The guide also emphasises the importance of evaluating campaigns, ensuring that each action leads to measurable and meaningful outcomes.

To support these efforts, the handbook details the tools and resources available to PEN members and other activists. These include the PEN International Case List which tracks violations of free expression, and Rapid Action alerts that raise awareness about urgent cases. It also highlights the crucial role of initiatives such as the [Day of the Imprisoned Writer](#), which serves as a rallying point for global solidarity and action on behalf of writers who are imprisoned or facing persecution.

Advocacy is another key focus, with the handbook offering members step-by-step guidance for engaging with governments, intergovernmental organisations, and other influential bodies. Importantly, the guide also addresses risk analysis and mitigation, acknowledging the challenges faced by those working in sensitive or high-risk contexts.

Recognising the power of media in amplifying campaigns, the handbook offers advice on developing and implementing a robust media strategy, as well as on harnessing the potential of social media to engage audiences and expand reach.

Policy development

PEN International's policy is guided by its resolutions, manifestos, declarations and Charter. These act as a guide for organisational responses to ongoing human rights violations – including for our Heads of Regions who lead on monitoring, researching and documents restrictions impacting writers and journalists alike.

In an effort to institutionalise our approach and maximize PEN International and its movement's ability to effectively advocate for human rights, we sought to consolidate this foundation of thinking, review our approach for any possible gaps (in relation to the normative human rights frameworks) and work towards producing an accessible document for the PEN network and PEN International staff in order to provide coherent responses and stay abreast of all developments in relation to key policy areas.

PEN International commissioned two consultants to review PEN International's existing policies to review PEN International resolutions to identify commonalities in approach and highlight key threads; compare against international human rights law to review gaps in policy approach; identify any contradictions in approach on key thematic issues and provide a review with a gender and diversity lens to highlight relevant international law and frameworks.

The results of this review along with recommendations will be discussed with PEN International teams before being presented to the Board and developed into a policy manual to be shared with the membership at a forthcoming Congress.

CRITERIA FOR MEASURING SUCCESS

International P.E.N. has a diverse framework for measuring its impact effectiveness. Linked to the organisational log frame, qualitative and quantitative indicators are recorded through tracking tables, case studies, focus groups and questionnaires. These are used to determine the effectiveness and appropriateness of activities. Our approach aims to be participatory and adaptable in order to understand the impact of PEN's work across the organisation by bringing the voices of writers and members working in a variety of contexts together, to build a comprehensive picture of PEN's work. Lessons learnt, including from achievements and challenges, are fed into planning and to strengthen the work going forward.

With PEN Centres participating in our Civil Society Programme, we have sought to build strategic coherency and capacities, we have worked through inclusive and detailed planning (including gender and diversity mapping); cultivating ownership over the work and more broadly strategic outcomes and building the relationship through learning – in which our relationship between the Centres and the Secretariat is constantly being reviewed through learning, transformation, and unlearning.

Meaningful feedback and honest analysis are at the core of our system, as is our means of capturing data which harnesses the strength of PEN as an organisation of writers who can tell stories of change. Programmes are subject to external and independent evaluations when required by funders.

PLANS FOR THE FUTURE

International P.E.N. coordinates the activities of PEN Centres across the world in defence of freedom of expression and provides international support, research, policy development and programming to further this aim. The Charity Commission's RR12 declares: *"there is an obvious public benefit in promoting human rights. The Trustees have had regard to the Charity Commission's guidance on public benefit as required by Charities Act 2011 s17(5). For individuals whose human rights are thereby secured, the benefit is immediate and tangible. There is also*

a less tangible, but nonetheless significant, benefit to the whole community that arises from our perception that the fundamental rights of all members of the community are being protected."

Freedom of expression is a foundational right, on which other rights are dependent. Our response to the evolving nature of threats to this right is driven by external realities. Our barometer of how we need to respond is driven by the writers, our members, and their ability to pursue their creative craft, whilst upholding this creative space for others. However, when it is their immediate safety and right to life that is threatened, we are compelled to prioritize this over all our other work so that we remain relevant and credible as a civil society player. Our constant challenge is to reflect and learn from what we do, strategically revisiting our work to ensure that we are maximizing our limited resources.

Our strategy continues to strengthen PEN International's influence to address some of the most pressing social challenges faced globally. PEN's dexterity both as a cultural body as well as a human-rights based organization lends it agility to endure despite all political transition or upheaval and its role in upholding the right to free expression remains unique to it. Our literary character, which has enabled PEN to remain ahead of the curve on significant issues, continues to sit at the centre of our organizational core and our positioning within the broader NGO world.

PEN International's strategic vision for 2024 – 2028 was developed using a series of internal conversations detailed SWOT and PESTLE analysis as well as external evaluation and learning, assessing the impact of our work. It has also included ongoing assessments of our programmatic interventions (largely conducted through our Civil Society Project) as well as critical assessment of our emergency protection work. A diversity audit of PEN International's research and campaigning work which focused specifically on gender, was conducted to better understand how we can ensure the integration of a gender perspective sitting firmly within our next strategic plan.

In doing so, our mainstream work will not only continue to spotlight disparities in representation but also better integrate and embrace all lived experiences into our monitoring and research lens.

The body of work that we have been doing in supporting the positive contribution of writers to civil society and social cohesion also needs to be promoted. In doing so we want to demonstrate how literature can enable critical thinking and contribute to vibrant dialogue, contributing to empathy, cultures of respect, celebrations of difference, solidarity, and social cohesion. In demonstrating this honesty and accountability, PEN International's reputation amongst civil society actors can continue to thrive.

Our strategy to address emerging social challenges shall:

- Demonstrate PEN's authenticity in tackling continuing levels of inequity in literary expression through its proactive approach to research, campaigning, and its programmatic work by mainstreaming marginalized discourses through our CSP programme) and ensuring its research and campaigning lens on violations is inclusive of all lived experience.
- Leveraging our USP (writers speaking for themselves) in which we sit at the intersection of arts/culture and human rights and in which our organizational dexterity enables us to endure even hardened regimes

and in which our approach is deeply embedded within and led by international human rights norms and principally that of non-discrimination.

- Rebuilding our unique international advocacy presence through engaging with the entire breadth of the human rights framework in which the protection of all writers at risk and those in imprisonment remain firmly at our core.
- Continuing to focus our advocacy on individual writers as well as improvements to the structural barriers to all forms of expression.
- Institutional capacity for PEN Centres in which we will have a blended approach to grant-making scheme/capacity building and social investment. Specifically, seek to reinvest in our Centres through CSP to enable them to evaluate their legal, operational, and financial governance. Continued effort to institutionally enhance the corporate governance of PEN International through Board professionalism - working with Clifford Chance on constitutional review. Align our governance operations e.g., board responsibilities to the Charity governance code, build on Trustees' skill audit and board composition exercise and enhance our policies, procedures, and practices. And pursue strong financial and risk strategies that allows sustainable investment, step change in our service delivery and resilience building.

In 2025, we will be updating our core governance practices so that they reflect a standard of best practice, as well as a governance system that will improve overall communication. With the help of Clifford Chance (our pro bono Lawyers), the Constitutional Review and amendments to the Constitution and Articles of Association will be presented to the membership at regional meetings and the presented for vote at PEN International's 91st Annual Congress to be held in Krakow, Poland from 2 – 5 September 2025.

Alongside our strategic vision we have developed a resilience and budget framework with a new financial strategy alongside a fundraising plan.

FUNDRAISING STRATEGY FOR BUILDING PEN'S SUSTAINABILITY IN THE LONG TERM

International P.E.N. saw an increase in the number of individuals contributing to its work in the year. While individuals and institutions continue to be our main source of funding to invest in human rights work, income source diversification continues to be critical in the current climate.

The Swedish International Development Agency (**Sida**) approved a new partnership with PEN International in late November 2024. Contracts have now been signed to pursue our strategic plan – Equity in Expression. Discussions are ongoing with **PEN Norway** concerning a joint application to the Norwegian Aid Agency – **NORAD**, we hope that support from NORAD will compliment funding from Sida. New Institutional support from the Hawthornden Foundation will support the core functions of the organisation from 2025 – 2028.

We continue to build relationships and partnerships with stakeholders through a range of activities, including events and attendance at the major international Book Fairs in London and Frankfurt; through research and approaches to prospects; and through our networks. We are assessing the feasibility of attendance at other similar literary and trade events where we could secure face-to-face meetings with individuals and organizations able to invest in PEN's work.

We have successfully established a high-level, global **Philanthropic Advisory Board**, with the ambition to increase membership during the coming period to reach new contacts and attract new investment over a longer period.

We rely on voluntary donations to deliver our solidarity campaigns and writer-at-risk response work and therefore seek to expand the *unrestricted funding* we receive through our **Publishers Circle** and **Writers Circle**.

We have had meetings and introductions with a range of publishers and writers, have recently won the support of several new publishers and writers, with others making verbal pledges which we are trying to translate into donations soon. We will continue to approach publishers and writers, both existing and new.

International P.E.N follows a set of six fundraising principles, which we use to guide our fundraising policy and strategy. These principles lay out our commitment to our supporters and members

- Our fundraising respects and protects our independence, and mission
- We fundraise with integrity
- We work in partnership with those who support us
- We value and respect our supporters
- We fundraise with courage
- We are transparent in our fundraising and use of funds

Our fundraising activity complies with all relevant legislation and regulation, including the UK General Data Protection Regulation and the Privacy and Electronic Communications Regulations 2003. We also comply with the Code of Fundraising Practice.

We received no complaints about our fundraising practices in the last financial year (FY2023: nil)

GRANT-MAKING

Grant-making remains a core aspect of our charitable work. During the year, we awarded a total of £76k in grants through our Civil Society Programme (CSP) (2023: £121k), with the majority allocated to Europe (£30k to Svenska PEN for the PEN/Opp project and £46k to support Ukraine).

FINANCIAL REVIEW

International P.E.N.'s primary income is generated through our charitable activities across three core areas: Advocacy, Freedom of Expression, and Support for Writers at Risk. These activities are funded through a mix of grants, membership dues, circle contributions, and donations. For the year, total recognised income was £1,735k (2023: £1,349k). The largest share came from the Swedish International Development Cooperation Agency (SIDA), contributing £730k (2023: £722k), followed by the Hawthornden Foundation with £167k (2023: £nil). An additional £838k was received through other grants, donations, and earned income (2023: £627k).

Our revenue increased by 29%, driven primarily by a new grant from the Hawthornden Foundation and an uplift in donations. After accounting for interest charges and investment performance, the overall surplus on unrestricted funds for the year was £94k, compared to £3k in 2023.

We observed a modest increase in fundraising income, supported by proceeds from emergency appeals and new donor engagements. Membership dues and circle contributions continued to show steady growth throughout the year.

Additionally, we incurred £15k in centenary related expenditures (2023: £2k), primarily covering website development and book production costs. Book sales generated £13k in income during the year.

We maintained a stable cash position throughout the year, supported by proactive financial planning. To reduce risks to our income-generating activities, we implemented wherever possible a full cost recovery model, ensuring that core costs are covered across diversified income streams.

Additionally, we adopted a business case driven spending model, enabling more strategic decision-making and strengthening our commitment to value for money and responsible procurement.

We anticipate increased levels of unrestricted donations and confirmed grant commitments to support the future costs of our programmes. Looking ahead, we do not expect any challenges with working capital over the next 12 months, as the Trustees working closely with the Philanthropic Advisory Board have actively mobilised efforts to strengthen financial resilience.

We maintain sufficient reserves to ensure we can continue fulfilling the organisation's objectives with confidence. These reserves are held across a mix of fixed and current assets, including an investment portfolio managed on the Board's behalf by Swissquote, our appointed investment managers.

RECOGNISED INCOME

International P.E.N. extends its sincere gratitude to all donors for their generous support, which contributed to a total income of £1,735k in 2024 (2023: £1,349k), reflecting a 29% increase over the previous year.

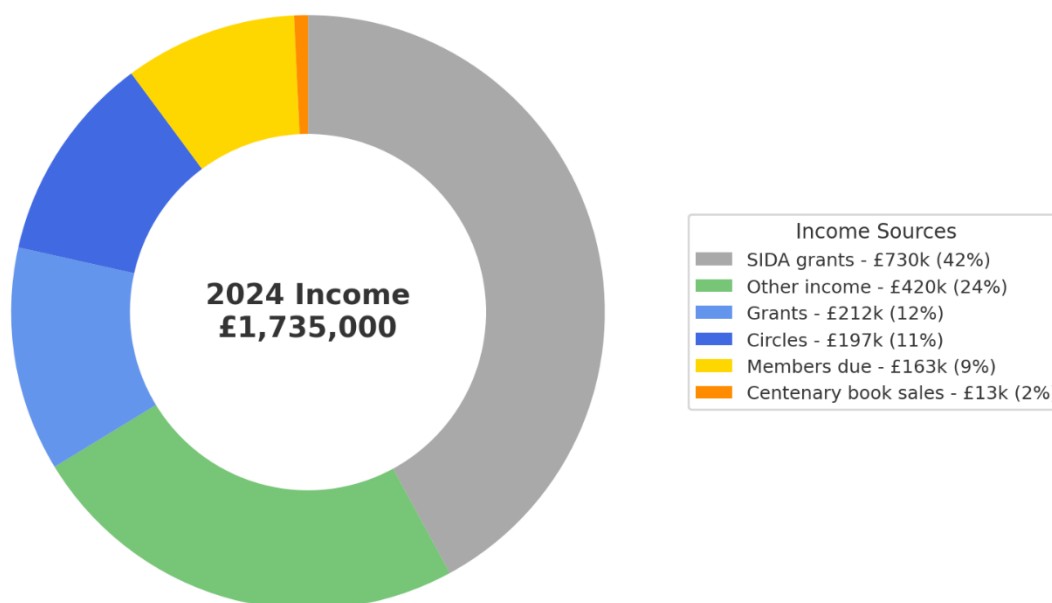
Unrestricted income rose to £781k, marking a 53% increase compared to 2023, while restricted income reached £954k, representing a 14% increase year-on-year.

Other principal restricted funding sources for 2024 include SIDA, Hawthornden Foundation, UNESCO, Fritt Ord Foundation, The National Endowment for Democracy (NED), PEF and the Banyan Tree Foundation.

The funds from these donors including Charlotte Aitken and Greater Washington Community go towards our research and policy work, civil society projects and the defence of writers at risk.

Our main sources of unrestricted income are the membership dues and the subscriptions to our Circles.

Recognised income: January 2024 to December 2024



MEMBER DUES

Membership dues, contributed by both centres and individual members, are a vital expression of commitment to the mission of International P.E.N. These contributions play a significant role in supporting PEN's global work and are an essential part of our 2025 annual budget. Centres pay dues annually to International P.E.N. based on the size of their local membership. In addition, individual members contribute dues to both their local centre and to International P.E.N., reinforcing our collective responsibility and solidarity. Support also comes from the broader PEN community - including publishers, writers, and readers through the PEN Circles—who together help sustain our international efforts.

The contribution of Centre dues is made according to the GDP of the country, according to four categories (determined by the World Bank): £14.40, £10.35, £5.75 and £3.45 (respectively per member per year). These categories are currently under review.

CIRCLES

These are the Publishers, Writers, Readers and Screen Circles. Income from the Circles increased in 2024. The Trustees recognise the need to grow this basis of unrestricted income and have put plans in place within our new three years financial strategy to grow the Circles.

EXPENDITURE

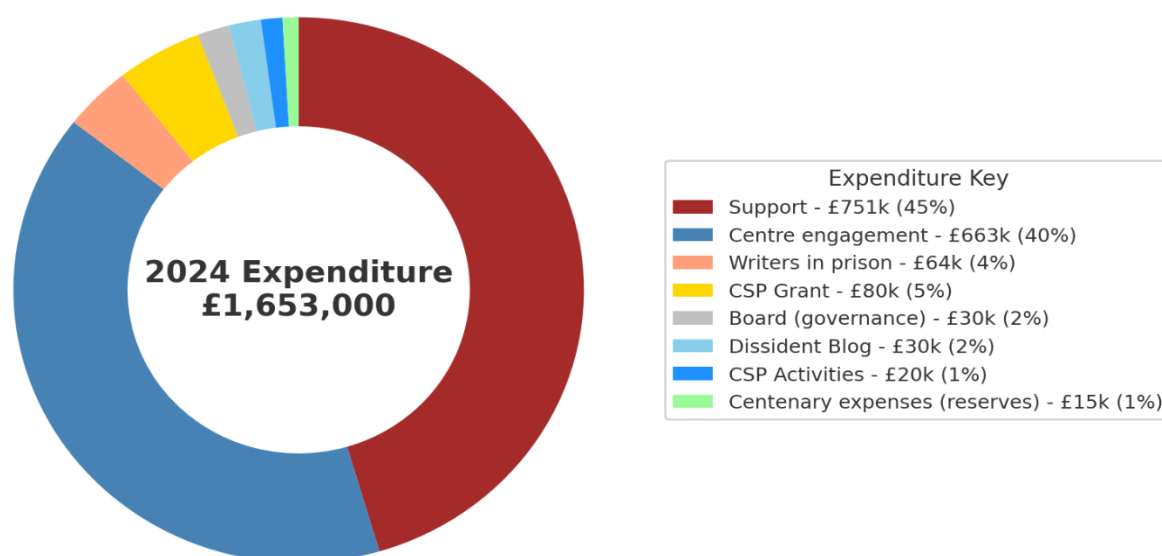
Total expenditure was £1,653k (2023: £1,445k), an increase of 14%. Expenditure was tightly controlled throughout the year to try to achieve an overall surplus to rebuild reserves and future sustainability.

The main items that make up this amount include:

- Total staffing costs (including recruitment, training and consultant) 54%;
- Overall support costs, congress, administration, finance, communications (core costs) 46%.

Employment costs remained by far the highest single item, totalling £865k (directly employed staff and consultants).

Expenditure: January 2024 to December 2024



VALUE FOR MONEY

Delivering value for money is essential to our work as a charity. It means achieving the greatest possible impact from every pound spent - spending less, spending well, and spending wisely - without compromising on quality. This focus on value for money is now embedded across the organisation. All staff are encouraged to consider the value and efficiency of their spending decisions. This includes evaluating the necessity and cost-effectiveness of purchases, challenging prices where appropriate, and securing multiple quotes to ensure competitive procurement.

By looking at value for money we want to make sure that:

- What we do is relevant and leads to benefits for our centres (spend wisely)
- How we work is efficient and effective, so we don't waste time or money (spend less)
- We get a good return from what we spend and make wise choices (spend well)

NET SURPLUS

For the year ended 31 December 2024, we recorded a surplus of £94k on unrestricted funds, a significant improvement compared to the £3k surplus in 2023.

Looking ahead to 2025, we remain focused on strengthening our organisational resilience, ensuring financial stability, and advancing long-term sustainability. This includes a continued effort to rebuild our reserves and proactively manage financial risks, supporting our ability to deliver on core objectives and respond to emerging challenges.

STRUCTURE, GOVERNANCE AND MANAGEMENT

PEN is a charity that was founded in 1921. Since 2006, the activities of PEN have been undertaken through a charitable company, limited by guarantee. International P.E.N.'s governing document is the PEN Charter and its Constitution; International P.E.N.'s members are the PEN Centres meeting once a year as the Assembly of Delegates at PEN's annual Congress.

We have a Board of up to 10 Trustees which includes the International President, International Secretary, and the International Treasurer:

- elected officials of International P.E.N. are nominated by at least 2 Centres; and
- nominations and the election process are managed by the Search Committee.

The Board is responsible for setting the organisation's strategy, reviewing and adopting the budget and financial reports.

The Search Committee of the Board oversees trustee recruitment.

Candidates are provided with a job description and are required to submit in writing a biography and a signed letter of acceptance of nomination, with a statement of intent. The deadline for submission of nominations is 3 months in advance of Congress. Centres eligible to vote must have paid their membership dues to International P.E.N. and each Centre has one vote. The secret ballot is managed and overseen by the Search Committee.

International P.E.N.'s Trustees have been elected at Congress (the annual meeting of the Assembly of Delegates). The responsibilities of the Board of International P.E.N. have been defined by its constitution. Trustees can serve up to two three-year terms of office.

The list of trustees who served during the year and up to the date of approval of the financial statements has been provided below:

Trustees

Burhan Sonmez, president/chair

Ola Larsmo, deputy chair (departed 1 Oct 2024)

Eric Lax, International Treasurer

Tanya Tuma, deputy chair (appointed 1 Oct 2024)

Arne Svingen, International Secretary (appointed 1 Oct 2024)

Elected Trustees

Beatrice Lamwaka

Jose Gabriel Seisdedos

Salil Tripathi

Ege Dungar

Elisha July

Kimberley Ann Echlin (appointed 1 Oct 2024)

Trustees are not paid.

New Trustees are introduced to PEN with a formal induction programme carried out by the Company Secretary to the Board and the Executive Director. We also provide on-going training, based on periodic skill assessments. We have been actively working with our pro bono lawyers (Clifford Chance LLP) to carry out a constitutional and governance review exercise across the organisation. The outcome of the review will enable us to strengthen our membership structure and legal framework. We expect this exercise to be completed in 2025.

The names of all those who are currently Trustees or who served as a trustee during the year to 31 December 2024 are set out above. Further information on our current Trustees is available on our website

(<https://www.pen-international.org/who-we-are>).

The Trustees delegate the day-to-day running of PEN to the Executive Director (ED) and Finance, HR & Administration Director in the respective areas. The work in these areas is overseen by three subcommittees of the Board, each one chaired by a Trustee:

- **Finance and Audit Committee:** Oversees the identification and regulation of risk, finance probity, and supervision of the appointment of auditors. Oversees the governance framework for ensuring the overall direction, effectiveness, supervision and accountability of International P.E.N.

- **Fundraising Committee/PAG:** develops and monitors the fundraising strategy of the organisation, partnership building and long-term sustainability; and
- **Centres Committee:** analyses the situation of all PEN Centres, intervenes in centre disputes, prepares new PEN Centres' candidatures to be presented at the assembly of delegates for approval, proposes dormancies and closure of centres to the assembly, and deregistering centres who have ceased to exist.

At PEN, we are committed to fair and transparent staff remuneration as a cornerstone of our Human Resource Development strategy. We aim to attract, retain, and develop the right talent to deliver on our charitable objectives effectively. Recognising that the performance and dedication of our staff are the primary drivers of our impact - and the largest area of charitable expenditure - we strive to ensure that our pay practices reflect this importance.

Our approach to remuneration includes the following key principles:

- **Fair and Competitive Pay:** We benchmark each role both internally and against market comparators, using a consistent and transparent evaluation process. Our goal is to offer a fair and equitable pay framework that aligns with the responsibilities and contributions of each role.
- **Structured Salary Bands:** New hires are generally placed towards the lower end of a salary band, based on experience, allowing room for progression and reward for performance and professional growth.
- **Commitment to Ethical Employment:** We do not employ unpaid interns. All staff, including interns, are paid at least the London Living Wage. We also actively encourage our suppliers to uphold the same standard.
- **Performance and Development:** Staff confirmed in post participate in regular performance reviews, with at least one annual review and quarterly conversations strongly encouraged to support continuous growth and alignment with organisational goals.
- **External Pay Review and Accreditation:** Our pay structure has been independently reviewed by an external expert, with recommendations fully implemented to ensure fairness and compliance. Additionally, we are proud to have achieved the Investors in People accreditation, reflecting our commitment to staff engagement and continuous improvement.

Through these practices, PEN International continues to build a motivated, capable, and values-aligned workforce, ensuring we maximise our impact in pursuit of our charitable mission.

PEN Centres are legal members of our limited company, playing an important legal formal and informal role in our work.

PEN Centres are voices for literature and freedom of expression in their respective countries. A full list of current Centres is available on our website (<https://pen-international.org/centres>) or by request.

International P.E.N. is committed to upholding its organisational culture in line with the seven overarching principles of the Charity Governance Code 2017: Organisational Purpose; Leadership; Integrity; Decision Making and Controls; Board Effectiveness; Diversity; and Openness and Accountability.

The Executive Director manages the office supported by a Senior Management team comprised of Finance, HR and Administration Director.

The Senior Management Team is responsible for and provides oversight of the delivery of PEN International's strategy and programmes, human resources functions and ensuring compliance with Charity Commission guidelines, good governance, budgetary and funding requirements.

KEY MANAGEMENT PERSONNEL

The President, International Secretary and International Treasurer meet confidentially to discuss the performance and achievements of the charity during the year to determine suitable remuneration for key management personnel. Their recommendations are then put forward to the Trustees for discussion and approval.

RISK AND INTERNAL CONTROLS

Risk management is an integral part of our governance. We identify and address our key strategic and organisational risks to mitigate their likelihood and impact. These are reviewed regularly in the year. There are two levels to the risk and assurance process. Our strategic risk approach is designed to identify the key risks which could prevent International P.E.N. from achieving its strategic objectives. It also identifies the assurance processes which we have in place to mitigate these risks and any outstanding actions around these assurance processes.

We also have considered operational risks which underpin the strategic risk framework, dealing with a greater number of potential risks at a more detailed level.

This continues to be done at a Board and senior staff level by maintaining an organisational and strategic Risk Register that identifies the key risks.

The Trustees continue to review the risks facing International P.E.N., the controls in place and the effectiveness of mitigating actions. International P.E.N. has a risk register which records risks and how they are mitigated, including (but not limited to) our income, assets, management, staff, partners and beneficiaries, reputation, financial controls and governance. This risk assessment process identifies the strategies that are already in place to minimise risks, along with any further actions that may be required to mitigate them. The Trustees delegate risk management to the Executive Director and Finance, HR and Administration Director

PEN has a comprehensive insurance policy, reviewed annually, and currently provided by Aston Lark Insurance. The Trustees consider all aspects of risk and assurance and are supported in this by the work of the Finance and Audit Sub-Committee

The major strategic risks of P.E.N., together with plans and strategies in managing these risks, are shown in the table below.

Risk	Current mitigating actions
Financial Stability Funding targets not met. <i>(delivering the strategy in a way that safeguards our financial sustainability)</i>	• Board takes strong lead in fundraising and new fundraising strategy • Continued outreach to publishers to increase membership of Publishers', Writers and Screenwriters Circles • New funding streams legacy and crowd funding explored • Head of Development to continue pursuing Trusts and Major Donor fundraising strategy • A new partnership agreement signed with SIDA in November 2024 for another three years 2025 - 2027
People and Development Effectiveness of Senior Management Team (SMT)	• SMT review of roles and responsibilities, review of Job Descriptions as untenable workloads and weak organisational processes reasons for departures of Directors with support from INTRAC (International Non-Governmental Organisation Training and Research Centre) • Consultations with the Union • Board approve process for recruitment and their involvement
Financial Stability Mismanagement of disbursed project funds to centres	• Improved disbursement of funds authorisation processes • Quarterly skype/zoom calls with Centres on project delivery and to build centre relationships over time • 3 - 6 monthly reporting on projects and auditing • Bribery and corruption policy shared, sanction compliance, whistle-blower and procurement particularly for those involved in Civil Society programme
Reputational Reputational damage due to politicisation or Centres acting contrary to the PEN Charter	• Centre Development strategy for problematic PEN Centres • Board/SMT take action/missions to engage with Centres whose message is out of line with PEN Charter and human rights norms. Monitoring of Centres -review for closure of dormancy
Strategy and Operational Delivery Dramatic change in international support for freedom of expression demotivation and slows the PEN's ability to deliver its goals.	• Campaigns and advocacy to be more focused and underpinned by robust research – and strong media campaigns • Ensure that individual writers/Centres can advocate on issues of concern to them both at national and international levels – dialogue and debate needed more than ever – role of the writer as thought leader to counter push of authoritarianism • Build relations with key actors in human rights and culture fields and allies at the national level
Strategy and Governance Effectiveness of International Board and Committees	• Board now taking lead in strategy setting including the process • Board positions under 3-year election cycle • At least two in person Board meetings per year as required • Co-opt members of the Board under review • Governance support provided to the Board by the Company Secretary and Pro Bono Lawyers (Clifford Chance)
Operational Delivery Analysis of risk for local PEN Centres organizing events prior, during and after the event. Analysis of risk of unintended harm/negative effects for local partners of PEN missions (common risk analysis of conflict dynamics with other NGOs for common missions)	• Risk assessment in context for each PEN meeting/mission, including unintended negative effects for staff & local Centres • Consultation with Centres & NGO partners prior to PEN missions taking into account conflict dynamics • Collaboration with UN bodies in context of meetings in areas of concern for freedom of expression

OTHER MATTERS

The Trustees commissioned Swissquote as our broker during the year. At present, we have investment of £88k (2023: £85k) held with the company.

In making any financial investment, P.EN.'s policy requires consideration of:

- **Minimisation of risk** - The overall investment objective of PEN International is to maximize the return on invested assets while minimizing risk and expenses. PEN International seeks to achieve this through prudent investing and planning, as well as through the maintenance of a diversified portfolio
- **Liquid risk:** Invested funds to be kept liquid to allow them to be called upon as necessary
- **Balancing income and capital returns:** The assets should be managed to at least maintain the real capital value of the funds invested, whilst generating a sustainable level of investment income to support the current charitable activities

As part of our new financial strategy, we are looking to create a policy for longer term investment of PEN's reserves in order to spread risk and ensure PEN's financial sustainability.

At 31 December 2024, the only form of investment held by PEN was funds held with Swissquote in mutual bonds and single securities, included in the accounts within non-current assets.

GOING CONCERN

The Trustees are aware that International P.E.N.'s contract with the Swedish International Development Cooperation Agency (SIDA) concluded in December 2024. Following this, PEN International secured a new three-year programme of support with SIDA. The Trustees believe this renewed partnership will create opportunities to engage with other international government agencies for additional funding. Throughout 2024, PEN International maintained strong and strategic connections with its most significant institutional supporter.

The trustees are confident that sufficient funding will be continued at the same level with SIDA and other funders to support our current level of activities in the future.

As part of the going concern assessment by the Trustees, they have reviewed our financial position and financial forecasts, taking into account the level of reserves and cash, the effects of the pandemic, the cost-of-living/inflation increase and our systems of financial control and risk management.

As a result of this and an ongoing review of operational and staffing costs, the Trustees believe that we are well placed to manage operational, financial and cost of living risks successfully.

The Trustees have determined that the actions that they have taken are sufficient to mitigate the uncertainty around any reduced level of funding and have therefore prepared the financial statements on a going concern basis as they have a reasonable expectation that PEN International will continue in operational existence for the foreseeable future.

TREASURY POLICY

The Trustees set aside available funds from our income to pay for anticipated costs. The Trustees also set aside a small amount each year, when income is strong, to allow for some flexibility in periods of economic downturn. In order to protect our charitable projects from the loss of short-term funding, a target for a minimum level of reserves has been set at three months' grants receipts and expenditure for project delivery.

Undesignated reserves amounted to £148k as at 31 December 2024. This is below target for the year. However, the shortfall in funds has been built into a strategic financial recovery modelling for the next three years. This policy is reviewed every year

RESERVES POLICY

Like many other charities PEN International has a reliance on a small number of income sources. It is important that, however unlikely it may be that these sources all suddenly cease, we plan to hold sufficient reserves to meet our obligations and needs. In this respect, PEN remains positive in building resilient reserves that are strong and healthy.

The trustees set aside available funds from our income to pay for anticipated costs and for planned designated activities.

The Trustees recognise the need to hold sufficient reserves to allow protection of core activities in the event of any income shortfalls to implement long-term strategic programmes and enable PEN to carry out its essential projects.

The policy aims to have sufficient free reserves to enable PEN to cope with fluctuations and to hold at least the equivalent of three months budgeted operating cost expenditure.

Total reserves at 31 December 2024 were £536k (2023: £453k) Restricted reserves held in 2024 were £368k (2023: £376k) and unrestricted reserves were £168k. Of this £20k were designated reserves while the undesignated reserves were £148k (2023: £54k).

The value of net assets in future years is projected to reduce/increase in the light of budgeted deficits/surplus and investment in our financial strategy. However, PEN remains strong as a 'going concern'.

Restricted reserves are those funds that have been received for particular purposes and projects and are shown in detail in note 17.

Even though the general funds are low, we are still able to meet our free reserves target level implied by the current reserves policy, which seeks to build reserves up to three months' operating expenditure.

The Finance Sub-committee of the board will continue to monitor closely the reserves position with quarterly reviews. This policy is reviewed every year.

FUNDRAISING

Our Head of Development, in collaboration with the Senior Management Team, ensures that we uphold best practices in charitable fundraising. This includes active engagement with fundraising regulations and full compliance with the latest codes of conduct.

We remain committed to maintaining high standards by regularly reviewing and updating our fundraising policies and procedures, ensuring they remain current, effective, and aligned with sector expectations.

In particular, P.E.N:

- ensures adherence to the Code of Fundraising Practice;
- employs due diligence to ensure that significant financial contributions from, and partnerships and agreements with, individuals and organisations comply with legal, ethical and best practice regulations and guidance;
- does not use professional fundraisers;
- ensures that the charity's fundraising practice complies with all data protection regulations and best practice guidance.

VOLUNTEERS

International P.E.N. is immensely grateful to the volunteers who contribute to our campaigns and communications work as well as supporting our international programmes team with media monitoring on freedom of expression issues. Their skill, time and dedication help us achieve our goals while offering them an opportunity to learn and gain experience in a field of work that has growing relevance in today's world.

DISCLOSURE OF INFORMATION TO AUDITOR

In so far as each of the Trustees is aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- each of the Trustees has taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Signed on behalf of the Trustees

Burhan Sonmez *BSonmez*

Eric Lax *Eric Lax*

President

Treasurer

07 May 2025

The Trustees (who are also directors of International P.E.N. for the purpose of company law) are responsible for preparing the report of the Board of Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires Trustees to prepare financial statements for each financial year that give a true and fair view of the state of the affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006 and regulations made thereunder.

They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of the financial statements may differ from legislation in other jurisdictions.

OPINION

We have audited the financial statements of International P.E.N. (the 'charity') for the year ended 31 December 2024 which comprise the statement of financial activities, the statement of financial position, the cash flow statement and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2024 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

OTHER INFORMATION

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the report of the board of trustees, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the report of the board of trustees has been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the report of the board of trustees.

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

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

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material

misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

As part of our planning process:

- We enquired of management the systems and controls the charity has in place, the areas of the financial statements that are most susceptible to the risk of irregularities and fraud, and whether there was any known, suspected or alleged fraud. The charity did not inform us of any known, suspected or alleged fraud.
- We obtained an understanding of the legal and regulatory frameworks applicable to the company. We determined that the following were most relevant: the Charity SORP, FRS 102, Charities Act 2011, Companies Act 2006.
- We considered the incentives and opportunities that exist in the charity, including the extent of management bias, which present a potential for irregularities and fraud to be perpetuated, and tailored our risk assessment accordingly.
- Using our knowledge of the charity, together with the discussions held with the charity at the planning stage, we formed a conclusion on the risk of misstatement due to irregularities including fraud and tailored our procedures according to this risk assessment.

The key procedures we undertook to detect irregularities including fraud during the course of the audit included:

- Identifying and testing journal entries and the overall accounting records, in particular those that were significant and unusual.

- Reviewing the financial statement disclosures and determining whether accounting policies have been appropriately applied.
- Reviewing documentation such as the charity's board minutes, and correspondence with solicitors, for discussions of irregularities including fraud.
- Assessing the extent of compliance, or lack of, with the relevant laws and regulations.
- Testing key income lines for evidence of management bias.
- Assessing the validity of the classification of income, expenditure, assets and liabilities between unrestricted, designated and restricted funds.
- Obtaining third-party confirmation of material bank balances.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements even though we have properly planned and performed our audit in accordance with auditing standards. The primary responsibility for the prevention and detection of irregularities and fraud rests with the trustees of the charity.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

USE OF OUR REPORT

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose.

To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Andrew Rich

Andrew Rich (Senior Statutory Auditor)

for and behalf of HW Fisher Audit

Chartered Accountants

Statutory Auditor

Acre House

11-15 William Road

London, NW1 3ER

07 May 2025

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	Note	General funds £'000	Designated funds £'000	Restricted funds £'000	Total 2024 £'000	Total 2023 £'000
Income						
Income from charitable activities						
Donations and legacies	3	484	-	-	484	332
Charitable activities	4	297	-	954	1,251	1,017
Total income		781	-	954	1,735	1,349
Expenditure						
Expenditure on						
Cost of raising funds						
Expenditure on fundraising and publicity		20	-	-	20	3
Expenditure on charitable activities						
General advocacy and support	5	561	7	876	1,444	1,273
Writers at risk	5	102	1	86	189	169
Total expenditure on charitable activities		663	8	962	1,633	1,442
Total expenditure		683	8	962	1,653	1,445
Net gain / (loss)	23	1	-	-	1	3
Total net income/(expenditure) before transfers		99	(8)	(8)	83	(93)
Transfers between funds		(5)	5	-	-	-
Net income/(expenditure) after transfers/ Net movement in funds		94	(3)	(8)	83	(93)
<i>Reconciliation of funds</i>						
Balances brought forward at 1 January 2024		54	23	376	453	546
Balances carried forward at 31 December 2024	19	148	20	368	536	453

All gains and losses recognised in the year are included on the Statement of Financial Activities.

The accompanying notes form part of these financial statements.

Comparative year – 31 December 2023

	Note	General funds £'000	Designated funds £'000	Restricted funds £'000	Total 2023 £'000
Income					
Income from charitable activities					
Donations and legacies	3	332	-	-	332
Charitable activities	4	178	-	839	1,017
Total income		510	-	839	1,349
Expenditure					
Expenditure on					
Cost of raising funds					
Expenditure on fundraising and publicity		3	-	-	3
Expenditure on charitable activities					
General advocacy and support	5	411	3	859	1,273
Writers at risk	5	93	1	75	169
Total expenditure on charitable activities		504	4	934	1,442
Total expenditure		507	4	934	1,445
Net gain / (loss)	23	3	-	-	3
Total net income/(expenditure) before transfers		6	(4)	(95)	(93)
Transfers between funds		(3)	3	-	-
Net income/(expenditure) after transfers/ Net movement in funds		3	(1)	(95)	(93)
Reconciliation of funds					
Balances brought forward at 1 January 2023		51	24	471	546
Balances carried forward at 31 December 2023	19	54	23	376	453

	Note	£'000	2024 £'000	2023 £'000	£'000
Non-current assets					
Tangible assets	13a		7		10
Investment	13b		88		85
			95		95
Current assets					
Stock		112		124	
Debtors	14	101		91	
Cash at bank and in hand		363		255	
		576		470	
Creditors:					
amounts falling due within one year	15	(135)		(112)	
Net current assets			441		358
Total assets less creditors			536		453
The funds of the charity	17,18,19				
Unrestricted funds					
Other charitable funds			148		54
Designated funds			20		23
			168		77
Restricted funds			368		376
			536		453

07 May 2025

Approved by the Trustees on

and signed on their behalf

Eric Lax

Eric Lax, Treasurer

BSomez

Burhan Sonmez, president

05683997 - Company Registration is in England and Wales

	Note	2024		2023	
		£'000	£'000	£'000	£'000
Net cash generate/ (used in) operating activities	20		113		23
Cash flows from investing activities					
Payments to acquire fixed assets	13a	(5)		(3)	
Disposal of Investment		3		3	
Payments to acquire investments		(3)		(6)	
Cash withdrawn from portfolio		-		3	
Net cash (used in)/generated from investing activities			(5)		(3)
Change in cash and cash equivalents in the reporting period			108		20
Cash and cash equivalents at the beginning of the reporting period			255		235
Cash and cash equivalents at the end of the reporting period			363		255
Comprising:					
Cash at bank and in hand:			363		255
			363		255

1. ACCOUNTING POLICIES

1.1 Accounting convention

The accounts have been prepared in accordance with the charity's Memorandum and Articles of Association, the Companies Act 2006, Charities Act 2011 and "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 2019. The charity is a Public Benefit Entity as defined by FRS 102. The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £000. The financial statements have been prepared under the historical cost convention, modified to include the revaluation of investments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

The Trustees are aware that International PEN's contract with SIDA concluded in December 2024. Following this, PEN International secured a new four-year programme of support with the Swedish International Development Cooperation Agency (SIDA). The Trustees believe this renewed partnership with SIDA will create opportunities to engage with other international government agencies for additional funding. Throughout 2024, PEN International maintained strong and strategic connections with its most significant institutional supporter.

The trustees are confident that sufficient funding will be continued at the same level with SIDA and other funders to support our current level of activities in the future.

As part of the going concern assessment by the Trustees, they have reviewed our financial position and financial forecasts, taking into account the level of reserves and cash, the effects of the pandemic, the cost-of-living/inflation increase and our systems of financial control and risk management.

As a result of this and an ongoing review of operational and staffing costs, the Trustees believe that we are well placed to manage operational, financial and cost of living risks successfully.

The Trustees have determined that the actions that they have taken are sufficient to mitigate the uncertainty around any reduced level of funding and have therefore prepared the financial statements on a going concern basis as they have a reasonable expectation that PEN will continue in operational existence for the foreseeable future.

1.3 Critical estimates and judgements

International P.E.N.'s significant accounting policies are stated in this note. Not all of these significant accounting policies require the Trustees to make difficult, subjective, or complex judgements or estimates.

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The trustees do not believe there to be any judgements or estimates critical to the financial statements.

1.4 Income

Income other than grant income is recognised at the fair value of the consideration received or receivable for goods and services provided. Fair value takes into account settlement discounts allowed on services.

Income from donations and 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.

The value of services provided by volunteers has not been included in these financial statements. Gifts in kind are included where the sum can be accurately estimated.

Unrestricted income is deferred when this is received and relates to a period following the year end. Restricted income is deferred only when this relates wholly to a future period, as specified by the funder.

1.5 Grants received

Where grants are received for specific purposes, they are credited to the restricted funds of International P.E.N. Grants that are awarded for a specific period are recognised in the SOFA in that period.

1.6 Grants payable

Grants payable as cash are accounted for in the period in which they are approved. Grants awarded to centres of International P.E.N. are accounted for upon approval.

1.7 Basis of allocation of support costs

Staff and other support costs are allocated to the various activities of International P.E.N. based upon the direct staff costs involved in delivering direct charitable activities and on the estimated time devoted to the governance of PEN.

1.8 Defined contributions pension scheme

Employer contributions to PEN's defined contribution Pension Scheme are charged to the SOFA on an accruals basis.

1.9 Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the Charity.

Designated funds have been allocated to specific projects by the trustees.

Restricted funds are donations where the donor has specified to be solely used for particular areas of the Charity's work or for specific projects being undertaken by the Charity.

1.10 Expenditure and irrecoverable Value Added Tax

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 attracting voluntary income and the costs of fundraising.
- Expenditure on charitable activities includes the costs of the delivery of its activities and services for its beneficiaries.
- 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.

Rental costs under operating leases are charged against income on a straight-line basis over the term of the lease.

1.11 Volunteers

International P.E.N. provides volunteering opportunities in a number of its activities. The work performed by the volunteers is well-appreciated and is explained in the Report of the board of trustees. No financial appraisal of the value of volunteering is included within these financial statements.

1.12 Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Asset Category

Office equipment	25% reducing balance
Fixtures & Fittings	25% reducing balance
Computer Equipment	25% reducing balance

The policy with respect to impairment reviews of fixed assets is that these assets are inspected regularly for any impairment and any defect remedied so as to maintain the current value.

All assets costing more than £500 are capitalised.

1.13 Investment

Investments are stated at market value at the balance sheet date. The SOFA includes the net gains and losses arising on revaluation and disposals throughout the year. Gains and losses on the disposal of investment assets are calculated as the difference between historical and market values. We are aware that some changes in market trends are likely as a consequence of using a last paid price to value a share. The value of our securities may therefore not correspond to the

real value of such securities. The effect of asset inflows and outflows is eliminated by assuming a single investment at the beginning of a period and measuring the profit or loss of market value to the end of that period.

1.14 Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered and provision for bad and doubtful debts.

Prepayments are valued at the amount prepaid net of any trade discounts due.

1.15 Book stock

The centenary book stock is valued at the lower of cost and net realisable value. The book held is recognised as expenditure at the point it is dispatched from PEN International warehouse. Books in transit at the year-end are accounted for as expensed as it is deemed highly probable that they will reach their intended beneficiaries in good condition. Any material damage or loss of stock would be adjusted in the accounts in the following year. Provision is made where necessary for obsolete, slow-moving and defective stock in the accounts.

1.16 Cash at bank and in hand

Cash at bank and cash in hand includes cash.

1.17 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.

1.18 Other financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments. The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Except for fixed asset investments, basic financial instruments are recognised as the amount payable or receivable when the instrument is first recognised together with any subsequent transaction costs but modified in respect of trade debtors for an assessment of potential bad debt.

1.19 Foreign exchange

Transactions denominated in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. All differences are included in net outgoing resources. Where trustees hold restricted funds in foreign currency, gains and losses on foreign exchange are borne by unrestricted funds to maintain restricted gifts at their original value.

1.20 PEN Centres

PEN Centres are not treated as branches of International P.E.N. They are independently governed organisations.

1.21 Restricted funds

Project grants: Grants that are received for specified purposes are credited to a restricted fund. Expenditure that is attributable to such grants is charged directly to the fund in the statement of financial activities.

1.22 Designated funds

Fixed Assets: The balances on the funds represent our fixed asset portfolio. The capital costs of asset that are met from PEN's own resources are represented by designated funds. Depreciation is charged directly against the fund in the statement of financial activities.

2. LEGAL STATUS OF THE CHARITY

International P.E.N. (or "the Charity") is a company limited by guarantee incorporated in England and Wales. The registered office is 167, 169 Great Portland St, London W1W 5PF.

NOTES TO THE FINANCIAL STATEMENTS YEAR END 31 DECEMBER 2024

3. INCOME FROM DONATIONS & LEGACIES

Source	2024			2023		
	Unrestricted funds £'000	Restricted funds £'000	Total £'000	Unrestricted funds £'000	Restricted funds £'000	Total £'000
Donations and legacies	484	-	484	332	-	332

Donations to unrestricted funds:

	2024 £'000	2023 £'000
Individual contributions	321	175
PEN centre contributions	163	157
CJRS grants	-	-
	484	332

	2024 £	2023 £
Donations to restricted funds:		
Individual contributions	-	-
	-	-

4. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2024 £'000	Restricted funds 2024 £'000	Total funds 2024 £'000	Unrestricted funds 2023 £'000	Restricted funds 2023 £'000	Total funds 2023 £'000
Grants receivable	95	941	1,036	5	838	843
Publishers Circle	156	-	156	139	-	139
Writers Circle	41	-	41	30	-	30
Readers Circle	-	-	-	4	-	4
Centenary – book sales	-	13	13	-	1	1
Others	5	-	5	-	-	-
	297	954	1,251	178	839	1,017

Analysis of grants receivable:

	2024 £'000	2023 £'000
Norwegian Ministry of Foreign Affairs	-	52
SIDA	730	722
NED	14	15
UNESCO	31	-
Fritt Ord Foundation	18	-
PEF	34	-
Banyan Tree Foundation	35	39
Hawthornden Foundation	167	-
Others	7	15
	1,036	843

5. ANALYSIS OF EXPENDITURE RELATING TO GENERAL ADVOCACY AND SUPPORT

	2024 £'000	2023 £'000
Staff costs	519	442
Sub-grants to PEN Centres	76	121
Other centre development costs	330	296
Support costs (note 6)	504	413
Centenary – book costs	15	1
	1,444	1,273

Analysis of expenditure relating to writers in risk

	2023 £'000	2023 £'000
Staff costs	42	43
Other costs	44	32
Support costs (note 6)	103	94
	189	169

Continued overleaf

6. ANALYSIS OF SUPPORT COSTS AND GOVERNANCE COSTS

The Charity initially identifies the costs of its support functions. It then identifies those costs which relate to the governance function. Governance costs include payments to the auditor of £29,000 (2023: £28,000) and other financial services of £nil (2023: £nil).

Having identified its governance costs, the remaining support costs together with the governance costs are all allocated against the charitable activities based on the time spent on those activities.

Support costs	General advocacy and support 2024 £'000	Writers in risk 2024 £'000	Total 2024 £'000	General advocacy and support 2023 £'000	Writers in risk 2023 £'000	Total 2023 £'000
Staff costs	77	20	97	79	22	101
Depreciation	7	1	8	3	-	3
Rent and occupancy	13	3	16	20	6	26
Office supplies and equipment	17	4	21	9	2	11
Other Costs	124	31	155	72	21	93
Governance costs (see below)	266	44	310	230	43	273
	504	103	607	413	94	507

Governance costs	General advocacy and support 2024 £'000	Writers in prison 2024 £'000	Total 2024 £'000	General advocacy and support 2023	Writers in prison 2023	Total 2023 £'000
Staff costs	177	30	207	148	27	175
Audit fees	25	4	29	23	5	28
Other costs	64	10	74	59	11	70
	266	44	310	230	43	273

Auditor's remuneration	2024 £'000	2023 £'000
Statutory audit	29	28
Non audit service	-	-
	29	28

7. NET INCOME/(EXPENDITURE) FOR THE YEAR

This is stated after charging:

	2024 £'000	2023 £'000
Operating lease rentals	13	26
	13	26

8. ANALYSIS OF STAFF COSTS, TRUSTEE REMUNERATION AND EXPENSES, AND THE COST OF KEY MANAGEMENT

	2024 £'000	2023 £'000
Wages and salaries	748	660
Social security costs	80	69
Pension	37	32
	865	761
Number of employees whose emoluments during the year fell between:		
	2023	2023
£60,000 and £69,999	-	-
£70,000 and 89,999	-	-
£90,000 and £99,999	-	-
£100,000 and £109,999	-	1
£110,000 and £119,000	2	1

The key management personnel of the Charity comprise the Trustees, the Executive Director and the Director of Finance, HR and Administration. Remuneration of key management personnel was £237,000 (2023: £222,000).

Trustee Expenses: None of the trustees received any remuneration during the year, but the Trustee Board (two members) were reimbursed a total of £707 (2023: £627) travel and subsistence expenses.

The total expenses incurred by the Trustees in the discharge of their duties and paid to third parties was £9,443 (2023: £9,746). However, one Trustee from our board donated £27,000 towards our core activities.

Number of volunteers was 5 (2023: 2). Volunteers assist the finance team and supports congress team.

9. STAFF NUMBERS

The monthly head count was 14 staff (2023: 13) and the average monthly number of full-time equivalent employees (including casual and part time staff) during the year were as follows:

	2024 Number	2023 Number
Charitable activities	8	8
Fundraising	1	1
Governance	2	1
Support	3	3
	14	13

10. PENSION AND OTHER POST-RETIREMENT BENEFIT COMMITMENTS

The Charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Charity in an independently administered fund. The pension cost charge represents contributions payable by the charity to the fund.

	2024 £'000	2023 £'000
Contributions payable by the company for the year	37	32

The expense has been allocated to restricted and unrestricted expenditure on the same basis as wages and salaries.

11. RELATED PARTY TRANSACTIONS

During the year, donations without conditions from Trustees totalled £27,000. At the year end, there were no other disclosable related party transactions.

12. CORPORATION TAX

As a charity, International P.E.N. is exempt from UK tax on income and gains to the extent that these are applied to its charitable objects. No UK tax charges have arisen in the Charity, during the year or the previous year.

13a. TANGIBLE FIXED ASSETS

	Office Equipment £,000	Fixtures & Fittings £,000	Computer Equipment £,000	Total £,000
Cost:				
As at 1 January 2024	20	2	25	47
Additions	-	-	5	5
Disposals	-	(2)	(1)	(3)
As at 31 December 2024	20	-	29	49
Depreciation:				
As at 1 January 2024	18	1	18	37
On disposals	(1)	(1)	(1)	(3)
Charge for year	1	-	7	8
As at 31 December 2024	18	-	24	42
Net book value				
As 31 December 2024	2	-	5	7
As at 31 December 2023	2	1	7	10

All assets are used for charitable purposes.

13b. INVESTMENTS

	£,000
Valuation	
At 1 January 2024	85
Additions	3
Disposal	(3)
Realised and unrealised gains/losses	3
Movement in cash	-
Net book value	
As at 31 December 2024	88
As at 31 December 2023	85

International P.E.N. holds investment funds with Swissquote which are mutual funds for bonds and equities. These funds are single securities for bonds in Global and Euromarkets issues but no US domestic issues, with all investments generating daily liquidity.

14. DEBTORS

	2024 £'000	2023 £'000
Trade debtors	70	9
Other debtors	6	2
Prepayments and accrued income	25	80
	101	91

Bad debt provisions are based upon the debtor balances on individual accounts.

There has been no change in the basis of calculation during the year.

15. CREDITORS: AMOUNTS DUE WITHIN ONE YEAR

	2024 £'000	2023 £'000
Trade creditors	20	29
Grants awarded	5	13
Taxation and social security costs	29	24
Other creditors	7	5
Accruals and deferred income	74	41
	135	112

Deferred income at the balance sheet date was £44k which represent donations received in advance.

16. FINANCIAL INSTRUMENTS

	2024 £'000	2023 £'000
Financial assets measured at fair value through profit and loss	88	85

We are aware that some changes in market trends are likely as a consequence of using a last paid price to value a share. The value of our securities may therefore not correspond to the real value of such securities. The effect of asset inflows and outflows is eliminated by assuming a single investment at the beginning of a period and measuring the profit or loss of market value to the end of that period.

17. ANALYSIS OF RESTRICTED FUNDS

	Balance as at 1 January 2024 £,000	Incoming resources £,000	Resources expended £,000	Transfers Unrestricted Funds £,000	Funds as at 31 December 2024 £,000
Writers in Prison Committee (WIPC)	3	54	(52)	-	5
Swedish International Development Cooperation Agency (SIDA)	21	730	(750)	-	1
Centre Development	7	126	(106)	-	27
UNESCO	-	31	(34)	-	(3)
Norwegian Ministry of Foreign Affairs (NMFA)	5	-	(5)	-	-
Individual Donation (towards the following 3 Areas):					
(i) *International P.E.N. Centenary	(66)	13	(15)	-	(68)
(ii) Defence of Writers & Literature	203	-	-	-	203
(iii) Strategic Development	203	-	-	-	203
	376	954	(962)	-	368

*This fund is overdrawn as expected in 2024. However, we expect donations received in 2025 to reduce the deficit.

	Balance as at 1 January 2023 £,000	Incoming resources £,000	Resources expended £,000	Transfers Unrestricted Funds £,000	Funds as at 31 December 2023 £,000
Writers in Prison Committee (WIPC)	24	49	(70)	-	3
Swedish International Development Cooperation Agency (SIDA)	43	722	(744)	-	21
Centre Development	63	15	(71)	-	7
UNESCO	-	-	-	-	-
Norwegian Ministry of Foreign Affairs (NMFA)	-	52	(47)	-	5
Individual Donation (towards the following 3 Areas):					
(i) International P.E.N. Centenary	(65)	1	(2)	-	(66)
(ii) Defence of Writers & Literature	203	-	-	-	203
(iii) Long Term Reserves	203	-	-	-	203
	471	839	(934)	-	376

17. ANALYSIS OF FUNDS (Continued)

WIPC - The mobilisation of communication and support in opposition to the infringement of freedom of expression.

SIDA - Support for regional programmes for PEN centres and support for capacity and outreach in London.

Centre Development - Supporting exchanges mainly between the African and Americas centres.

NMFA - Support for the work of the Writers in Prison Committee in the Middle East, Asia and North Africa.

Individual donation – Support of the defence of writers and literature, PEN Centenary work, and to strengthen PEN's long-term reserves.

18. ANALYSIS OF MOVEMENT IN DESIGNATED FUNDS

	Balance as at 1 January 2024	Resources expended	Transfers	Funds as at 31 December 2024	Funds as at 31 December 2023
	£'000	£'000	£'000	£'000	£'000
Fixed Assets Fund	10	(8)	5	7	10
Donation	13	-	-	13	13
	23	(8)	5	20	23

	Balance as at 1 January 2023	Resources expended	Transfers	Funds as at 31 December 2023
	£'000	£'000	£'000	£'000
Fixed Assets Fund	11	(4)	3	10
Donation	13	-	-	13
	24	(4)	3	23

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2024 £'000	Designated funds 2024 £'000	Restricted funds 2024 £'000	Total 2024 £'000	Total 2024 £'000
Tangible fixed assets	-	7	-	7	10
Investments	-	-	88	88	85
Current assets	230	13	333	576	470
Creditors of less than one year	(82)	-	(53)	(135)	(112)
	148	20	368	536	453

	Unrestricted funds 2023 £'000	Designated funds 2023 £'000	Restricted funds 2023 £'000	Total 2023 £'000
Tangible fixed assets	-	10	-	10
Investments	-	-	85	85
Current assets	86	13	371	470
Creditors of less than one year	(32)	-	(80)	(112)
	54	23	376	453

20. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2024 £'000	2023 £'000
Net movement in funds	83	(93)
Add back depreciation charge	8	3
Interest receivable	-	-
Decrease/(increase) in stock	12	-
(Increase)/decrease in debtors	(10)	115
Increase/(decrease) in creditors	23	-
Loss on disposal of fixed asset	-	1
Unrealised (gain)/loss on investment	(3)	(3)
Net cash used in operating activities	113	23

21. ANALYSIS OF CHANGES IN NET DEBT

The charity had no debt during the year.

22. COMMITMENTS UNDER OPERATING LEASES

	2024 £'000	2023 £'000
Within one year - property	-	-
Between two and five years - property	-	-
	-	-

23. NET GAIN / (LOSS)

	2024 £'000	2023 £'000
Currency exchange gain	-	-
Realised and unrealised gains/losses on investment	1	3
	1	3

REFERENCE AND ADMINISTRATIVE INFORMATION

Governance and management

Trustees

Burhan Sonmez, president/chair
 Ola Larsmo, deputy chair (departed 1 Oct 2024)
 Eric Lax, International Treasurer
 Tanya Tuma, deputy chair
 Arne Svingen, International Secretary (appointed 1 Oct 2024)

Elected Trustees

Beatrice Lamwaka
 Jose Gabriel Seisdedos
 Salil Tripathi
 Ege Dungar
 Elisha July
 Kimberley Ann Echlin (appointed 1 Oct 2024)

Executive Director	Romana Cacchioli
Company Secretary	Emmanuel Asamoah FCCA/MAAT/MBA/MSc
Senior Management Team	Romana Cacchioli, Executive Director Emmanuel Asamoah FCCA/MAAT/MBA/MSc, Finance, HR & Administration Director

Administrative information

Charity number	1117088
Company number	05683997 - Company Registration is in England and Wales
Registered office	167, 169 Great Portland Street, London, W1W 5PF
Independent auditors	HW Fisher Audit Acre House 11-15 William Road London, NW1 3ER
Bankers	HSBC Plc 74 Goswell Road London, EC1V 7DA
Principal solicitors	Bates Wells and Braithwaite 2-6 Cannon Street London EC4M 6YH

Official social media

Website	https://pen-international.org/
Facebook	/pen-international
Twitter	@pen-international



Issuer HW Fisher

Document generated Wed, 7th May 2025 15:10:27 BST

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Parties involved with this document

Document processed	Party + Fingerprint
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Wed, 7th May 2025 19:25:03 BST	Burhan Sonmez - Signer (f055e9768dea179ef9d886599f1a2d37)
Wed, 7th May 2025 19:36:41 BST	Andrew Rich - Signer (7e82968d2dbae59000abc6b1cba30f4d)
Wed, 7th May 2025 19:36:41 BST	Emmanuel Asamoah - Copied In (d68b6797f9f6775613eb3e4190927945)

Audit history log

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Wed, 7th May 2025 15:39:15 BST	Sent the envelope to Eric Lax (ericlax@gmail.com) for signing (89.150.28.98)
Wed, 7th May 2025 15:39:15 BST	Document emailed to ericlax@gmail.com (18.171.54.3)
Wed, 7th May 2025 16:23:19 BST	Eric Lax opened the document email. (146.75.146.1)
Wed, 7th May 2025 19:18:38 BST	Eric Lax viewed the envelope (174.227.95.175)
Wed, 7th May 2025 19:20:43 BST	Eric Lax signed the envelope (174.227.95.175)
Wed, 7th May 2025 19:20:43 BST	Sent the envelope to Burhan Sonmez (brhnsnmz@gmail.com) for signing (174.227.95.175)
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Wed, 7th May 2025 19:23:41 BST	Burhan Sonmez opened the document email. (66.249.93.33)
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Wed, 7th May 2025 19:25:03 BST	Burhan Sonmez signed the envelope (94.193.55.111)
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Wed, 7th May 2025 19:36:41 BST	Andrew Rich signed the envelope (31.49.100.198)
Wed, 7th May 2025 19:36:41 BST	Sent the envelope to Emmanuel Asamoah (emmanuel.asamoah@pen-international.org) for signing (31.49.100.198)
Wed, 7th May 2025 19:36:41 BST	This envelope has been signed by all parties (31.49.100.198)
Wed, 7th May 2025 19:36:41 BST	Document emailed to emmanuel.asamoah@pen-international.org (35.176.188.143)

INTERNATIONAL P.E.N.

England & Wales - Charity number 1117088

Accounts



INTERNATIONAL P.E.N.

TRUSTEES' ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

CHARITY NUMBER: 1117088

COMPANY NUMBER: 05683997

Company Registration is in England and Wales

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WELCOME

In some periods, history is experienced forward rather than backward. At the present time, the world is going through such serious conflicts that the slightest mistake has the potential to turn the future of humanity into a complete disaster. Therefore, every step that will prevent mistakes is an investment in the future of humanity. Every organization that strives to achieve positive work around the world, from governments to civil organizations, from the United Nations to PEN International, is shaping the history of the future today.

The sense of responsibility places a heavy burden on people and institutions. Although this may seem like a political and social burden, it has an ethical essence. Helping people we don't know and thinking about the future of not only people but also of nature and the entire planet leads us to make an ethical choice. Therefore, concepts such as freedom, justice, and peace are not ordinary political expressions, but values that are at the core of human existence.

What happens in Ukraine, Afghanistan or Gaza, in addition to showing the depth of the suffering there, also shows what remains unspoken, that is, remaining silent in the face of pain and evil, and even defending and supporting them. Mistakes made today leave lessons for future generations to understand. While we continue our work at PEN International, we act with this awareness and, knowing that we are the continuation of the past generations, we strive to pass on their legacy to future generations in the best way possible.

The number of writers we help increases every year, which also shows that the world is becoming a difficult place for writers to live. Improving the lives of writers is one of the ways to improve the world, with this mission we help everyone wherever we can and raise the call for freedom and peace for the whole world. If we succeed in this work, it is thanks to the Board of PEN International at large, our Committee Chairs, all our fellow members around the world and our dedicated staff at the Secretariat.

I express my gratitude, together with fellow Trustees, to our supporters, partners, and volunteers. The work mentioned in this report became possible with their support and significant contributions.

Thank you for your commitment to the ideals of free literature, freedom of expression, and justice around the world by helping PEN International.

Burhan Sonmez, President of International P.E.N.

The Trustees of International P.E.N. present their Annual Report and financial statements for the year ended 31 December 2023 under the Charities Act 2011, the Companies Act 2006 and 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 – SORP 15.6) (effective 1 January 2019). This report also contains the directors' report as required by company law

To ensure our reporting of activity and finances over the year is accessible to all, we have produced three documents:

- International P.E.N. Learning Report;
- PEN in Numbers explains some of our activity using statistics, including a simple guide to our finances; and
- This Annual Report, which features the Report of the Trustees and the audited financial statements.

All these documents are available on our website: <https://www.pen-international.org/who-we-are>

OBJECTIVES AND ACTIVITIES

International P.E.N. (commonly known as PEN International) stands at the intersection of culture and human rights. It is the foremost and largest association of writers. Founded in London in 1921, PEN operates today across five continents through 147 Centres in over 100 countries. It exists to promote friendship, fellowship, and intellectual co-operation among writers everywhere, regardless of their political or other views; to fight for freedom of expression and to defend vigorously writers suffering from persecution by oppressive regimes. It is a forum where writers meet freely to discuss their work; it is also a voice that speaks for writers silenced in their own countries.

PEN International works to promote the PEN Charter to ensure that people everywhere have the freedom to create literature, to impart information and ideas, to express their views, and to access the views, ideas, and literatures of others. We champion the freedom to write, recognizing the power of literature to transform the world. PEN works closely with a range of literary, cultural and free expression organisations to affect change on issues of common concern. As writers, PEN's members are uniquely placed to use stories to open minds and encourage dialogue. Our influence reaches leaders and communities – we engage them through creative voices and experience, we unite writers of influence globally to press for a world where writers and freedom of expression for all are fully protected; where languages and literatures are respected and celebrated; and where the free exchange of literatures and ideas build tolerance and understanding within and across borders.

PEN International celebrated its Centenary in 2021 and has long been recognised as a leading international charity and expert on freedom of expression.

PEN International is a non-political organisation which holds Special Consultative Status at the UN and Associate Status at UNESCO.

ACHIEVEMENTS AND PERFORMANCE

In 2023 PEN International concluded the organisation's strategic plan 2020 – 2023, developed through consultations with the Board of Trustees, staff and the membership. Throughout the year we assessed our impact and learning over the past 4 years and through internal and external consultations with members and beneficiaries, we refined our objectives and strategy for the future. Our approach to change is **evolutionary**, rather than a radical shift in direction, as we seek to deepen our engagement in promoting our mission - defending freedom of expression for all, promoting literatures and linguistic diversity, and encouraging equity, mutual respect, and tolerance.

As the world hovered on the brink of escalating tensions and conflicts in 2023 the work of PEN International, as outlined in its Charter and put into practice by its members around the world, remains as critical as ever. The year once again witnessed old and new forms of censorship, with the shadow of war looming large in Europe, where the Russian Federation continued its aggression against **Ukraine**, armed conflicts in sub-Saharan Africa, including **Sudan and the Democratic Republic of Congo (DRC)**, and in the Middle East, where the 7 October bloody attack by Hamas on southern **Israel** deepened a conflict that risked a genocide in **Gaza** and a spill over into other parts of the MENA region. The impact of that war on freedom of expression also reached to other regions, where, in the context of deeply disturbing news of rising antisemitism and islamophobia needing to be effectively countered, pro-Palestinian protests and commentary were banned or excessively restricted.

Without writers and artists, in all their diversity and languages, the space for effective dialogue between communities and nations withers and shrinks. Without dialogue, there can be no peace. Without peace, culture in its many tangible and intangible forms is at risk and individuals cannot become the best people they can be. Culture is an essential tool to help us address the multiple planetary crises that we all face, and we must ensure that it can flourish, not allow it to be erased.

“In our critical work – from solidarity actions to campaigning, from committee activities to community outreach, from research to direct advocacy – we clearly see a terrifying, widespread re-emergence of authoritarianism. Never before have basic freedoms been so under threat, the right to free expression so brutally suppressed, with impunity and seeming indifference.” **Burhan Sonmez, President of PEN International**

PEN International its members and fellow writers across the world continued to speak truth to power, challenging authoritarianism and misinformation, often at great personal risk to themselves, as shown by the 122 individuals documented in our annual Case List 2023/24 - ranging from murder to imprisonment and from banishment to harassment - which often cause writers to flee their countries, putting their ability to write and reach their audiences in jeopardy. PEN International's advocacy and campaigning continues through 2024 and beyond to seek an end to these human rights violations, provide and support protection and systems of refuge that can help support writers to continue their essential work, and to seek redress for harms suffered.

As outlined in PEN's Charter, literature knows no frontiers and must remain common currency among people in spite of political or international upheavals as unhampered transmission of thought within each nation and between all nations fosters mutual understanding and ultimately peace. In all circumstances, and particularly in time of war, works of art, the patrimony of humanity at large, should be left untouched by national or political passion.

IMPROVING THE SITUATION OF WRITERS AT RISK WHO ARE DISPLACED, IMPRISONED OR OTHERWISE PERSECUTED

PEN International mourned the killings of writers, the ultimate form of censorship, with the reported 14 deaths of writers – many killed alongside family members - in missile strikes in Gaza a dismal record. As in previous years, it is a particular concern in the Americas region where journalists are often targeted for killing by criminal gangs or their agents who operate as part of the state apparatus, especially in **Haiti, Colombia, Mexico, Honduras, and Guatemala**, but worryingly we are also seeing ongoing impunity for such killings in **Malta and Türkiye**.

We have also received extremely disturbing reports of the possibly deliberate targeting of journalists reporting on the war in **Gaza** and on military attacks in Lebanon by **Israel**, while PEN Ukraine member, writer and war crimes investigator Victoria Amelina [died](#) on 1 July 2023 from injuries sustained in a Russian missile strike in Kramatorsk, eastern **Ukraine**, on 27 June 2023. PEN International believes it is imperative that the international community lays down a red line regarding the absolute prohibition on attacks on journalists and the media during times of war.

Research and monitoring

Throughout 2023 we continued to monitor and research violations of freedom of expression against writers and creatives across the world. Our research informed advocacy, solidarity actions and enabled the provision of humanitarian assistance including evacuation, relocation and asylum support.

PEN International's research and monitoring evidenced in our [Annual Case List](#) provides a sobering overview of the persecution of writers and artists globally. Sometimes it is directly in connection with their work, but on others it is related to the exercise of their freedom of expression, often because their writing or other art gives them a public profile. In **Iran**, writer, journalist, human rights defender, and Nobel Peace Laureate Narges Mohammadi whose unjust prison sentence was increased during the year for her tireless activism from within prison on behalf of women's rights was denied medical treatment. Writer and journalist Marko Vidojković left **Serbia** after receiving death threats, a form of persecution particularly prevalent in Europe and the Americas regions. In June, the sad news reached us of the death from a heart attack in **Myanmar** of writer, activist, and president of PEN Myanmar Nyi Pu Lay, who had been unable to access adequate medical treatment from his place in hiding where he had taken refuge after the coup of 2021.

Long-term imprisonment and detention without trial of writers continued to top the list of forms of persecution in terms of numbers of writers affected, with the largest numbers of detained or imprisoned writers featured in in **Eritrea (12), China (7), Belarus (5) and Cuba (4)**. The ongoing detention and trial of veteran human rights activist, writer, and newspaper publisher Jimmy Lai in **Hong Kong**, and the ongoing arbitrary detention of Galal El-Behiry, serving an unjust sentence imposed for his poetry in **Egypt**, exemplify this trend, while the continued detention of 12 Eritrean writers for over 20 years without information about their fate or current situation is emblematic of **Eritrea's** record of impunity for human rights violations that the international community must address as a matter of urgency.

As in previous years, and across all regions, governments abused national security legislation to persecute peaceful dissent, including in **Bangladesh, Belarus, China, India, Iran, Israel, Morocco, Myanmar, Saudi Arabia, Spain, Türkiye, the United Arab Emirates (UAE), the United Kingdom, and Vietnam**. Others in **Belarus**, and in the **Russian Federation**, have faced trumped-up criminal charges, while writers in **Morocco** are serving prison sentences after smear campaigns and conviction of sexual assault based on spurious charges. Alleged 'dissemination of false news' charges was also used to prosecute writers in **Nicaragua and Egypt** – including in at least one case the father of an Egyptian journalist in an apparent attempt to put pressure on his son to stop his critical reporting.

Criminal defamation and lèse-majesté laws, which are inherently incompatible with international free expression standards, continued to be used in many countries to harass or silence writers in **Italy**, as well as in **Cuba, Egypt, Iran, Lebanon, Peru, Thailand, Togo** and **Türkiye**, while the **Republika Srpska** National Assembly in **Bosnia and Herzegovina** went against the trend for decriminalization by adopting a law recriminalizing defamation. Other writers were judicially harassed with multiple or repeated lawsuits (sometimes called strategic lawsuits against public participation) or onerous restrictions brought by private individuals or government officials for their investigative reporting or commentary on social issues, a phenomenon seen in **Azerbaijan, Bangladesh, Belarus, Cuba, Peru, the Philippines**, and **Türkiye**, where, disappointingly, the apparent judicial vendetta against French-Turkish sociologist, feminist, writer, and PEN member Pinar Selek continued, as she went on trial on charges of which she has been acquitted on four previous occasions.

Online platforms continued to be contested spaces, with many countries including **Bangladesh, Cambodia, China, Ethiopia, Gabon, Guinea, India, Israel, Lebanon, Mauritania, Myanmar, Senegal, Sudan, Tanzania, Uganda, Vietnam**, and **Zimbabwe** restricting digital expression, including internet shutdowns in the context of conflict and elections. **Cuba** introduced a new law in the year to further curtail online criticism and debate while the **Democratic Republic of Congo** enacted legislation enabling the prosecution of journalists for their work if posted on social media, mirroring legislation in place in **Togo** that was used to persecute journalists. In **Mexico**, confirmation of spying on journalists by the Mexican government through the installation of Pegasus spyware on their phones added to concerns about the safety of journalists in that country. Yet as evidenced by #PENsarLibres (ThinkingFree), our joint campaign with partners to highlight the importance of freedom of expression in **Honduras**, social media is a crucial space for fighting back against censorship.

PEN noted that severe discrimination against minorities continued in most regions, including in **Belarus, China, India, Iran, Myanmar**, and **Türkiye**. Uyghur writers and poets are among the thousands of victims of state repression in **China's** Xinjiang region. In Tibet too, the ongoing policy of cultural assimilation continued to undermine mother tongue education, with a number of writers serving long prison terms for their defence of Tibetan cultural rights.

In **Belarus**, writer and journalist Andrzej Poczobut, remained held in connection with his work and statements he made in support of the Polish minority in Belarus. In **India**, anti-caste activists who advocate for the rights of Dalits and other marginalised communities, remained detained pending trial, in poor conditions that continue to raise fears for their health.

Authorities in **Iran** also continued their crackdown in the wake of widespread protests at the death in custody in 2022 of Mahsa Amini, a member of the Kurdish minority, which expanded to wider demands of 'Women, life, freedom.' Several members of Iran's Ahwazi Arab, Kurdish and Baluch minorities were executed after unfair trials, in a likely attempt to deter further protests. The Baha'i community remained under severe pressure.

In **Türkiye**, since the breakdown of the peace process between the Turkish authorities and the Kurdistan Workers' Party (PKK) in July 2015 authorities have repeatedly cracked down on Kurdish literary and cultural symbols, language, and media outlets. Many Kurdish writers and journalists are languishing behind bars on trumped-up terrorism charges.

In some countries, laws and policies to restrict or repress minority languages, cultures and activities were put in place or intensified. The decades-long policy in **Belarus** to stigmatize and repress Belarusian language and literature continued apace, with scores of independent publishing houses shut down for promoting books by Belarusian writers and in the Belarusian language. Public LGBTQI -related activity was effectively outlawed in the **Russian Federation** with the passage of a bill branding the 'international public LGBTQI movement' as 'extremist'.

The situation for women writers was particularly severe in **Afghanistan**, where women and girls, faced restrictions aiming to eliminate them from the public sphere and to deny them access to education, with those challenging the Taliban authorities, including PEN Afghanistan members, subject to arbitrary arrest and detention. As in previous years, the number of women writers on the Case List remains low overall, at around 22 per cent. Yet currently the statistics show that women writers constitute a larger percentage of those on trial or facing forms of judicial harassment, and of forms of harassment including brief detention, threats, and death threats than imprisonment or detention or some other forms of persecution. PEN International's efforts at integrating a more robust gender and diverse lens through our research methodology continue. In doing so, we want to better understand and grasp how different groups are impacted by the same violations differently, and whether groups are targeted using specific violations because of their identities.

Advocacy and Solidarity – some good news

- On **Afghanistan**, we welcome the release of education advocate [Matiullah Wesa](#), who was arbitrarily detained for 215 days. Khalida Tahseen, an award-winning poet and journalist who has published seven poetry collections and has worked with organisations including BBC Media Action in support of women's and children's rights. After months of effort to support her relocation, she was eventually resettled in France and supported by PEN International until she could receive state support. Hasibullah Walwaliji, a poet and son of PEN Afghanistan's [first president](#), published his first poetry collection in 2020 as a eulogy for his sister, Altana, who was killed along with his mother and other family members in an IED in June 2020. In October 2020, PEN International facilitated Hasibullah and his family's relocation to Ireland via Iran.
- On **Egypt**, PEN International [welcomed](#) the release of Egyptian poet and activist Ahmed Douma after serving more than ten years of arbitrary imprisonment. He expressed his gratitude to PEN family for their support and PEN International's work and encouraged more actions on behalf of persecuted writers in Egypt and around the world. And in October, PEN International [welcomed](#) the release of Gamal Abdel Hamid, father of exiled journalist Ahmed Gamal Ziada, who has been detained in retaliation for his son's journalistic work.

"I cannot express how thankful I am for your support. Your unwavering dedication and efforts were instrumental in securing my father's release. It has brought immense joy and relief to our family. I extend my heartfelt gratitude to you and the entire PEN team for standing by us and for advocating for the unjustly detained." Ahmed Gamal Ziada, following his father's release

- On **Myanmar**, we supported the emergency relocation of a news team from Mekong News to Thailand. Following the military coup, Mekong News continued to engage in direct reporting inside Myanmar's Shan State. Due to the increasing volatility of the region and threats received from both the military junta and junta-aligned ethnic militias, PEN International approved the provision of emergency funds for six Mekong News reporters and editors to facilitate their safe travel across the border.
- On **Sri Lanka**, following a concerted [campaign](#) we welcomed the acquittal of writer Ahnaf Jazeem who we also supported with a PEN emergency grant to help him return back to teaching.

Emergency humanitarian support

Working closely with PEN Centres, the [PEN Emergency Fund](#) (PEF) and partner NGOs, PEN International provided life-saving support to writers and their families, including emergency relocation and the provision of emergency financial aid through a one-off grant of up to €2000 for a range of urgent needs such as safe passage, medical assistance and general support towards living expenses. In 2023, the largest number of grants went to assist 22 writers from **Afghanistan** to leave the country, work supported through a partnership with the Sigrid Rausing Trust, who awarded us a grant in 2022.

The devastating attack on civil society in **Nicaragua** also placed heavy demand for emergency support, helping 14 writers, many of them members of PEN Nicaragua. The 12 PEF grants to writers from **Myanmar** also reflect the parlous state of free expression in the country in the wake of the coup and the ongoing censorship in **Bangladesh** led to a request for support from one writer. In Europe, writers from **Türkiye** were the most in need (4), but support was also provided to writers from **Belarus** (2) and **Serbia** (1). Not surprisingly, writers in **Cuba** (2), **Honduras** (2) and **Egypt** (2), also needed support, while there were also grants to one writer from each of **Ethiopia**, **Guatemala**, **Haiti**, **Iraq**, **Iran**, **Morocco**, **Rwanda**, **Somalia**, **Sudan** and **Zimbabwe**, reflecting ongoing freedom of expression restrictions in those countries.

The ongoing hostility and persecution of LGBTQI individuals in **Nigeria** led to support for a non-binary identifying writer from that country. The growing number of writers requesting support requires sustained fundraising to enable PEN International and the Fund to support even more writers in the future.

ADDRESSING STRUCTURAL THREATS AND BARRIERS TO FREEDOM OF EXPRESSION

The deterioration in Freedom of Expression globally, and our limited resources, continues to compel PEN International into thinking and rethinking how we maximise our response to growing and deepening uncertainties impacting the freedom of expression landscape. In remodelling research approaches over the last year, we have begun to proactively seek to identify and understand what we see as potential flashpoints globally and explore the role of writers in responding to these palpable tensions.

Our 2023 Case List demonstrates how civic space continued to shrink during the year, with attempts to replicate the Russian Federation's infamous 'Foreign Agents law' in **Hungary** and the **Republika Srpska (Bosnia and Herzegovina)**, while in rare piece of good news, an attempt to enact a similar law in **Georgia** was shelved in the face of mass public protest. In **Nicaragua**, the attempts to eliminate civil society continued, with further use of methods of banishment of writers and others, and we saw a new type of persecution in the form of 'civil death' where citizens deemed to be 'traitors' were stripped of their citizenship, their birth and other civil records erased, and their property confiscated. PEN Nicaragua members are now almost all living in exile.

PEN has opposed book bans which continue to rise. In countries such as **Belarus**, as well as in Hong Kong in **China**, **El Salvador**, **Hungary**, the **Russian Federation** and **Türkiye**, these were imposed by authorities using national security pretexts to censor political opposition, writing about human rights violations, or discriminatory legislation to undermine the rights of minorities, including LGBTQI individuals. In others, including **Brazil** and the **USA** (where there has been a staggering rise in the scale of book bans, including many classic titles from Aristophanes to Alice Walker imposed in schools in some states), discriminatory views, often in the context of 'cancel culture' prevailed to result in books being withdrawn from public or educational libraries. We vigorously oppose such bans on literature as they will not only impoverish the education of students but will also entrench discriminatory views that will escalate tensions and pose a security risk to writers whose work is banned, by opening them up to smear campaigns, abuse and potentially physical attack that could put their lives at risk.

Working with PEN Centres and civil society partners PEN International raised awareness of threats to freedom of expression with the **United Nations**, the **Inter-American Commission on Human Rights**, the **African Commission on Human and Peoples' Rights** and with national level authorities through submissions

on China, Cuba, Eritrea, Nicaragua, Nigeria; campaigns, statements & letters concerning violations of Free Expression in the repression of Kurdish language and culture in Türkiye, Ukraine, Belarus, Russia, Afghanistan, Myanmar, China, Egypt, Palestine, Morocco, Bahrain/Eritrea, Rwanda, Uganda, Zimbabwe, Cuba, Nicaragua, Guatemala and Peru.

PEN International Resolutions

Adopted at PEN International's online Congress (2 Resolutions) [Threats to freedom of expression, peace, and stability in Bosnia and Herzegovina, Kosovo, Montenegro, and Serbia](#) and on [Criminal defamation and strategic lawsuits against public participation \(SLAPPS\)](#).

Strategic Lawsuits Against Public Participation (SLAPPs)

PEN International continued to work with the Coalition Against SLAPPs in Europe and the UK anti-SLAPP coalition to tackle SLAPPs across Europe and Central Asia. In November, PEN International [urged](#) the EU to adopt a strong anti-SLAPP directive, expressed [solidarity](#) with British journalist **Carole Cadwalladr**, [stood with](#) writers and journalists **Andrei Soldatov** and **Irina Borogan**, targeted in a SLAPPs case, and [expressed concerns](#) about legal actions against the media in Ireland.

Assault on Cultural Expression - Cuba

In July, PEN International in collaboration with PEN America launched [Método Cuba](#): Independent Artists Testimonies Of Forced Exile. The report emerged from our ongoing assessment of cases in which the assault on the right of artistic expression is excelling, following the introduction in 2018 of [Decree 349](#). The decree has meant artists have increasingly faced a spectrum of intersecting rights violations including -- amongst others -- arbitrary arrest, detention, harassment. The report focuses specifically on artists who have been forced into exile, profiling 17 exiled cultural professionals. It scrutinizes their exit from Cuba and the challenges they currently face in exile all while documenting the repressive and sometimes violent tactics by the Cuban state that forced them to flee.

The report's impact can be in part measured by the [media interest](#) it has generated but more importantly it is the regenerative solution of dialogue and debate that we have been seeking. This can be evidenced through our growing partnerships established through the report and the approaches now being made to PEN by various elements of the UN machinery which signal an intent to collaborate in seeking tangible solutions and generating sustainable advocacy partnerships. Creatives have also used the report in support of their residency permits to evidence the pattern of rampant censorship and as grounds for their exile. Following presentation of the report to the Inter-American Commission on Human Rights, we were approached by the Commission in November, to engage with a range of other civil society organizations to start discussions on a framework for a potential soft law which can be leveraged in relation to artistic expression. The report has subsequently served as a source for the [Universal Periodic Review](#) in which PEN International collaborated with sister organisations CADAL, Article 19, Civil Rights Defenders amongst others, to maximize the impact of our UPR.

Our concerns in the report were compounded in the lead up to the report launch when in May 2023, the government in Cuba [passed](#) the Law on Social Communication that seek to further close civic space in Cuba and criminalise those who express dissent online in which it has stipulated that the media are "socialist property of the entire people or of political, social and mass organisations, and cannot be the object of any other type of ownership", ultimately undermining any independence of the media, and stymieing criticism of the authorities.

Promoting Media Freedom in Honduras

In October PEN International in collaboration with the British Embassy in Guatemala, and the Association for Democracy and Human Rights launched a campaign **#PENsarLibres** raising awareness of the role of journalism in creating healthy societies and functioning democracies, and the role of States in guaranteeing the full exercise of free expression. The key objectives underlying the 10-week campaign focused on generating visibility in relation to the deteriorating freedom of expression landscape and the risks faced by journalists. Partnership with the British Embassy enabled high impact, allowing access with high-level authorities, with news that the ambassador would travel to Honduras and raise awareness of the campaign. This campaign has also been fed into the state led [Media Freedom Coalition](#) bringing our concerns to the attention of other states.

Exposing Toxic Narratives in the Western Balkans

In October 2023, PEN International, in collaboration with PEN Bosnia and Herzegovina, PEN Kosovo, the Montenegrin PEN Centre, and Serbian PEN, launched [Toxic Narratives](#) – a report which highlights how the legacy of regional conflict (which formally ended in 1995) continues to impinge on social cohesion, and is putting freedom of expression under particular duress and subsequently threatening regional stability. The report emerged from PEN's ongoing monitoring and assessment as well as research observations which have for some time suggested that societal and ethnic tensions continue to fester regionally, and writers (which constitute one segment of this expression realm) are also facing increasing restrictions on their expression. In bringing these concerns to the fore, it is clear that communities which have experienced protracted conflict, proactively require tolerant public dialogue to address the root causes of violence as well as strategies and processes of reconciliation to enable a rebuilding of equitable dialogue, trust, peace and long-term stability.

Based on extensive desk research and interviews (with 20 relevant and prominent figures) it details how disinformation campaigns and hate speech are being leveraged as a pathway to discredit writers and journalists (particularly those challenging nationalist and political narratives) and in turn emboldening impunity and subsequently fuelling a rise in physical attacks by non-state actors against these individuals. It also outlines how an unsettling practise of "silence buying" is becoming rampant in which writers are indirectly encouraged to avoid criticism of the authorities in exchange for public funding. Writers are increasingly not reporting threats or physical attacks as trust in the police and the judicial system fails.

Launched in [Sarajevo](#), the report was translated into local languages (with local PEN Centres presenting the report in collaboration with PI). The reports translation has allowed PEN to advocate specifically within the region. In particular, at the launch, the PEN delegation held fruitful discussions with the UK Ambassador to Bosnia and Herzegovina, and representatives of the United Nations, the United Nations Educational, Scientific and Cultural Organization (UNESCO) and the Organization for Security and Co-operation in Europe (OSCE). OSCE representatives notably pledged to include writers in a pilot protection mechanism they were finalizing with the Ministry of the Interior in Bosnia and Herzegovina, which would set up contact points within the police and the judiciary for journalists at risk.

The report was also presented at Frankfurt Book Fair where the discussion was [live streamed](#) with the intention of catalysing dialogue and raising awareness about concerns and was attended by regional and international [partners](#), government officials and media. Since its launch, the report has been featured on several [platforms](#) and most significantly this includes the [Media Freedom Coalition](#) – a coalition launched in London by the UK government, with 50 countries to advance media freedom. PEN International has been partner to this initiative and were informed that the Western Balkans report had been featured in its list of relevant materials for its monthly newsletter, which means that all 50 states participating in this initiative received the report. This achievement is particularly significant given that the Coalition only feature 5 outputs per newsletter. PEN International is working to consolidate the awareness raised through the report and continues to lobby relevant bodies on our concerns.

CREATING NEW SPACES FOR LITERATURE, LANGUAGE, DEBATE, DIALOGUE, IDEAS AND OPINIONS

Working through our Civil Society Programme (CSP), we contribute to a dynamic and informed civil society, by creating spaces for creativity and dialogue, where ideas are shared and challenged and where expression in all its forms can flourish.

PEN's projects notably in the global south, are delivered through PEN Centres in local communities, doing outreach on priority areas such as improving literacy for girls and marginalised children. The projects promote writing, reading and critical thinking as essential for a healthy and representative society. We reach marginalised groups with grassroots interventions to improve literacy, protect civic space, defend linguistic and cultural rights, and tackle threats to freedom of expression. These efforts are genuinely cross-national, and built on values of openness, tolerance, and empathy.

PEN provided platforms for debate around pluralism of ideas and perspectives, this included inclusive spaces for minoritized groups particularly women and girls. PEN International supported PEN Centre initiatives through a rigorous application and evaluation process. These projects vary according to local needs, in which our approach is to support project ideas from the ground up, rather than imposing ideas from the top down.

The programme strengthens initiatives, which enhance the participation of women and minorities through campaigns and advocacy, literary events, festivals, and community outreach, educational support programmes, literary and research initiatives. Over the course of 2023 PEN Centres in countries such as **Argentina, Belarus, Cambodia, Chile, Ecuador, Honduras, Guatemala, Malawi, Sierra Leone, Sri Lanka, Ukraine, Zimbabwe** have focused on themes such as media freedom, cultural memory, promoting and protecting intangible forms of cultural heritage, access to local literatures, creative writing and critical thinking.

The Invisible Child

Our partnership with the Moomins, Tove Janson's universal story the Invisible Child has enabled us to take one profound story, which tackles social invisibility and historic marginalization to different parts of the world and translate it into over eight indigenous languages. In enabling primary and secondary aged school children to critically engage in the Invisible Child, PEN Centres have been employing relevant school-based strategies to unravel how dominant societal discourses and ideologies around gender are reproduced through developing their critical thinking skills by developing empathy and fostering tolerance.

"This project is special because it links several PEN areas, including promoting literature and story-telling, translation and linguistic rights, literacy, freedom of the imagination, identity. It also involves capacity-building with grassroots PEN centres, all volunteer-led!" **Jennifer Clement, President Emerita of PEN International**

Through facilitation, Centres have been working closely with selected schools, facilitators have been running workshops (average 35 – 40 children per school) on key themes of marginalization (embodied within the chosen text) and have been engaging them in regular critical reading sessions as well as exploratory creative engagement, to understand how marginalization impacts individuals, and how it may connect with student's personal lives. Students have reported that they have found the novelty of exploration of fictional stories in their mother tongues, given the sparse availability of fictional stories in their own languages, as authentically visibilising, self-affirming and generating pride in their own language. Teachers report an increased confidence in their love for reading. And this has been reflected in both the teacher's willingness and call to PEN for a continuation of this work. Centres involved: Chiapas (Mexico), Malawi, Sierra Leone and Zimbabwe. In early 2023 Afrikaans (South Africa) and Togo joined the project.

Ukraine

In a new partnership born at the London Bookfair in April 2023, PEN International, English PEN and Book Aid International in collaboration with PEN Ukraine, delivered over 25,000 books to Ukraine for distribution to libraries across the country. A range of multi-genre children's, adult, and young adult books in English were delivered at the end of November from London to Kyiv. PEN Ukraine will be distributing the books across the country with many being distributed by the Centre to libraries frontline and de-occupied territories.

PEN International successfully sought funds to support PEN Ukraine's efforts to systematically monitor crimes against the media, cultural heritage, and cultural figures. PEN Ukraine continues to monitor the human rights situation in occupied Crimea. Sixteen Ukrainian authors ambassadors of the #SolidarityWords [project](#), are spreading the stories of wrongfully imprisoned Crimean journalists, supporting their relatives, exchanging letters, and advocating for their release.

PEN International also supported PEN Ukraine's [regional meeting](#) of PEN Centres in Kyiv. The gathering represented a crucial act of solidarity with PEN Ukraine, and everyone affected by the Russian Federation's war against Ukraine. It provided PEN Ukraine with the opportunity to shed light on the situation in Ukraine with PEN colleagues, and to help document human rights violations in the liberated territories.

Equity in Expression

In late 2023, PEN secured support from the [Hawthornden Foundation](#) for a collaboration in support of indigenous writing from the literary landscape across Latin America. Working with our indigenous language Centres, PEN Chiapas Multicultural and PEN Quechua, alongside PEN Centres in Argentina, Chile and Guatemala, we seek to support writing from indigenous communities. The project spearheads PEN International's broader campaign, *Equity in Expression*, through which we aim to enhance the visibility of indigenous literature and the key issues impacting writers' lives.

STRENGTHENING THE INSTITUTIONAL CAPACITY AND SUSTAINABILITY OF PEN, SO THAT THE MOVEMENT IS FULLY REPRESENTATIVE AND RELEVANT

PEN Berlin was welcomed as new Centre at PEN's Annual Congress held online in September. **Eric Lax** was re-elected as International Treasurer and **Urtzi Urrutikoetxea** was re-elected as Chair of PEN International's Translation and Linguistic Rights Committee; **Ege Dündar** (English PEN) and **Elisha July** (PEN Zimbabwe) were elected as Members of the Board at Large, and **Gerardo Montoya** (PEN Argentina) as a member of PEN International's Search Committee.

Capacity Building and Policy Development

In November 2023, PEN International held a regional CSP capacity building workshop in Manila, Philippines. Hosted by PEN Philippines the three-day training workshop was the first in person meeting since COVID and for the participants was the first time that they were able to meet and exchange in person. It gave Centres the possibility of building trust and regional solidarity, and to identify how to build collaborate on ongoing campaigns and advocacy but also to get more familiar with the diversity of programmatic work being done at the local level. Topics covered included Misinformation, National security, culture wars, hate speech, criminal defamation, the right to privacy and PEN's sexual harassment policy. Nine PEN Centres were represented: Bangladesh, Cambodia, Japan, Malaysia, Myanmar, Nepal, Perth, Philippines, and Sri Lanka. We provided campaign training to participating Centres and focused discussions on how Centres could identify the possibilities for ongoing regional engagement (with other PEN Centres) but also with external partners.

Centres expressed an interest in guidance from the Secretariat on how to better assess partnerships for collaborative project working and what could be done to encourage younger members to join the movement. The final part of the workshop focused on raising awareness of PEN International's sexual harassment policy.

Sexual Harassment – policy development

At Congress 2022 the main contours of a draft sexual harassment policy were presented to delegates –gaps identified in the policy and how to strengthen it, included:

- ensuring a victim centred approach throughout its documenting process.
- defining the parameters of PEN International's interventions as distinct from its local Centres.
- how to support Centres in identifying and implementing their own robust practices which appropriately and consistently support the victims and maintaining impartial protocol.
- the remits of its investigative role and when to refer to external statutory bodies.

Our strategy sets out an approach to introducing the sexual harassment policy, establishing appropriate mechanisms, and enabling institutionalism through programming, policy development and institutionalization. Our programmatic focus is on creating a “prevention” culture rather than one that simply receives complaints and understanding our legal requirements, building a program of grass roots work which reflects our organizational values, culture, and policies, and provide the skills necessary amongst our membership. Prevention training, programs, and communication strategies that maximize engagement and drive impact.

In creating ownership of a no-tolerance culture of sexual harassment within the PEN movement, we are developing a series of training courses so that members can identify it, name it, and know how to initiate relevant protocols in line with our underlying approach of non-discrimination. Though not definitive, the first training took place as the CSP Manila workshop as a first round of engagement at a global level, with our Centres on how they understand sexual violence and within this, sexual harassment.

Following these workshops, at which we will have two trainers (one from within the region), our Gender lead works closely with Centres to develop tangible guidelines which can be adopted at the local level and are harmonized with acceptable human rights practise. Once this has been established, we intend to see how we can develop the capacities of beacon centres to become ambassadors of the policy and represent it and the work that has been conducted in subsequent Congresses.

Once the process of institutionalizing the sexual harassment policy has begun to take effect, we will work to review other gaps in our policy frameworks as well scrutinizing violations on the right to freedom of expression, to assess whether they adequately capture lived realities. This will be assisted by training for our staff within the Secretariat which will mainstream and integrate a gender and diversity lens into our research methodologies over 2024. We are developing our monitoring and evaluation systems to ensure that we remain on target, including systems of data collection and analysis.

Institutionalisation requires generating the necessary movement wide buy-in, visible commitment, and investment in effective prevention initiatives. Our focus continues to be on

- Integrating leadership-led prevention messages into a variety of organizational approaches
- Including prevention work and platforming the sexual harassment strategy in PEN's strategic plans and organizational goals
- Budgeting sufficient, recurring funding for training and prevention initiatives
- Dedicating an appropriate number of staff or staff hours to prevention work
- Ensuring accountability by including prevention work in performance evaluations (at Centre level)

To move beyond check box compliance, we are setting up an advisory group (initially from each region) to help us institutionalize the policy at grass roots level. In amplifying our efforts, the Secretariat will facilitate and drive this process. Our aim by 2030 is to have at least 30 Centres with active sexual harassment policies and

protocols in place and in which at least 50% of PEN Centres globally report that they have formally adopted the sexual harassment policy.

CRITERIA FOR MEASURING SUCCESS

International P.E.N. has a diverse framework for measuring its impact effectiveness. Linked to the organisational log frame, qualitative and quantitative indicators are recorded through tracking tables, case studies, focus groups and questionnaires. These are used to determine the effectiveness and appropriateness of activities. Our approach aims to be participatory and adaptable in order to understand the impact of PEN's work across the organisation by bringing the voices of writers and members working in a variety of contexts together, to build a comprehensive picture of PEN's work. Lessons learnt, including from achievements and challenges, are fed into planning and to strengthen the work going forward.

With PEN Centres participating in our Civil Society Programme, we have sought to build strategic coherency and capacities, we have worked through inclusive and detailed planning (including gender and diversity mapping); cultivating ownership over the work and more broadly strategic outcomes and building the relationship through learning – in which our relationship between the Centres and the Secretariat is constantly being reviewed through learning, transformation, and unlearning.

Meaningful feedback and honest analysis is at the core of our system, as is our means of capturing data which harnesses the strength of PEN as an organisation of writers who can tell stories of change. Programmes are subject to external and independent evaluations when required by funders.

PLANS FOR THE FUTURE

International P.E.N. coordinates the activities of PEN Centres across the world in defence of freedom of expression and provides international support, research, policy development and programming to further this aim. The Charity Commission's RR12 declares: "there is an obvious public benefit in promoting human rights. The Trustees have had regard to the Charity Commission's guidance on public benefit as required by Charities Act 2011 s17(5). For individuals whose human rights are thereby secured, the benefit is immediate and tangible. There is also a less tangible, but nonetheless significant, benefit to the whole community that arises from our perception that the fundamental rights of all members of the community are being protected."

Freedom of expression is a foundational right, on which other rights are dependent. Our response to the evolving nature of threats to this right is driven by external realities. Our barometer of how we need to respond is driven by the writers, our members, and their ability to pursue their creative craft, whilst upholding this creative space for others. However, when it is their immediate safety and right to life that is threatened, we are compelled to prioritize this over all our other work so that we remain relevant and credible as a civil society player. Our constant challenge is to reflect and learn from what we do, strategically revisiting our work to ensure that we are maximizing our limited resources.

Our new strategy seeks to strengthen PEN International's influence to address some of the most pressing social challenges faced globally. Like the previous strategy for 2020 – 2023, its approach to change is once again **evolutionary**, rather than a radical shift in direction. PEN's dexterity both as a cultural body as well as a human-rights based organization lends it agility to endure despite all political transition or upheaval and its role in upholding the right to free expression remains unique to it. Our literary character, which has enabled PEN to remain ahead of the curve on significant issues, continues to sit at the center of our organizational core and our positioning within the broader NGO world.

PEN International's strategic vision for 2024 – 2028 has been developed using a series of internal conversations detailed SWOT and PESTLE analysis as well as external evaluation and learning, assessing the impact of our work. It has also included ongoing assessments of our programmatic interventions (largely carried out through our Civil Society Project) as well as critical assessment of our emergency protection work. A diversity audit of PEN International's research and campaigning work which focused specifically on gender, was carried out to better understand how we can ensure integration of a gender perspective sitting firmly within our next strategic plan.

In doing so, our mainstream work will not only continue to spotlight disparities in representation but also better integrate and embrace all lived experiences into our monitoring and research lens.

The body of work that we have been doing in supporting the positive contribution of writers to civil society and social cohesion also needs to be promoted. In doing so we want to demonstrate how literature can enable critical thinking and contribute to vibrant dialogue, contributing to empathy, cultures of respect, celebrations of difference, solidarity, and social cohesion. In demonstrating this honesty and accountability, PEN International's reputation amongst civil society actors can continue to thrive.

Our realigned strategy is a response to emerging social challenges, whereby we shall be:

- Demonstrating PEN's authenticity in tackling continuing levels of inequity in literary expression through its proactive approach to research, campaigning, and its programmatic work by mainstreaming marginalized discourses through our CSP programme) and ensuring its research and campaigning lens on violations is inclusive of all lived experience.
- Leveraging our USP (writers speaking for themselves) in which we sit at the intersection of arts/culture and human rights and in which our organizational dexterity enables us to endure even under hardened regimes and in which our approach is deeply embedded within and led by international human rights norms and principally that of non-discrimination.
- Rebuilding our unique international advocacy presence through engaging with the entire breadth of the human rights framework in which the protection of all writers at risk and those in imprisonment remains firmly at our core.
- Continuing to focus our advocacy on individual writers as well as improvements to the structural barriers to all forms of expression.
- Strengthening the institutional capacity of PEN Centres in which we will have a blended approach to grant-making scheme/capacity building and social investment. Specifically, seek to reinvest in our Centres through CSP to enable them to evaluate their legal, operational, and financial governance. Continued effort to institutionally enhance the corporate governance of PEN International through Board professionalism - working with Clifford Chance on constitutional review. Align our governance operations e.g., board responsibilities to the Charity governance code, build on Trustees' skill audit and board composition exercise and enhance our policies, procedures, and practices. And pursue strong financial and risk strategies that allows sustainable investment, step change in our service delivery and resilience building.

In 2024, we will be updating our core governance practices so that they reflect standard good practice, as well as a governance system that will improve overall communication. With the help of Clifford Chance (our pro bono Lawyers), we are undertaking a Constitutional Review as part of the exercise with Clifford Chance, we will update our Governance codes and training curriculum to improve our Boards' readiness to meet their obligations.

Alongside our strategic vision we have developed a resilience and budget framework and fundraising strategy.

FUNDRAISING STRATEGY FOR BUILDING PEN'S SUSTAINABILITY IN THE LONG TERM

International P.E.N. saw an increase in the number of individuals contributing to its work in the year. While individuals and institutions continue to be our main source of funding to invest in human rights work, income source diversification continues to be critical in the current climate. New Institutional support from the UNESCO-Aschberg program supports a new project under our Civil Society Programme entitled **Promotion and Protection of the Right to Write** to be jointly implemented by PENs Afrikaans, Malawi, Zambia, Zimbabwe, and Uganda. Centres shall commission literary pieces which will reflect on the role of artists and writers in pushing for social change, and whether the parameters of freedom of expression are adequately able to protect freedom of (artistic) expression.

We continue to build relationships and partnerships with stakeholders through a range of activities, including events and attendance at the major international Book Fairs in London and Frankfurt; through research and approaches to prospects; and through our networks. We are assessing the feasibility of attendance at other similar literary and trade events where we could secure face-to-face meetings with individuals and organizations able to invest in PEN's work.

We are also meeting with cultural and governmental institutions in other countries to access other funding for work on cultural rights, protecting civic spaces, promoting marginalized voices and endangered indigenous languages, and defending freedom of expression through a rights-based approach.

We have successfully established a high-level, global **Philanthropic Advisory Board**, with the ambition to increase membership during the coming period to reach new contacts and attract new investment over a longer period.

We rely on voluntary donations to deliver our solidarity campaigns and writer-at-risk response work, and therefore seek to expand the *unrestricted funding* we receive through our **Publishers Circle** and **Writers Circle**. We have had meetings and introductions with a range of publishers and writers, have recently won the support of several new publishers and writers, with others making verbal pledges which we are trying to translate into donations soon. We will continue to approach publishers and writers, both existing and new (where the former might be able to increase their current regular support or be advocates for bringing others to join them in their support).

To bolster the Circles networks and income lines, we are also setting up a new **Stage & Screen Circle** (membership being extended to creatives and cultural agents including studios and production companies, all who have a stake in freedom of expression and the imagination). A major donation from a founding member has already been received. We are also developing an associated Agents Circle, where literary and creative agents would play an ambassadorial role in advocating for PEN with their author clients and publishing contacts, amongst others.

In 2023, we secured new funding from several new trusts and major donors outside the literary field, and we are keen to embed and deepen this work. We will continue to nurture relationships with contacts and make approaches to prospects who have the capacity to make major donations, in some cases through trusts, foundations or companies that they are involved with. We also started some new funding partnerships in the past year and will cultivate these and work on new potential partnerships. We will research newly registered grant-giving trusts too and make applications where there are relevant criteria or broader charitable purposes.

In 2022-23, we also launched our first crowdfunding campaign, which raised £32,000. It was a large target, with unknown pilot outcomes, and we were encouraged to have attracted so much new support. Our plan going forward is to promote more frequent discrete crowd funders through the year, with lower and more achievable targets for specific cases or project elements.

International P.E.N follows a set of six fundraising principles, which we use to guide our fundraising policy and strategy. These principles lay out our commitment to our supporters and members

- Our fundraising respects and protects our independence, and mission
- We fundraise with integrity
- We work in partnership with those who support us
- We value and respect our supporters
- We fundraise with courage
- We are transparent in our fundraising and use of funds

Our fundraising activity complies with all relevant legislation and regulation, including the UK General Data Protection Regulation and the Privacy and Electronic Communications Regulations 2003. We also comply with the Code of Fundraising Practice.

ORGANISATIONAL UPDATE

In September 2023, we undertook an independent salary review including a benchmarking exercise, using established salary surveys, to assess our pay rates. The review validated existing job descriptions, benchmarked against other international organisations with similar roles; reviewed salary bands across functions with a view to establish banded salary ranges where possible; to make recommendations to senior management – the expectation is to deal with any short falls on an incremental basis over the coming years.

We operate a pay and reward policy that aims to attract and retain the best talent needed to take forward our ambitious strategic objectives globally. We ensure that all elements of pay are fair and transparent and easily understood by our employees.

International P.E.N. is a Living Wage accredited employer, meaning all our staff and contractors are paid at least the Living Wage. We aim to develop a well-led workforce within the organisation that is structured for good performance and supports continuous improvement and staff well-being.

MOVING PEN INTERNATIONAL OPERATIONS ONLINE

In order to make additional operational savings, the Board in consultation with staff took the decision to take PEN International operations online and to relinquish our office in Central London. Whilst we hope this will be a short-term necessity, the savings have enabled PEN to build its financial resilience.

To keep employees engaged and mitigate isolation of working remotely, we have acquired membership to the Somerset House Exchange which offers co-working and hot desking for organisations and individual working in the arts and cultural sector. Membership has enabled us to convene regular in person meetings to encourage sharing and learning, retain motivation and organisational culture.

Our regular staff meetings which bring colleagues together to discuss strategy are always very well received; staff welcome the connectivity this offers our remote working team and the opportunity for collaboration. Following on from the review of our work, the sharing of challenges is being used to reset priorities and help people create realistic work programmes. Addressing workload and encouraging healthy work boundaries will be fundamental priorities.

We have streamlined HR and operational processes by developing a more integrated IT system, which staff are using. There are several policies we are developing with a training and implementation plan to include Trustees and staff to improve our workplace culture.

Online meetings and the promotion of a paperless office culture support the organisation's commitment to reducing our carbon footprint.

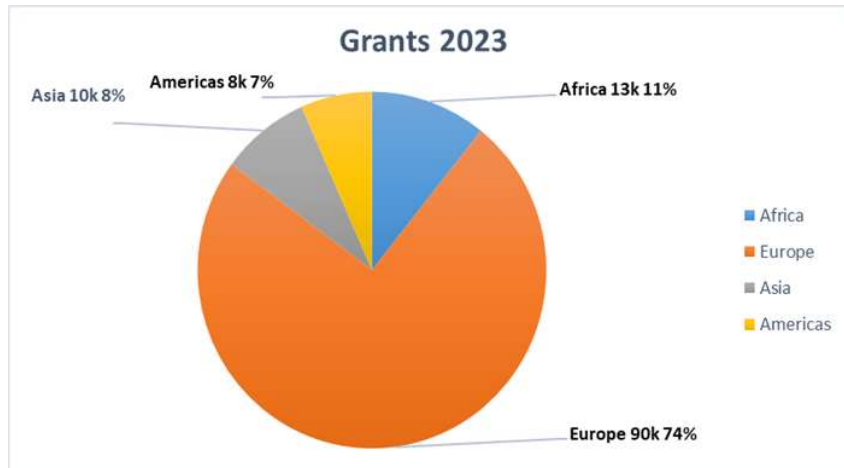
We continue to invest in technology improvements to support fully remote working and meetings more effectively with a blend of in-person (if needed) and online participation.

GRANT-MAKING

Grant-making continues to be a core aspect of our charitable work. During the year, majority of our civil society grant activities were done virtually with little travel and few in-person activities. We awarded a total of £121k in grants through our civil society programme (CSP) (2022: £95k). Grants to Europe included £51k to Svenska PEN for the PEN/Opp and Ukraine £30k.

Grants-making allocated
by continent:

- Africa - £13k
- Americas - £8k
- Europe - £90k
- Asia - £10k



OUR FINANCE

In order to support our development and growth we continue to review our financial plan to ensure we are growing our income, surpluses and becoming reserve resilient. Following the Board of Trustees approval of our three-year financial strategy in 2021 which ended in 2023, we continue to adopt and transform our financial outlook leading into our new financial strategy.

The fallout of the pandemic, cost of living crisis and the global fundraising challenges continued to create a financial operational risk but with strong scenario planning, we redoubled our focus on effectiveness and efficiency savings across our operations.

As part of the strategy, we have built positive momentum on the below outcomes:

- A balanced portfolio of fundraising activities, which is diverse, manages risk and delivers growth in net income
- Improved income generation in a way that is consistent with our commitments to our charitable object and is consistent with relevant regulation and legislation
- Operational unrestricted surplus contributing towards our sustainability, resilience and reserves capacity building;
- Adopted a full cost recovery position across all our programmatic activities;
- Developed a framework of continuous improvement which supports our risk management assessment, safeguard our assets, and our planned partnership negotiations with Swedish International Development Agency.

FINANCIAL REVIEW

International P.E.N.'s main sources of income arise from our charitable activities in three main business areas; Advocacy, Freedom of expression and Writers at risk. Income from these areas is made up of a mixture of grants, member dues, circles, and donations. Recognised income for the year was £1,349k (2022: £1,539k). The largest proportion of our income is from SIDA (*Swedish International Development Cooperation Agency*)

(2023: £722k; 2022: £696k). In addition, we received £627k in grants, donations and earned income (2022: £843k).

Despite the decrease in turnover, after interest charges and investment performance the overall surplus on unrestricted funds for the year was £3k (2022: £6k). Overall, income from fundraising suffered due to the challenging funding landscape. However, dues and circles income continued to experience a steady growth in the year. In 2023, we continued to face a challenging investment market, however, our net investment performance resulted in an increase of £3k in the year.

In the year, we incurred centenary expenditure of £2k (2022: £9k) consisting of website cost and book cost of sales. We received £1k income from book sales in the year.

We maintained a stable cash position in the year. We have mitigated some risk to our income-earning activities by implementing a broad business full cost recovery model with diversified income streams.

We anticipate that we will have more unrestricted donations and grant commitments in place to meet the future costs of our programmes and it is not expected that we will have any issues with working capital over the next 12 months as the Trustees have mobilised their efforts with the Philanthropic Advisory Board.

We maintain sufficient reserves to enable us to fulfil the objectives of the organisation. These reserves are held in a combination of both fixed and current assets including an investment portfolio managed on the board's behalf by our investment managers Swissquote.

RECOGNISED INCOME

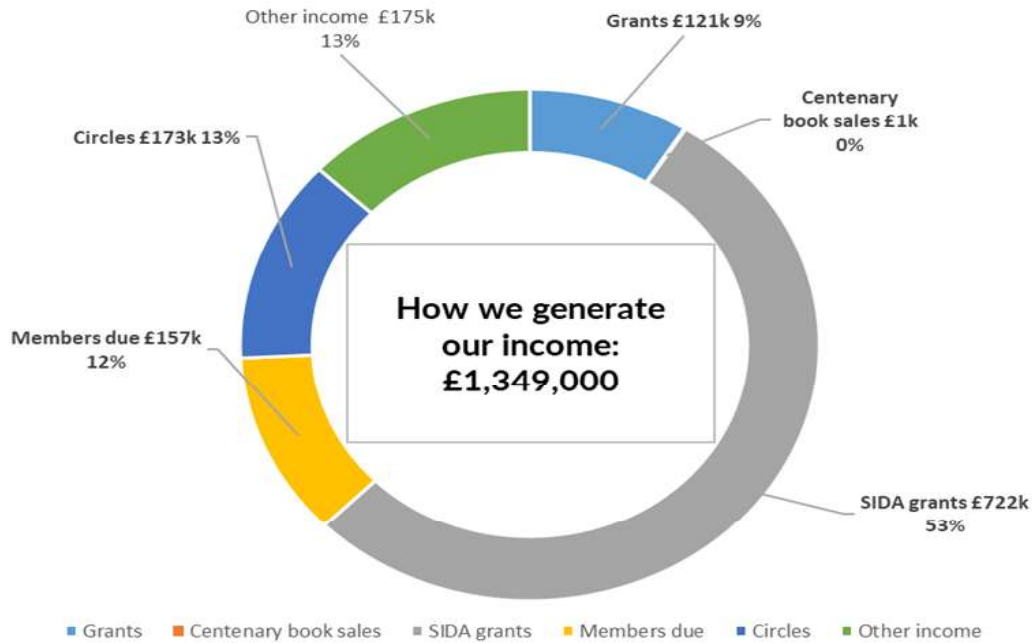
International P.E.N. is grateful to its donors for their generous support in assuring its income of £1,349k during (2022: £1,539k), a decrease of 12% over the previous financial year due fundraising underachievement. The unrestricted income in 2023 was £510k, a decrease of 13% on 2022, while the restricted income was £839k a decrease of 12% on 2022.

Other principal restricted funding sources for 2023 include SIDA, the Norwegian Ministry of Foreign Affairs, UNESCO, British Embassy and the Banyan Tree Foundation.

The funds from these donors go towards our research and policy work, civil society projects and the defence of writers at risk.

Our main sources of unrestricted income are the membership dues and the subscriptions to our Circles.

Regconised income: January 2023 to December 2023



MEMBER DUES

Membership dues are paid by centres and individuals, the dues contribution of our centres to the work of International P.E.N. is essential – it not only helps support PEN's work internationally but demonstrates the commitment of PEN members to support its important work world-wide. At present, the community of PEN, through the dues collected by centres and the publishers, writers and readers circle contributes 19% of the 2024 annual budget of International P.E.N. Centres pay their membership dues on a yearly basis to International P.E.N. according to the numbers within their own membership. Each individual member of PEN pays dues both to the local centre and to International P.E.N.

The contribution of Centre dues is made according to the GDP of the country, according to four categories: £14.40, £10.35, £5.75 and £3.45 (respectively per member per year). These categories are currently under review.

CIRCLES

These are the Publishers, Writers, Readers and Screen Circles. Income from the Circles increased in 2023. The Trustees recognise the need to grow this basis of unrestricted income and have put plans in place within our new three years financial strategy to grow the Circles.

EXPENDITURE

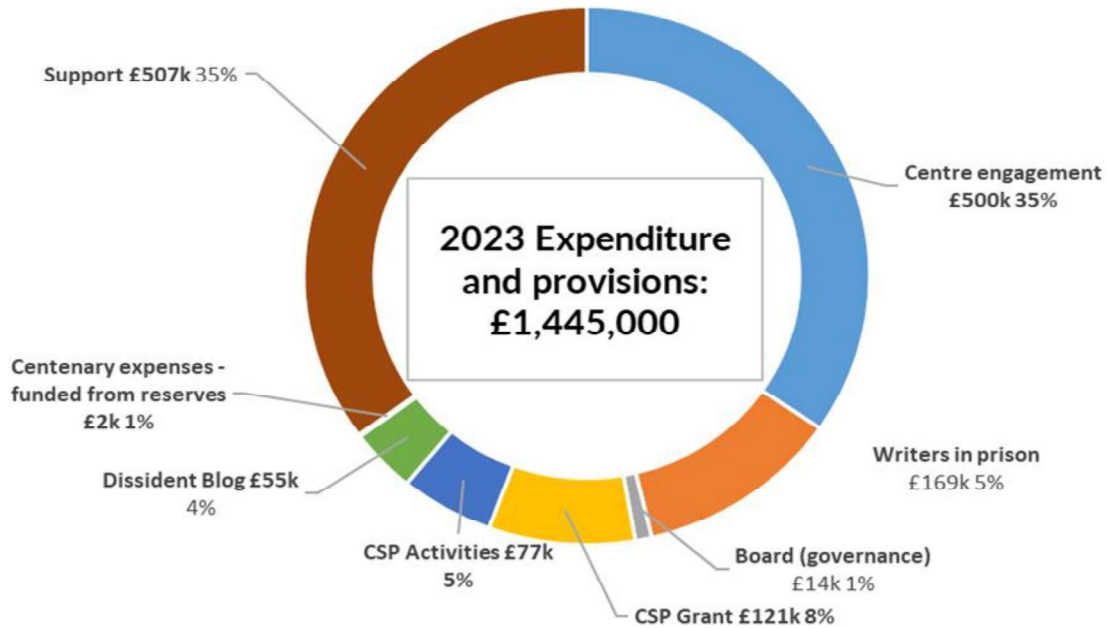
Total expenditure was £1,445k (2022: £1,475k), a decrease of 2%. Expenditure was tightly controlled throughout the year to try to achieve an overall surplus to rebuild reserves and future sustainability.

The main items that make up this amount include:

- Total staffing costs (including recruitment, training and consultant) 53%;
- Overall support costs, administration, finance, communications (core costs) 47%.

Employment costs remained by far the highest single item, totalling £761k (directly employed staff and consultants).

Expenditure: January 2023 to December 2023



VALUE FOR MONEY

Providing value for money is vital for any charity. Ensuring that we don't compromise on quality while ensuring we get as much as we can for our money, means spending less, spending well and spending wisely. A focus on value for money is an objective that all staff are now aware of. Every role has a requirement to think about the value for all orders they are placing, questioning costs they believe to be too high, and getting multiple quotes for purchases.

By looking at value for money we want to make sure that:

- What we do is relevant and leads to benefits for our centres (spend wisely)
- How we work is efficient and effective, so we don't waste time or money (spend less)
- We get a good return from what we spend and make wise choices (spend well)

NET SURPLUS

The overall financial result for the year ended 31 December 2023 shows a surplus on unrestricted funds of £3k compared to a surplus of £6k in 2022. In 2024, we will continue to focus on increasing our business resilience, stability and financial sustainability, while also working to rebuild our reserves and manage risks.

STRUCTURE, GOVERNANCE AND MANAGEMENT

PEN is a charity that was first set up in 1921. Since 2006, the activities of PEN have been undertaken through a charitable company, limited by guarantee. International P.E.N.'s governing document is the PEN Charter and its Constitution; International P.E.N.'s members are the PEN Centres meeting once a year as the Assembly of Delegates at PEN's annual Congress.

We have a Board of up to 10 Trustees which includes the International President, International Secretary, and the International Treasurer:

- elected officials of International P.E.N. are nominated by at least 2 Centres;
- nominations and the election process is managed by the Search Committee; and
- two additional co-opted members are openly recruited by the other Trustees against a skills-needs audit.

The Board is responsible for setting the organisation's strategy, reviewing and adopting the budget and financial reports.

The Search Committee of the Assembly of delegates oversees trustee recruitment.

Candidates are provided with a job description and are required to submit in writing a biography and a signed letter of acceptance of nomination, with a statement of intent. The deadline for submission of nominations is 3 months in advance of Congress. Centres eligible to vote must have paid their membership dues to International P.E.N. and each Centre has one vote. The secret ballot is managed and overseen by the Search Committee.

International P.E.N.'s Trustees have been elected at Congress (the annual meeting of the Assembly of Delegates). The responsibilities of the Board of International P.E.N. have been defined by its constitution. Trustees can serve up to two three-year terms of office.

The list of trustees who served during the year and up to the date of approval of the financial statements has been provided below:

Trustees

Burhan Sonmez, president/chair
 Iman Humaydan, deputy chair (departed 22 Nov 2023)
 Ola Larsmo, deputy chair
 Eric Lax, International Treasurer
 Regula Venske, International Secretary (departed 29 Nov 2023)
 Tanya Tuma, Interim International Secretary

Elected Trustees

Beatrice Lamwaka
 Francis, David Warwick (departed 22 Nov 2023)
 Jose Gabriel Seisdedos
 Salil Tripathi
 Ege Dungar (appointed 22 Nov 2023)
 Elisha July (appointed 22 Nov 2023)

Trustees are not paid.

New Trustees are introduced to PEN with a formal induction programme carried out by the Company Secretary to the Board. We also provide on-going training, based on periodic skill assessments. We have been actively working with our pro bono lawyers (Clifford Chance LLP) to carry out a constitutional and governance review exercise across the organisation. The outcome of the review will enable us to strengthen our membership structure and legal framework. We expect this exercise to be completed in 2024.

The names of all those who are currently Trustees or who served as a trustee during the year to 31 December 2023 are set out above. Further information on our current Trustees is available on our website (<https://www.pen-international.org/who-we-are>).

The Trustees delegate the day-to-day running of PEN to the Executive Director (ED) and Finance, HR & Administration Director in the respective areas. The works in these area is overseen by three sub-committees of the Board, each one chaired by a Trustee:

- **Finance and Audit Committee:** oversees the management of risk and finance and supervises the appointment of independent auditors;
- **Fundraising Committee/PAG:** develops and monitors the fundraising strategy of the organisation, partnership building and long-term sustainability; and
- **Centres Committee:** analyses the situation of all PEN Centres, intervenes in centre disputes, prepares new PEN Centres' candidatures to be presented at the assembly of delegates for approval, proposes dormancies and closures of centres to the assembly, and deregistering centres who have ceased to exist.

As part of our Human resource development and staff remuneration, PEN is committed to ensuring that we pay our staff fairly and in a way that ensures we attract and retain the right skills in order to have the greatest impact in delivering our charitable objectives. Delivery of our charitable vision and purpose is primarily dependent on the performance and efforts of our staff, which is the largest single element of charitable expenditure. We aim to recruit, subject to experience, towards the lower point within a salary band, providing scope to reward for excellence and growth within the role. We do not employ interns without pay. We pay at least the London Living Wage for all our staff and are committed to encouraging our suppliers do the same. PEN evaluates each post against other posts in PEN and market comparators to arrive at salary rates based on a consistent and transparent process, designed to offer a fair pay framework for all salary assessments and decisions. The pay structure has been audited by an external pay review expert and recommendations have already been implemented. All staff confirmed in post are subject to regular performance conversations, at least annually but quarterly is strongly encouraged. As part of our HR review and staff engagement, we have been awarded an Investors In People accreditation indicating a step in the right direction to enhance our workforce.

Our **Centres** are legal members of our limited company, playing an important legal formal and informal role in our work.

PEN Centres are voices for literature and freedom of expression in their respective countries. A full list of current Centres is available on our website (<https://pen-international.org/centres>) or by request.

International P.E.N. is committed to upholding its organisational culture in line with the seven overarching principles of the Charity Governance Code 2017: Organisational Purpose; Leadership; Integrity; Decision Making and Controls; Board Effectiveness; Diversity; and Openness and Accountability.

The Executive Director manages the office supported by a Senior Management team comprised of Finance, HR and Administration Director.

The Senior Management Team is responsible for and provides oversight of the delivery of PEN's strategy and programmes, human resources functions and ensuring compliance with Charity Commission guidelines, good governance, budgetary and funding requirements.

KEY MANAGEMENT PERSONNEL

The President, International Secretary and International Treasurer meet confidentially to discuss the performance and achievements of the charity during the year in order to determine suitable remuneration for key management personnel. Their recommendations are then put forward to the Trustees for discussion and approval.

RISK AND INTERNAL CONTROLS

Risk management is an integral part of our governance. We identify and address our key strategic risks in order to mitigate their likelihood and impact. There are two levels to the risk and assurance process.

Our strategic risk approach is designed to identify the key risks which could prevent P.E.N. from achieving its strategic objectives. It also identifies the assurance processes which we have in place to mitigate these risks and any outstanding actions around these assurance processes.

We also have considered operational risks which underpin the strategic risk framework, dealing with a greater number of potential risks at a more detailed level.

This continues to be done at a Board and senior staff level by maintaining an organisational Risk Register that identifies the key organisational risks.

The Trustees continue to review the risks facing PEN, the controls in place and the effectiveness of mitigating actions. International P.E.N. has a risk register which records risks and how they are mitigated, including (but not limited to) our income, assets, management, staff, partners and beneficiaries, reputation, financial controls and governance. This risk assessment process identifies the strategies that are already in place to minimise risks, along with any further actions that may be required to mitigate them. The Trustees delegate risk management to the Executive Director and Finance, HR and Administration Director.

PEN has a comprehensive insurance policy, reviewed annually, and currently provided by Aston Lark Insurance. The Trustees consider all aspects of risk and assurance and are supported in this by the work of the Finance and Audit Sub-Committee.

The major strategic risks of P.E.N., together with plans and strategies in managing these risks, are shown in the table below.

Risk	Current mitigating actions
Financial Stability Funding targets not met. <i>(delivering the strategy in a way that safeguards our financial sustainability)</i>	• Board take strong lead in fundraising and new fundraising strategy • Continued outreach to publishers to increase membership of Publishers', Writers and Screenwriters Circles • New funding streams legacy and crowd funding explored • Head of Development to continue pursuing Trusts and Major Donor fundraising strategy • In discussions with SIDA as we complete funding cycle (end 2023) and prepare for new bid 2024 - 2028
People and Development Effectiveness of Senior Management Team (SMT)	• SMT review of roles and responsibilities, review of Job Descriptions as untenable workloads and weak organisational processes reasons for departures of Directors with support from INTRAC (International Non-Governmental Organisation Training and Research Centre) • Consultations with the Union • Board approve process for recruitment and their involvement
Financial Stability Mismanagement of disbursed project funds to centres	• Improved disbursement of funds authorisation processes • Quarterly skype/zoom calls with Centres on project delivery and to build centre relationships over time • 3 - 6 monthly reporting on projects and auditing • Bribery and corruption policy shared, whistle-blower and procurement particularly for those involved in Civil Society programme
Reputational Reputational damage due to politicisation or Centres acting contrary to the PEN Charter	• Centre Development strategy for problematic PEN Centres • Board/SMT take action/missions to engage with Centres whose message is out of line with PEN Charter and human rights norms. Monitoring of Centres -review for closure of dormancy
Strategy and Operational Delivery Dramatic change in international support for freedom of expression demotivation and slows the PEN's ability to deliver its goals.	• Campaigns and advocacy to be more focused and underpinned by robust research – and strong media campaigns • Ensure that individual writers/Centres can advocate on issues of concern to them both at national and international levels – dialogue and debate needed more than ever – role of the writer as thought leader to counter push of authoritarianism • Build relations with key actors in human rights and culture fields and allies at the national level
Strategy and Governance Effectiveness of International Board and Committees	• Board now taking lead in strategy setting including the process • Board positions under 3 year election cycle • At least two in person Board meetings per year • Co-opt members (2) of the Board under review
Operational Delivery Analysis of risk for local PEN Centres organizing events prior, during and after the event. Analysis of risk of unintended harm/negative effects for local partners of PEN missions (common risk analysis of conflict dynamics with other NGOs for common missions)	• Risk assessment in context for each PEN meeting/mission, including unintended negative effects for staff & local Centres • Consultation with Centres & NGO partners prior to PEN missions taking into account conflict dynamics • Collaboration with UN bodies in context of meetings in areas of concern for freedom of expression

OTHER MATTERS

INVESTMENT POLICY

The Trustees commissioned Swissquote as our broker during the year. At present, we have investment of £85k (2022: £82k) held with the company.

In making any financial investment, P.EN.'s policy requires consideration of:

- **Minimisation of risk** - The overall investment objective of PEN International is to maximize the return on invested assets while minimizing risk and expenses. PEN International seeks to achieve this through prudent investing and planning, as well as through the maintenance of a diversified portfolio
- **Liquid risk:** Invested funds to be kept liquid to allow them to be called upon as necessary
- **Balancing income and capital returns:** The assets should be managed to at least maintain the real capital value of the funds invested, whilst generating a sustainable level of investment income to support the current charitable activities

As part of our financial strategy, we are looking to create a policy for longer term investment of PEN's reserves in order to spread risk and ensure PEN's financial sustainability.

At 31 December 2023, the only form of investment held by P.E.N. was funds held with Swissquote in mutual bonds and single securities, included in the accounts within non-current assets.

GOING CONCERN

The Trustees are aware of International P.E.N.'s contract term with SIDA which ended in December 2023. At the end of 2023, PEN International completed a four-year programme of support from the Swedish International Development Agency (SIDA). During 2023, PEN International maintained strong links with its most significant institutional supporter. The annual review meeting with SIDA was held in January 2024 to discuss PEN's work in 2023 – the meeting was very positive and feedback from SIDA was very encouraging on the progress of PEN's work. Due to the strong partnership between SIDA and PEN International, SIDA recommended a contract extension for 2024 to allow both parties to negotiate for a further long-term agreement from quarter three of 2024. As part of this process, we agreed with SIDA to conduct an internal audit of our processes, controls and systems which was completed in November 2023.

The trustees are confident that sufficient funding will be continued at the same level with SIDA and other funders to support our current level of activities in the future.

As part of the going concern assessment by the Trustees, they have reviewed our financial position and financial forecasts, taking into account the level of reserves and cash, the effects of the pandemic, the cost-of-living increase and our systems of financial control and risk management.

As a result of this and an ongoing review of operational and staffing costs, the Trustees believe that we are well placed to manage operational, financial and cost of living risks successfully.

The Trustees believe that the actions that they have taken are sufficient to mitigate the uncertainty around any reduced level of funding and have therefore prepared the financial statements on a going concern basis as they have a reasonable expectation that P.E.N. will continue in operational existence for the foreseeable future.

TREASURY POLICY

The Trustees set aside available funds from our income to pay for anticipated costs. The Trustees also set aside a small amount each year, when income is strong, to allow for some flexibility in periods of economic downturn. In order to protect our charitable projects from the loss of short-term funding, a target for a minimum level of reserves has been set at three months' grants receipts and expenditure for project delivery.

Undesignated reserves amounted to £54k as at 31 December 2023. This is below target for the year. However, the shortfall in funds has been built into a strategic financial recovery modelling for the next three years. This policy is reviewed every year.

RESERVES POLICY

Like many other charities P.E.N has a reliance on a small number of income sources. It is important that, however unlikely it may be that these sources all suddenly cease, we plan to hold sufficient reserves to meet our obligations and needs. In this respect, P.E.N remains positive in building resilient reserves that are strong and healthy.

The trustees set aside available funds from our income to pay for anticipated costs and for planned designated activities.

The Trustees recognise the need to hold sufficient reserves to allow protection of core activities in the event of any income shortfalls to implement long-term strategic programmes and enable International P.E.N. to carry out its essential projects.

The policy aims to have sufficient free reserves to enable International P.E.N. to cope with fluctuations and to hold at least the equivalent of three months' budgeted operating cost expenditure.

Total reserves at 31 December 2023 were £453k (2022: £546k) Restricted reserves held in 2023 were £376k (2022: £471k) and unrestricted reserves were £77k. Of this £23k were designated reserves while the undesignated reserves were £54k (2022: £51k).

The value of net assets in future years is projected to reduce/increase in the light of budgeted deficits/surplus and investment in our financial strategy. However, P.E.N remain strong as a 'going concern'.

Restricted reserves are those funds that have been received for particular purposes and projects and are shown in detail in note 17.

Even though general fund is low, we are still able to meet our free reserves target level implied by the current reserves policy, which seeks to build reserves up to three months' operating expenditure.

The Finance Sub-committee of the board will continue to monitor closely the reserves position with quarterly reviews. This policy is reviewed every year.

FUNDRAISING

Our Head of Development ensures we follow best practice for charitable fundraising, active participation in fundraising regulation and compliance with the most recent codes of conduct. We continue to regularly review our policies and processes to check they are periodically refreshed, in particular with reference to our ongoing major fundraising campaign as part of our centennial.

In particular, P.E.N:

- ensures adherence to the Code of Fundraising Practice;
- employs due diligence to ensure that significant financial contributions from, and partnerships and agreements with, individuals and organisations comply with legal, ethical and best practice regulations and guidance;
- does not use professional fundraisers;
- ensures that the charity's fundraising practice complies with all data protection regulations and best practice guidance.

VOLUNTEERS

International P.E.N. is immensely grateful to the volunteers who contribute to our campaigns and communications work as well supporting our International programmes team with media monitoring on freedom of expression issues. Their skill, time and dedication helps us achieve our goals while offering them an opportunity to learn and gain experience in a field of work that has growing relevance in our world today.

AUDITOR

Our auditor, HW Fisher LLP, has indicated a willingness to continue in office and it is proposed that the firm be re-appointed as auditor for the ensuing year.

DISCLOSURE OF INFORMATION TO AUDITOR

In so far as each of the Trustees is aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- each of the Trustees has taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Signed on behalf of the Trustees

Burhan Sonmez

Eric Lax

B. Sonmez

Eric Lax

President

Treasurer

29 Apr 2024

29 Apr 2024

The Trustees (who are also directors of International P.E.N. for the purpose of company law) are responsible for preparing the report of the Board of Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires Trustees to prepare financial statements for each financial year that give a true and fair view of the state of the affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006 and regulations made thereunder.

They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of the financial statements may differ from legislation in other jurisdictions.

OPINION

We have audited the financial statements of International P.E.N (the 'charity') for the year ended 31 December 2023 which comprise the statement of financial activities, the statement of financial position, the cash flow statement and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2023 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

OTHER INFORMATION

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other

information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the report of the board of trustees, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the report of the board of trustees has been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the report of the board of trustees.

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

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

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material

misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

As part of our planning process:

- We enquired of management the systems and controls the charity has in place, the areas of the financial statements that are most susceptible to the risk of irregularities and fraud, and whether there was any known, suspected or alleged fraud. The charity did not inform us of any known, suspected or alleged fraud.
- We obtained an understanding of the legal and regulatory frameworks applicable to the company. We determined that the following were most relevant: the Charity SORP, FRS 102, Charities Act 2011, Companies Act 2006.
- We considered the incentives and opportunities that exist in the charity, including the extent of management bias, which present a potential for irregularities and fraud to be perpetuated, and tailored our risk assessment accordingly.
- Using our knowledge of the charity, together with the discussions held with the charity at the planning stage, we formed a conclusion on the risk of misstatement due to irregularities including fraud and tailored our procedures according to this risk assessment.

The key procedures we undertook to detect irregularities including fraud during the course of the audit included:

- Identifying and testing journal entries and the overall accounting records, in particular those that were significant and unusual.

- Reviewing the financial statement disclosures and determining whether accounting policies have been appropriately applied.
- Reviewing documentation such as the charity's board minutes, and correspondence with solicitors, for discussions of irregularities including fraud.
- Assessing the extent of compliance, or lack of, with the relevant laws and regulations.
- Testing key income lines for evidence of management bias.
- Assessing the validity of the classification of income, expenditure, assets and liabilities between unrestricted, designated and restricted funds.
- Obtaining third-party confirmation of material bank balances.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements even though we have properly planned and performed our audit in accordance with auditing standards. The primary responsibility for the prevention and detection of irregularities and fraud rests with the trustees of the charity.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

USE OF OUR REPORT

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose.

To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Andrew Rich

Andrew Rich (Senior Statutory Auditor)

for and behalf of HW Fisher LLP

Chartered Accountants

Statutory Auditor

Acre House

11-15 William Road

London, NW1 3ER

29 Apr 2024

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	Note	General funds £'000	Designated funds £'000	Restricted funds £'000	Total 2023 £'000	Total 2022 £'000
Income						
Income from charitable activities						
Donations and legacies	3	332	-	-	332	438
Charitable activities	4	178	-	839	1,017	1,101
Total income		510	-	839	1,349	1,539
Expenditure						
Expenditure on						
Cost of raising funds						
Expenditure on fundraising and publicity		3	-	-	3	5
Expenditure on charitable activities						
General advocacy and support	5	411	3	859	1,273	1,299
Writers in prison	5	93	1	75	169	171
Total expenditure on charitable activities		504	4	934	1,442	1,470
Total expenditure		507	4	934	1,445	1,475
Net gain / (loss)	23	3	-	-	3	(6)
Total net income/(expenditure) before transfers		6	(4)	(95)	(93)	58
Transfers between funds		(3)	3	-	-	-
Net income/(expenditure) after transfers/ Net movement in funds		3	(1)	(95)	(93)	58
<i>Reconciliation of funds</i>						
Balances brought forward at 1 January 2023		51	24	471	546	488
Balances carried forward at 31 December 2023	19	54	23	376	453	546

All gains and losses recognised in the year are included on the Statement of Financial Activities.

The accompanying notes form part of these financial statements.

Comparative year – 31 December 2022

	Note	General funds £'000	Designated funds £'000	Restricted funds £'000	Total 2022 £'000
Income					
Income from charitable activities					
Donations and legacies	3	438	-	-	438
Charitable activities	4	146	-	955	1,101
Total income		584	-	955	1,539
Expenditure					
Expenditure on					
Cost of raising funds					
Expenditure on fundraising and publicity		5	-	-	5
Expenditure on charitable activities					
General advocacy and support	5	455	4	840	1,299
Writers in prison	5	112	-	59	171
Total expenditure on charitable activities		567	4	899	1,470
Total expenditure		572	4	899	1,475
Net gain / (loss)	23	(6)	-	-	(6)
Total net income/(expenditure) before transfers		6	(4)	56	58
Transfers between funds		-	-	-	-
Net income/(expenditure) after transfers/ Net movement in funds		6	(4)	56	58
<i>Reconciliation of funds</i>					
Balances brought forward at 1 January 2022		45	28	415	488
Balances carried forward at 31 December 2022	19	51	24	471	546

	Note	2023 £'000	2022 £'000
Non-current assets			
Tangible assets	13a	10	11
Investment	13b	85	82
		95	93
Current assets			
Stock		124	124
Debtors	14	91	206
Cash at bank and in hand		255	235
		470	565
Creditors:			
amounts falling due within one year	15	(112)	(112)
Net current assets		358	453
Total assets less creditors		453	546
The funds of the charity	17,18,19		
Unrestricted funds			
Other charitable funds		54	51
Designated funds		23	24
		77	75
Restricted funds		376	471
		453	546

Approved by the Trustees on 29 Apr 2024 and signed on their behalf

Eric Lax

Eric Lax, Treasurer

B. Sonmez

Burhan Sonmez, president

05683997 - Company Registration is in England and Wales

	Note	2023		2022	
		£'000	£'000	£'000	£'000
Net cash generate/(used in) operating activities	20		23		(141)
Cash flows from investing activities					
Payments to acquire fixed assets	13a	(3)		(1)	
Disposal of Investment		3		141	
Payments to acquire investments		(6)		(1)	
Cash withdrawn from portfolio		3		9	
Net cash (used in)/generated from investing activities			(3)		148
Change in cash and cash equivalents in the reporting period			20		7
Cash and cash equivalents at the beginning of the reporting period			235		228
Cash and cash equivalents at the end of the reporting period			255		235
Comprising:					
Cash at bank and in hand:			255		235
			255		235

1. ACCOUNTING POLICIES

1.1 Accounting convention

The accounts have been prepared in accordance with the charity's Memorandum and Articles of Association, the Companies Act 2006, Charities Act 2011 and "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 2019. The charity is a Public Benefit Entity as defined by FRS 102. The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £000. The financial statements have been prepared under the historical cost convention, modified to include the revaluation of investments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

The Trustees are aware of International P.E.N.'s contract term with SIDA which ended in December 2023. At the end of 2023, PEN International completed a four-year programme of support from the Swedish International Development Agency (SIDA). During 2023, PEN International maintained strong links with its most significant institutional supporter. The annual review meeting with SIDA was held in January 2024 to discuss PEN's work in 2023 – the meeting was very positive and feedback from SIDA was very encouraging on the progress of PEN's work. Due to the strong partnership between SIDA and PEN International, SIDA recommended a contract extension for 2024 to allow both parties to negotiate for a further long-term agreement from quarter three of 2024. As part of this process, we agreed with SIDA to conduct an internal audit of our processes, controls and systems which was completed in November 2023.

The trustees are confident that sufficient funding will be continued at the same level with SIDA and other funders to support our current level of activities in the future.

As part of the going concern assessment by the Trustees, they have reviewed our financial position and financial forecasts, taking into account the level of reserves and cash, the effects of the pandemic, the cost-of-living increase and our systems of financial control and risk management.

As a result of this and an ongoing review of operational and staffing costs, the Trustees believe that we are well placed to manage operational, financial and cost of living risks successfully.

The Trustees have determined that the actions that they have taken are sufficient to mitigate the uncertainty around any reduced level of funding and have therefore prepared the financial statements on a going concern basis as they have a reasonable expectation that P.E.N. will continue in operational existence for the foreseeable future.

1.3 Critical estimates and judgements

International P.E.N.'s significant accounting policies are stated in this note. Not all of these significant accounting policies require the Trustees to make difficult, subjective, or complex judgements or estimates.

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The trustees do not believe there to be any judgements or estimates critical to the financial statements.

1.4 Income

Income other than grant income is recognised at the fair value of the consideration received or receivable for goods and services provided. Fair value takes into account settlement discounts allowed on services.

Income from donations and 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.

The value of services provided by volunteers has not been included in these financial statements. Gifts in kind are included where the sum can be accurately estimated.

Unrestricted income is deferred when this is received and relates to a period following the year end. Restricted income is deferred only when this relates wholly to a future period, as specified by the funder.

1.5 Grants received

Where grants are received for specific purposes they are credited to the restricted funds of International P.E.N. Grants that are awarded for a specific period are recognised in the SOFA in that period.

1.6 Grants payable

Grants payable as cash are accounted for in the period in which they are approved. Grants awarded to centres of International P.E.N. are accounted for upon approval.

1.7 Basis of allocation of support costs

Staff and other support costs are allocated to the various activities of International P.E.N. based upon the direct staff costs involved in delivering direct charitable activities and on the estimated time devoted to the governance of PEN.

1.8 Defined contributions pension scheme

Employer contributions to PEN's defined contribution Pension Scheme are charged to the SOFA on an accruals basis.

1.9 Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the Charity.

Designated funds have been allocated to specific projects by the trustees.

Restricted funds are donations where the donor has specified to be solely used for particular areas of the Charity's work or for specific projects being undertaken by the Charity.

1.10 Expenditure and irrecoverable Value Added Tax

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 attracting voluntary income and the costs of fundraising.
- Expenditure on charitable activities includes the costs of the delivery of its activities and services for its beneficiaries.
- 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.

Rental costs under operating leases are charged against income on a straight-line basis over the term of the lease.

1.11 Volunteers

International P.E.N. provides volunteering opportunities in a number of its activities. The work performed by the volunteers is well-appreciated and is explained in the Report of the board of trustees. No financial appraisal of the value of volunteering is included within these financial statements.

1.12 Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Asset Category

Office equipment	25% reducing balance
Fixtures & Fittings	25% reducing balance
Computer Equipment	25% reducing balance

The policy with respect to impairment reviews of fixed assets is that these assets are inspected regularly for any impairment and any defect remedied so as to maintain the current value.

All assets costing more than £500 are capitalised.

1.13 Investment

Investments are stated at market value at the balance sheet date. The SOFA includes the net gains and losses arising on revaluation and disposals throughout the year. Gains and losses on the disposal of investment assets are calculated as the difference between historical and market values.

1.14 Debtors

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

1.15 Book stock

The centenary book stock is valued at the lower of cost and net realisable value. The book held is recognised as expenditure at the point it is dispatched from PEN International warehouse. Books in transit at the year-end are accounted for as expensed as it is deemed highly probable that they will reach their intended beneficiaries in good condition. Any material damage or loss of stock would be adjusted in the accounts in the following year. There was no damage or loss of stock in transit at year-end 31 December 2023. Provision is made where necessary for obsolete, slow-moving and defective stock in the accounts.

1.16 Cash at bank and in hand

Cash at bank and cash in hand includes cash.

1.17 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.

1.18 Other financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments. The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Except for fixed asset investments, basic financial instruments are recognised as the amount payable or receivable when the instrument is first recognised together with any subsequent transaction costs but modified in respect of trade debtors for an assessment of potential bad debt.

1.19 Foreign exchange

Transactions denominated in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. All differences are included in net outgoing resources. Where trustees hold restricted funds in foreign currency, gains and losses on foreign exchange are borne by unrestricted funds to maintain restricted gifts at their original value.

1.20 PEN Centres

PEN Centres are not treated as branches of International P.E.N. They are independently governed organisations.

1.21 Restricted funds

Project grants: Grants that are received for specified purposes are credited to a restricted fund. Expenditure that is attributable to such grants is charged directly to the fund in the statement of financial activities.

1.22 Designated funds

Fixed Assets: The balances on the funds represent our fixed asset portfolio. The capital costs of asset that are met from PEN's own resources are represented by designated funds. Depreciation is charged directly against the fund in the statement of financial activities.

2. LEGAL STATUS OF THE CHARITY

International P.E.N. (or "the Charity") is a company limited by guarantee incorporated in England and Wales. The registered office is 167, 169 Great Portland St, London W1W 5PF.

NOTES TO THE FINANCIAL STATEMENTS YEAR END 31 DECEMBER 2023

3. INCOME FROM DONATIONS & LEGACIES

Source	2023		2022	
	Unrestricted funds £'000	Restricted funds £'000	Unrestricted funds £'000	Restricted funds £'000
Donations and legacies	332	-	438	-
	332		438	
	Total £'000		Total £'000	

Donations to unrestricted funds:

Individual contributions
PEN centre contributions
CJRS grants

	2023 £'000	2022 £'000
Individual contributions	175	276
PEN centre contributions	157	162
CJRS grants	-	-
	332	438
Donations to restricted funds:	2023 £	2022 £
Individual contributions	-	-
	-	-

4. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2023 £'000	Restricted funds 2023 £'000	Total funds 2023 £'000	Unrestricted funds 2022 £'000	Restricted funds 2022 £'000	Total funds 2022 £'000
Grants receivable	5	838	843	-	933	933
Publishers Circle	139	-	139	108	-	108
Writers Circle	30	-	30	38	-	38
Readers Circle	4	-	4	-	-	-
Centenary – book sales	-	1	1	-	22	22
	178	839	1,017	146	955	1,101

Analysis of grants receivable:

	2023 £'000	2022 £'000
Norwegian Ministry of Foreign Affairs	52	40
SIDA	722	696
NED	15	6
UNESCO	-	-
Fritt Ord Foundation	-	33
Sigrid Rausing	-	120
Banyan Tree Foundation	39	38
Others	15	-
	843	933

5. ANALYSIS OF EXPENDITURE RELATING TO GENERAL ADVOCACY AND SUPPORT

	2023 £'000	2022 £'000
Staff costs	442	448
Sub-grants to PEN Centres	121	95
Other centre development costs	296	290
Support costs (note 6)	413	457
Centenary – book costs	1	9
	1,273	1,299

Analysis of expenditure relating to writers in prison

	2023 £'000	2022 £'000
Staff costs	43	59
Other costs	32	-
Support costs (note 6)	94	112
	169	171

Continued overleaf

6. ANALYSIS OF SUPPORT COSTS AND GOVERNANCE COSTS

The Charity initially identifies the costs of its support functions. It then identifies those costs which relate to the governance function. Governance costs include payments to the auditor of £28,000 (2022: £33,000) and other financial services of £nil (2022: £4,000).

Having identified its governance costs, the remaining support costs together with the governance costs are all allocated against the charitable activities based on the time spent on those activities.

Support costs	General advocacy and support 2023 £'000	Writers in prison 2023 £'000	Total 2023 £'000	General advocacy and support 2022 £'000	Writers in prison 2022 £'000	Total 2022 £'000
Staff costs	79	22	101	70	20	90
Depreciation	3	-	3	4	-	4
Rent and occupancy	20	6	26	69	20	89
Office supplies and equipment	9	2	11	10	3	13
Other Costs	72	21	93	86	25	111
Governance costs (see below)	230	43	273	218	44	262
	413	94	507	457	112	569

Governance costs	General advocacy and support 2023 £'000	Writers in prison 2023 £'000	Total 2023 £'000	General advocacy and support 2022	Writers in prison 2022	Total 2022 £'000
Staff costs	148	27	175	133	27	160
Audit fees	23	5	28	31	6	37
Other costs	59	11	70	54	11	65
	230	43	273	218	44	262

Auditor's remuneration	2023 £'000	2022 £'000
Statutory audit	28	33
Non audit service	-	-
	28	33

7. NET INCOME/(EXPENDITURE) FOR THE YEAR

This is stated after charging:

	2023 £'000	2022 £'000
Operating lease rentals	26	95
	26	95

8. ANALYSIS OF STAFF COSTS, TRUSTEE REMUNERATION AND EXPENSES, AND THE COST OF KEY MANAGEMENT

	2023 £'000	2022 £'000
Wages and salaries	660	657
Social security costs	69	68
Pension	32	32
	761	757
Number of employees whose emoluments during the year fell between:		
	2023	2022
£60,000 and £69,999	-	-
£70,000 and 89,999	-	-
£90,000 and £99,999	-	1
£100,000 and £109,999	1	1
£110,000 and £119,000	1	-

The key management personnel of the Charity comprise the Trustees, the Executive Director and the Director of Finance, HR and Administration. Remuneration of key management personnel was £222,000 (2022: £208,000).

Trustee Expenses: None of the trustees received any remuneration during the year, but the Trustee Board (two members) were reimbursed a total of £627 (2022: £3,000) travel and subsistence expenses.

The total expenses incurred by the Trustees in the discharge of their duties and paid to third parties was £9,746 (2022: £6,000). However, two Trustees from our board donated £20,000 towards our core activities.

Number of volunteers was 2 (2022: 3). Volunteers assist the finance team and supports congress team.

9. STAFF NUMBERS

The monthly head count was 13 staff (2022: 13) and the average monthly number of full-time equivalent employees (including casual and part time staff) during the year were as follows:

	2023 Number	2022 Number
Charitable activities	8	10
Fundraising	1	2
Governance	1	1
Support	3	-
	13	13

10. PENSION AND OTHER POST-RETIREMENT BENEFIT COMMITMENTS

The Charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Charity in an independently administered fund. The pension cost charge represents contributions payable by the charity to the fund.

	2023 £'000	2022 £'000
Contributions payable by the company for the year	32	32

The expense has been allocated to restricted and unrestricted expenditure on the same basis as wages and salaries.

11. RELATED PARTY TRANSACTIONS

During the year, donations without conditions from Trustees totalled £20,000. At the year end, there were no other disclosable related party transactions.

12. CORPORATION TAX

As a charity, International P.E.N. is exempt from UK tax on income and gains to the extent that these are applied to its charitable objects. No UK tax charges have arisen in the Charity, during the year or the previous year.

13a. TANGIBLE FIXED ASSETS

	Office Equipment £,000	Fixtures & Fittings £,000	Computer Equipment £,000	Total £,000
Cost:				
As at 1 January 2023	20	2	23	45
Additions	-	-	3	3
Disposals	-	-	(1)	(1)
As at 31 December 2023	20	2	25	47
Depreciation:				
As at 1 January 2023	18	1	15	34
On disposals	-	-	-	-
Charge for year	-	-	3	3
As at 31 December 2023	18	1	18	37
Net book value				
As 31 December 2023	2	1	7	10
As at 31 December 2022	2	1	8	11

All assets are used for charitable purposes.

13b. INVESTMENTS

	£,000
Valuation	
At 1 January 2023	82
Additions	6
Disposal	(3)
Realised and unrealised gains/losses	3
Movement in cash	(3)
Net book value	
As at 31 December 2023	85
As at 31 December 2022	82

International P.E.N. holds investment funds with Swissquote which are mutual funds for bonds and equities. These funds are single securities for bonds in Global and Euromarkets issues but no US domestic issues, with all investments generating daily liquidity.

14. DEBTORS

	2023 £'000	2022 £'000
Trade debtors	9	22
Other debtors	2	23
Prepayments and accrued income	80	161
	91	206

Bad debt provisions are based upon the debtor balances on individual accounts.

There has been no change in the basis of calculation during the year.

15. CREDITORS: AMOUNTS DUE WITHIN ONE YEAR

	2023 £'000	2022 £'000
Trade creditors	29	30
Grants awarded	13	16
Taxation and social security costs	24	29
Other creditors	5	14
Accruals and deferred income	41	23
	112	112

Deferred income at the balance sheet date was £2k which represent PayPal donations received.

16. FINANCIAL INSTRUMENTS

	2023 £'000	2022 £'000
Financial assets measured at fair value through profit and loss	85	82

We are aware that some changes in market trends are likely as a consequence of using a last paid price to value a share. The value of our securities may therefore not correspond to the real value of such securities. The effect of asset inflows and outflows is eliminated by assuming a single investment at the beginning of a period and measuring the profit or loss of market value to the end of that period.

17. ANALYSIS OF RESTRICTED FUNDS

	Balance as at 1 January 2023 £,000	Incoming resources £,000	Resources expended £,000	Transfers Unrestricted Funds £,000	Funds as at 31 December 2023 £,000
Writers in Prison Committee (WIPC)	24	49	(70)	-	3
Swedish International Development Cooperation Agency (SIDA)	43	722	(744)	-	21
Centre Development	63	15	(71)	-	7
Norwegian Ministry of Foreign Affairs (NMFA)	-	52	(47)	-	5
Individual Donation (towards the following 3 Areas):					
(i) *International P.E.N. Centenary	(65)	1	(2)	-	(66)
(ii) Defence of Writers & Literature	203	-	-	-	203
(iii) Strategic Development	203	-	-	-	203
	471	839	(934)	-	376

*This fund is overdrawn as expected in 2023. However, we expect donations received in 2024 to reduce the deficit.

	Balance as at 1 January 2022 £,000	Incoming resources £,000	Resources expended £,000	Transfers Unrestricted Funds £,000	Funds as at 31 December 2022 £,000
Writers in Prison Committee (WIPC)	12	71	(59)	-	24
Swedish International Development Cooperation Agency (SIDA)	46	696	(699)	-	43
Centre Development	9	126	(72)	-	63
UNESCO	7	-	(7)	-	-
Norwegian Ministry of Foreign Affairs (NMFA)	13	40	(53)	-	-
Individual Donation (towards the following 3 Areas):					
(i) International P.E.N. Centenary	(78)	22	(9)	-	(65)
(ii) Defence of Writers & Literature	203	-	-	-	203
(iii) Long Term Reserves	203	-	-	-	203
	415	955	(899)	-	471

17. ANALYSIS OF FUNDS (Continued)

WIPC - The mobilisation of communication and support in opposition to the infringement of freedom of expression.

SIDA - Support for regional programmes for PEN centres and support for capacity and outreach in London.

Centre Development - Supporting exchanges mainly between the African and Americas centres.

NMFA - Support for the work of the Writers in Prison Committee in the Middle East, Asia and North Africa.

Individual donation – Support of the defence of writers and literature, PEN Centenary work, and to strengthen PEN's long-term reserves.

18. ANALYSIS OF MOVEMENT IN DESIGNATED FUNDS

	Balance as at 1 January 2023	Resources expended	Transfers	Funds as at 31 December 2023	Funds as at 31 December 2022
	£'000	£'000	£'000	£'000	£'000
Fixed Assets Fund	11	(4)	3	10	11
Donation	13	-	-	13	13
	24	(4)	3	23	24

	Balance as at 1 January 2022	Resources expended	Transfers	Funds as at 31 December 2022
	£'000	£'000	£'000	£'000
Fixed Assets Fund	15	(4)	-	11
Donation	13	-	-	13
	28	(4)	-	24

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2023 £'000	Designated funds 2023 £'000	Restricted funds 2023 £'000	Total 2023 £'000	Total 2022 £'000
Tangible fixed assets	-	10	-	10	11
Investments	-	-	85	85	82
Current assets	86	13	371	470	565
Creditors of less than one year	(32)	-	(80)	(112)	(112)
	54	23	376	453	546

	Unrestricted funds 2022 £'000	Designated funds 2022 £'000	Restricted funds 2022 £'000	Total 2022 £'000
Tangible fixed assets	-	11	-	11
Investments	-	-	82	82
Current assets	108	13	444	565
Creditors of less than one year	(57)	-	(55)	(112)
	51	24	471	546

20. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2023 £'000	2022 £'000
Net movement in funds	(93)	58
Add back depreciation charge	3	4
Decrease/(increase) in stock	-	5
Decrease/(increase) in debtors	115	(10)
Increase/(decrease) in creditors	-	(210)
Loss on disposal of fixed asset	1	1
Unrealised (gain)/loss on investment	(3)	11
Net cash used in operating activities	23	(141)

21. ANALYSIS OF CHANGES IN NET DEBT

The charity had no debt during the year.

22. COMMITMENTS UNDER OPERATING LEASES

	2023 £'000	2022 £'000
Within one year - property	-	21
Between two and five years - property	-	-
	-	21

23. NET GAIN / (LOSS)

	2023 £'000	2022 £'000
Currency exchange gain	-	5
Realised and unrealised gains/losses on investment	3	(11)
	3	(6)

REFERENCE AND ADMINISTRATIVE INFORMATION

Governance and management

Trustees

Burhan Sonmez, president/chair
 Iman Humaydan, deputy chair (departed 22 Nov 2023)
 Ola Larsmo, deputy chair
 Eric Lax, International Treasurer
 Regula Venske, International Secretary (departed 29 Nov 2023)
 Tanya Tuma, Interim International Secretary

Elected Trustees
 Beatrice Lamwaka
 Francis, David Warwick (departed 22 Nov 2023)
 Jose Gabriel Seisdedos
 Salil Tripathi
 Ege Dungan (appointed 22 Nov 2023)
 Elisha July (appointed 22 Nov 2023)

Executive Director	Romana Cacchioli
Company Secretary	Emmanuel Asamoah FCCA/MAAT/MBA/MSc
Senior Management Team	Romana Cacchioli, Executive Director Emmanuel Asamoah FCCA/MAAT/MBA/MSc, Finance, HR & Administration Director

Administrative information

Charity number	1117088
Company number	05683997 - Company Registration is in England and Wales
Registered office	167, 169 Great Portland Street, London, W1W 5PF
Independent auditors	HW Fisher LLP Acre House 11-15 William Road London, NW1 3ER
Bankers	HSBC Plc 74 Goswell Road London, EC1V 7DA
Principal solicitors	Bates Wells and Braithwaite 2-6 Cannon Street London EC4M 6YH

Official social media

Website	https://pen-international.org/
Facebook	/pen-international
Twitter	@pen-international

INTERNATIONAL P.E.N.

England & Wales - Charity number 1117088

Accounts



INTERNATIONAL P.E.N.

TRUSTEES' ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

CHARITY NUMBER: 1117088

COMPANY NUMBER: 05683997

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WELCOME

Our time will be remembered as one of extreme change and difficulty. Disrupted by war and rising authoritarianism that divides and polarizes citizens, people around the world emerging from a global pandemic also face challenges posed by climate change, as well as a cost of living that is rising beyond historic levels. Despite these challenges, PEN International has shown we are resilient and able to remain solvent and relevant in a fast-changing environment.

We act to create the unity of existence and harmony in society. We feel a longing for a peaceful life especially where conflicts continue to pose extreme risks in places like Ukraine, Syria, Palestine, Yemen, Myanmar, Ethiopia and beyond.

We seek constantly to improve the work of our organization, and to strengthen its structure. While discussing our strategy and Future Plan, which expands our future horizons, we are also working to renew and modernize our Constitution and related documents. We are trying to open more space for the voice and creativity of the youth and to make a breakthrough with that energy.

We know, there is a price to face when we speak truth to power. Yet PEN members and fellow writers across the world continue to speak out, often at great personal risk to themselves and their families, as we can see from the closure of PEN Centres, writers forced into exile or imprisoned, and sometimes killed.

Solidarity is our strength. Scores of writers have been released or have seen their situation improved in recent years in part due to our work. The dedication of the PEN membership is a continuous source of inspiration and motivation for us all. Our life and work are founded in the belief that literature can be a force for good in society. This work takes time. Still, we will succeed and continue to make progress as long as we continue to work in solidarity.

I am grateful to the Board of PEN International at large, our Committee Chairs, all our fellow members around the world and our dedicated staff at the Secretariat. With the work we achieve together we assure that our mission to promote literature and defend freedom of expression under the most difficult conditions is being realised with a hope of a better future for humanity

I join my fellow Trustees in giving sincere thanks to our supporters, partners, and volunteers without whom the work reflected in this report would not have been possible.

Thank you for your help in making PEN International the vital organisation it is today.

Burhan Sonmez, President of International P.E.N.

The Trustees of International P.E.N. present their Annual Report and financial statements for the year ended 31 December 2022 under the Charities Act 2011, the Companies Act 2006 and Accounting and Reporting by Charities: 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 2019).

To ensure our reporting of activity and finances over the year is accessible to all, we have produced three documents:

- International P.E.N. Learning Report;
- PEN in Numbers explains some of our activity using statistics, including a simple guide to our finances; and
- This Annual Report, which features the Report of the Trustees and the audited financial statements.

All these documents are available on our website: <https://www.pen-international.org/who-we-are>

OBJECTIVES AND ACTIVITIES

International P.E.N. (commonly known as PEN International) stands at the intersection of culture and human rights. It is the foremost and largest association of writers. Founded in London in 1921, PEN operates today across five continents through 147 Centres in over 100 countries. It exists to promote friendship, fellowship, and intellectual co-operation among writers everywhere, regardless of their political or other views; to fight for freedom of expression and to defend vigorously writers suffering from persecution by oppressive regimes. It is a forum where writers meet freely to discuss their work; it is also a voice that speaks for writers silenced in their own countries.

PEN International works to promote the PEN Charter to ensure that people everywhere have the freedom to create literature, to impart information and ideas, to express their views, and to access the views, ideas, and literatures of others. We champion the freedom to write, recognizing the power of literature to transform the world. PEN works closely with a range of literary, cultural and free expression organisations to affect change on issues of common concern. As writers, PEN's members are uniquely placed to use stories to open minds and encourage dialogue. Our influence reaches leaders and communities – we engage them through creative voices and experience, we unite writers of influence globally to press for a world where writers and freedom of expression for all are fully protected; where languages and literatures are respected and celebrated; and where the free exchange of literatures and ideas build tolerance and understanding within and across borders.

PEN International celebrated its Centenary in 2021 and has long been recognised as a leading international charity and expert on freedom of expression.

PEN International is a non-political organisation which holds Special Consultative Status at the UN and Associate Status at UNESCO.

ACHIEVEMENTS AND PERFORMANCE

The objectives for 2022 followed the organisation's strategic plan 2020 – 2023, developed through consultations with the Board of Trustees and staff as well as the membership, and adopted at Congress in Manila, Philippines in 2019. PEN International's overarching goal is to promote and defend freedom of expression, literatures and linguistic diversity, and mutual respect and tolerance across borders. In order to pursue its mission we worked towards four central objectives:



Improving the situation of writers at risk who are displaced, imprisoned or otherwise persecuted

Throughout 2022 we continued to monitor and research violations of freedom of expression against writers and creatives across the world. Our research informed advocacy, solidarity actions and enabled the provision of humanitarian assistance including evacuation, relocation and asylum support.

Research and monitoring

PEN International's research and campaigning continued as the world emerged from the COVID-19 pandemic and witnessed the launch of the biggest ground war in Europe since the Second World War in the form of the unjustified assault on Ukraine by the Russian Federation. Conflicts around the world continued to pose extreme risks for those reporting on them especially in **Ukraine, Syria, and Ethiopia**. Repressive governments and nonstate actors acting with impunity in weak states marred by corruption and often with territory controlled by armed gangs continued to smear, threaten and attack, and sometimes kill, writers and journalists, seeking to expose these issues, with at least **68** writers and journalists killed or threatened, mostly in the Americas, Europe, Asia Pacific and the Middle East.

States in the Americas continued to see high levels of violence which also translated into high numbers of killings of journalists and writers, with **Mexico** leading the way as in previous years. British writer **Dom Phillips** was found dead in **Brazil** after he had disappeared while investigating the situation of a local Indigenous community. In **Myanmar**, a chilling return to the use of the death penalty saw writer **Ko Jimmy**,

who had been subject to an arrest warrant following his criticism of the February 2021 coup, among four activists who were executed by the military junta following a sham trial.

As highlighted by PEN International in its resolution passed in 2022 at its 88th Congress in Uppsala, Sweden, civic space, which has been under threat and shrinking for years, came under renewed pressure. Repressive new laws were passed and existing civil society organizations were closed down, including several PEN Centres, and forced to continue their work in support of the promotion of literature, peaceful debate, education for all and freedom of expression in exile. Other Centres, such as the Montenegrin PEN Centre, came under attack from officials during the year.

Across all regions, including in **Bahrain, Bangladesh, Belarus, China, India, Iraq, Iran, Kuwait, Morocco, Myanmar, Oman, Saudi Arabia, Spain, Sri Lanka, Türkiye, the United Arab Emirates (UAE), the United Kingdom, and Vietnam**, writers, journalists, and publishers have continued to be arrested, detained and often imprisoned for vaguely worded offences relating to national security, including 'giving false information' and espionage, as well as counterterrorism. Others in **Belarus, Guatemala and in the Russian Federation**, have faced trumped-up criminal charges, with smear campaigns and spurious sexual assault charges a notable pattern in **Morocco**. Criminal defamation and lèse-majesté laws, which are inherently incompatible with international free expression standards, were also used in many countries to harass or silence writers such as Roberto Saviano in **Italy**, as well as in **Egypt, Malaysia, Peru** (where criminal defamation provisions were expanded), and **Türkiye**. Others were judicially harassed with multiple or repeated lawsuits or onerous restrictions brought by private individuals or government officials for their investigative reporting or commentary on social issues, a phenomenon seen in **Azerbaijan, Bangladesh, Belarus, Peru, the Philippines, Türkiye, and Venezuela**. French- Turkish sociologist, feminist, writer, and PEN member **Pınar Selek** continued to face charges of which she had been acquitted four times, an apparent judicial vendetta against her. At the start of the year, as the Omicron COVID-19 variant spread like wild-fire across the world, writers in prison once again risked death and ill-health, particularly in countries where denial of adequate medical treatment to prisoners is common. Sadly, despite PEN's campaigning, prominent writer **Baktash Abtin** died in Iranian custody due to medical negligence, after authorities denied him urgent medical care following his second infection with COVID-19. Denial of adequate medical care was also a feature of the treatment of imprisoned writers in **Morocco**.

In Latin America, mainly **Cuba, Nicaragua and Venezuela**, writers continued to suffer violations from their commentary and participation in protests relating to their governments' responses to COVID-19. While most countries had lifted most restrictions on movement in 2022, **China** continued to operate a 'zero-COVID' policy until public discontent at the ongoing restrictions boiled over towards the end of the year. In the wake of rare and widespread demonstrations, dozens were reportedly detained for their participation and the government moved to censor references to demonstrations on social media, including with new regulations.

The continued rise of authoritarianism brought increased censorship of books and content, including online, where the internet and social media continued to be a battle ground for freedom of expression. Book bans – which have happened in the past – are on the rise once more in the **USA**. Discrimination against minorities, always an easy target when governments wish to create distractions from ongoing political and economic turmoil, reached levels of persecution amounting to crimes against humanity in some countries, with Uyghur writers and journalists among the thousands of victims of state repression in **China's** Xinjiang region. The fate of Uyghur academic **Rahile Dawut** held in secret detention since 2017 remains unknown. In Tibet too, similar methods of cultural assimilation risked eroding mother tongue education, with a number of writers serving long prison terms for their defence of their cultural rights. In **Türkiye**, many Kurdish writers and journalists are languishing behind bars on trumped-up terrorism charges, including writer and former co-chair of the pro-Kurdish Peoples' Democratic Party (HDP), **Selahattin Demirtaş**, despite the European Court of Human Rights twice ruling for his immediate release, as documented by PEN International's resolution on the repression of Kurdish language and culture in **Türkiye**.

Our research reflected a relatively low percentage of women writers persecuted in 2022, which is in many ways a reflection of the structural barriers that women face in pursuing a writing career. Nonetheless, our research demonstrated that when women do achieve their goals of becoming writers, they often face similar forms of persecution as men, whether being killed in relation to their work, in countries including **Chile, the Occupied Palestinian Territories and Mexico**; or prison sentences such as those imposed on novelist **Tsitsi Dangarembga** in Zimbabwe, and others in **Türkiye, Myanmar and Vietnam**. Activists such as **Nargess Mohammadi**, imprisoned in **Iran**, saw increased sentences imposed for their writings to document treatment of prisoners. At the same time, women writers also faced specific violations relating to their gender, such as hate and smear campaigns, as demonstrated by the threats received by writers in **Puerto Rico** and **Honduras**, or those placed under particular pressure to comply with governmental demands such as threats to arrest and prosecute other women activists in **Cuba**. The different and disproportionate impact of types of persecution meted out against women writers is an area of work PEN hopes to research in the future.

In 2022, PEN International's direct support to writers at risk remained as critical as ever. PEN International's response to deepening complexities at the grass roots movement and the global deterioration in indicators marking free expression over the last few years has required PEN International and its Centres to extend its interventionist lens in more proactive and practical ways. It has necessitated greater organizational agility, adeptness in institutionally broadening our practical interventions to support writers, as well as coordinated speed between the Secretariat and our Centres, to ensure greater protection to writers who are coming under resounding pressure.

Direct support

Direct support was provided to 55 writers through emergency grants of up to Euros 2,000 for humanitarian assistance. This includes for example those situations in which a writer needs to flee from their home country, where writers need medication (because of physical and/or psychological abuse, in prison or otherwise), or they are in other kinds of direct danger because of what they have written or published.

In 2022 the number of grants disbursed increased by almost 90% on 2021. The highest number of grants were awarded to writers from Myanmar followed by Ukraine, Türkiye and Uganda.

"We received the money transfer. Thank you again for your help. It is more important than ever for the cultural figures themselves and their families. It will help them considerably, both financially and morally. It is important for them to know that the international community remembers them"

PEN International has supported numerous requests for assistance from at-risk Afghan writers, poets, journalists, and others who now live precariously in neighbouring countries, with many facing risk of refoulement or exploitation due to their illegal residency status. PEN International successfully facilitated the emergency relocation and long-term resettlement of 57 vulnerable Afghans, comprising of PEN Afghanistan members and their families, to Germany and Switzerland. Furthermore, PEN International provided crucial financial support to several additional vulnerable Afghan writers, poets and other cultural workers who could not be relocated.

Overall, evacuation and relocation support was provided to writers from **Afghanistan, Cuba, Nicaragua, Uganda** – 122 persons including their dependents.

PEN International researched and monitored the cases of 115 writers globally documented in the PEN 2022 Case List. We ran six global campaigns – and published over 100 statements and calls to action on behalf of writers at risk garnering support on key cases and which contributed to the release of 4 writers (**Egypt, Iran, Myanmar and Türkiye**) and improvement in circumstances for scores more writers at risk.

Creating new spaces for literature, language, debate, dialogue idea and opinions

PEN provided platforms for debate around pluralism of ideas and perspectives, this included – inclusive spaces for minoritized groups particularly women and girls. PEN International has supported Centres initiatives through a rigorous application and evaluation process. These projects vary according to local needs, in which our approach is to support project ideas from the ground up, rather than imposing ideas from the top down.

PEN International has supported PEN Centres through our Civil Society Programme (CSP), to contribute to a dynamic and informed civil society, by creating spaces for creativity and dialogue, where ideas are shared and challenged and where expression in all its forms can flourish. The programme strengthens initiatives, which enhance the participation of women and minorities through campaigns and advocacy, literary events, festivals, and community outreach, educational support programmes, literary and research initiatives. Over the course of 2021 and 2022 PEN Centres in countries such as **Argentina, Belarus, Cambodia, Chile, Ecuador, Iraq, Malawi, Sierra Leone, Zimbabwe** have focused on themes such as cultural memory, promoting and protecting intangible forms of cultural heritage, access to local literatures, creative writing and critical thinking.

PEN Afrikaans – a flagship project

PEN Afrikaans has delivered a short story project comprised of three central components: an online creative writing course, a short story competition, and contributions to initiatives to boost reading and writing at under-resourced schools.

PEN Afrikaans has worked to create space for marginalised voices (as project participants) but also in engaging a diverse group of people to present the project (for instance, as course presenters, competition judges, sound producers, etc).

“PEN Afrikaans’s work demonstrates how PEN Centres can embrace PEN’s strategic objectives and implement in powerful ways to the benefit of local historically disenfranchised communities. Our work in driving literary based interventions enables PEN to engage in informed debate to broaden understanding, deepen learning and enhance social cohesion”

The project was driven by PEN’s broader strategic objective of embedding space for diverse literature and writing (in this case in Afrikaans), but also is driven by the broader context in which the government has paid limited attention to supporting creative writing and the arts. In responding to various disparities, the state has deprioritised its focus on the arts essentially meaning that engagement of disenfranchised communities in mainstream arts is at best sporadic. In its work with under resourced schools in addition to contributing contemporary, well-written and relatable books to reading nooks at five high schools, PEN Afrikaans produced a series of videos in which young writers spoke about the value of reading and writing. These videos are free to use by educators and facilitators dealing with learners at schools. The videos show young writers making an impact and an income from literature, a pipedream to some learners who may be struggling to have their basic needs met.

THE INVISIBLE CHILD

Our partnership with the Moomins, Tove Janson’s universal story the Invisible Child has enabled us to take one profound story, to different parts across the world and translate it into over eight indigenous languages. In enabling primary and secondary aged school children to critically engage in the Invisible Child, PEN Centres have been employing relevant school-based strategies to unpick how dominant societal discourses and ideologies around gender are reproduced through developing their critical thinking skills by developing empathy and fostering tolerance.

Through the facilitation, Centres have been working closely with selected groups of children to reflect on their awareness of various gender norms, their understanding of these issues, through revisiting and exploring the Invisible Child text, critically engaged and built a healthy foundation in response to broader social issues. In presenting the text, Centre facilitators tried to work with the children to show how it connected with their own lives. In exploring the text, facilitators worked closely with the children to demonstrate the nature of power relations through using various exercises. Centres involved: Chiapas (Mexico), Malawi, Sierra Leone and Zimbabwe. In early 2023 Afrikaans (South Africa) and Togo joined the project.

DIALOGUES ON WAR

On 24 February 2022, the armed forces of the Russian Federation carried out a full-scale invasion of Ukraine. Since then, appalled by the violence unleashed by Russian forces against Ukraine, the international community has been expressing solidarity with writers, journalists, artists, and the people of Ukraine, condemning the invasion and calling for an immediate end to the bloodshed.

Launched by PEN International in March 2022, together with PEN Ukraine, the Ukrainian Institute, and the Ukrainian Institute London [#DialoguesOnWar](#) is a series of conversations with Ukrainian and foreign intellectuals reflecting and sharing their observations on the experience of war – also providing a powerful antidote to Russian propaganda. Over the course of the year 40 episodes of Dialogues were produced reaching an audience of thousands – featuring PEN International President **Burhan Sonmez**, Vice President **Margaret Atwood**, Nobel Laureates **Orhan Pamuk** and **Olga Tokarczuk**, PEN Ukraine President **Andrei Kurkov**, and writers **Iryna Tsilyk**, and **Arundhati Roy**.

CONGRESS UPPSALA, SWEDEN

The annual PEN Congress offers an opportunity for the entire PEN community to gather and speak about our work, strategize and adopt policy positions, exchange experiences and ideas, celebrate writing in all its forms. Following a hiatus of 3 years due to the global pandemic, PEN held an in-person Congress, hosted in Uppsala by Swedish PEN from 27 September to 1 October 2022 - themed **THE POWER OF WORDS - Future Challenges for Freedom of Expression** - Congress brought together 381 participants - writers from over 107 PEN Centres. The Assembly adopted 5 [resolutions](#) on the critical situation in Cuba, and the war in Ukraine, the repression of Kurdish language and culture in Türkiye, the prosecution and extradition of Julian Assange, and the threats to freedom of expression and protection of civic space.

Over **20 events** including in bookshops, libraries, theatres and cultural houses on topics such hate speech, digital surveillance and the importance of freedom of expression and information in relation to climate change, war and post-conflict. Highlights included a powerful keynote speech by acclaimed American novelist and essayist **Siri Hustvedt** on words as catalyst for creation, action, propaganda, destruction, connection, freedom and emancipation; and a debate entitled *Ukrainian Literature Set Free* which reflected on the depth and complexity of Ukrainian literature- with Ukrainian writers **Andrei Kurkov**, **Lesyk Panasiuk** and **Daryna Gladun**, moderated by literary critic **Jenny Aschenbrenner**.

ADDRESSING STRUCTURAL THREATS AND BARRIERS TO FREEDOM OF EXPRESSION

Working with PEN Centres and civil society partners PEN International raised awareness of threats to freedom of expression with the United Nations, the Inter-American Commission on Human Rights and with national level authorities through submissions on Cuba and Nicaragua; campaigns, statements & letters concerning violations of Free Expression in the repression of Kurdish language and culture in Türkiye, Ukraine, Belarus, Russia, Afghanistan, Myanmar, China, Egypt, Palestine, Morocco, Bahrain/Eritrea, Rwanda, Uganda, Zimbabwe, Cuba, Nicaragua, Guatemala and Peru

The structural barriers faced by women in pursuing a writing career in **Ecuador, Guatemala, Honduras, Mexico** and **Nicaragua** were explored in PEN International and UNESCO's joint report [Women Seizing the Word](#), which found that only 30 per cent of authors in these countries are women. These barriers must be identified and broken down for women to have equal representation in the literary field.

EYE ON NICARAGUA

In responding to tightening repression of civil society in Nicaragua, including closure of our Centre and terminating the PEN Nicaragua website, PEN Nicaragua members, with support from PEN International and other partners (including PEN Argentina, PEN San Miguel and others), established an international observatory called the [Eye on Nicaragua](#), enabling it to recalibrate PEN Nicaragua's presence but also maintain a lens on continuing restrictions in the country.

PEN International which coordinates the Eye on Nicaragua (and meets every two months) has been vital to breathing momentum into ongoing advocacy efforts. Through the Eye on Nicaragua, and its advocacy efforts in partnership with sister organizations, it has played a critical part in continuing international and regional pressure on the authorities and maintaining [public visibility on freedom of expression issues in Nicaragua](#). It has also been paralleled with efforts to access various mechanisms including the European Union Commission in Nicaragua, the International American Court of Human Rights and specific UN rapporteurs in which PEN International has worked in collaboration to submit individual cases and thematic concerns - driven in part by the intervention of the UN High Commissioner for Human Rights earlier on in the year.

STRENGTHENING THE INSTITUTIONAL CAPACITY AND SUSTAINABILITY OF PEN, SO THAT THE MOVEMENT IS FULLY REPRESENTATIVE AND RELEVANT

Two new Centres - **PEN Sri Lanka** and **PEN Arman** were welcomed to the PEN family at PEN's Congress, bringing the total number of PEN Centers representing writers across the world to 145. **Regula Venske** was elected as International Secretary (PEN Germany), and **Beatrice Lamwaka** (PEN Uganda) and **Tanja Tuma** (PEN Slovenia) were elected to the Board. **Germán Rojas** (PEN Chile) was elected Chair, of the Writers for Peace Committee.

MAINSTREAMING GENDER AND DIVERSITY

GENDER AUDIT

In late December 2021 PEN International recruited an independent Consultant to evaluate to what extent gender was integrated into PEN's organisational culture, policy framework and research lens. In highlighting challenges, it reiterated the need for PEN's culture to reflect and proactively embrace a flourishing human rights culture, in which the principles of human rights are a "floor, not a ceiling." In unpicking the creative tension in PEN and its relationship with the parameters of a human rights-based approach, the auditor was clear that some change in policy and practise was needed internally to ensure PEN falls in line with the practise of mainstream human rights organisations. It also highlighted the tension in how PEN combines the freedom of the imagination and where necessary enforcing the basic standards of human rights.

"In this way, it is unlike other human rights organizations which report and campaign on the experiences of individuals facing violations of their rights: these organizations use words in their advocacy, but do not hold in the same regard the imaginative methods of telling the truth of how humans exist in this world. PEN Gender Audit, Lisa Gormley, May 2022"

In unpicking PENs strengths, it also centred on the identification of violence against women as censorship, which within the human rights world, she acknowledged to be an innovative contribution to mainstream discourse. This analysis by PEN International, the consultant highlights, has been taken up and developed by the UN Special Rapporteur on freedom of expression, in her [2021](#) report on women's rights and freedom of expression.

Following on from the audit (in which our novel contribution to understanding censorship was highlighted), PEN International hosted a workshop on gender, censorship, and creativity at [Safe Havens](#) to begin comprehending how creativity is impacted by censorship (including violence against women). Going forward, PEN International intends to draft a training course to train staff on how they can adopt appropriate gendered methodological approaches to scrutinising violations against writers and relevant standards within the human rights framework (particularly freedom of expression and the right to culture). This is particularly critical, given the context in which 21 of the 113 cases that we have monitored over the last year as part of our annual case list, are women.

POLICY DEVELOPMENT

At Congress the main contours of a draft sexual harassment policy were presented to delegates – during consultations on the policy over the last few months, PEN International identified gaps in the policy and how to strengthen it, including:

- ensuring a victim centred approach throughout its documenting process.
- defining the parameters of PEN International's interventions as distinct from its local Centres.
- how to support Centres in identifying and implementing their own robust practices which appropriately and consistently support the victims and maintaining impartial protocol.
- the remits of its investigative role and when to refer to external statutory bodies.

In creating ownership around our approach and the need to create a no-tolerance culture within PEN, we are developing a series of training courses on sexual harassment so that members can identify it, name it, and know how to initiate relevant protocols in line with our underlying approach of non-discrimination. Though not definitive, this training will represent the first round of engagement at a global level, with our Centres on how they understand sexual violence and within this, sexual harassment.

Following these workshops, at which we will have two trainers (one from within the region) our Gender lead, will work closely with Centres to ensure they develop tangible guidelines which can be adopted at the local level, and are harmonized with acceptable human rights practise. Once this has been established, we intend to see how we can develop the capacities of beacon centres to become ambassadors of the policy and represent it and the work that has been conducted in subsequent Congresses.

PLANS FOR THE FUTURE

Freedom of expression is a foundational right, on which other rights are dependent. Our response to the evolving nature of threats to this right is driven by external realities. Our barometer of how we need to respond is driven by the writers, our members and their ability to pursue their creative craft, whilst upholding this creative space for others. However, when it is their immediate safety and right to life that is threatened, we are compelled to prioritize this over all our other work so that we remain relevant and credible as a civil society player. Our constant challenge is to reflect and learn from what we do, strategically revisiting our work to ensure that we are maximizing our limited resources. In 2022 we began an internal review of our strategic objectives and undertook a comprehensive PEST and SWOT analysis to help reflect on plans beyond our current programme of work towards a new strategic plan 2024 – 2028.

International P.E.N. coordinates the activities of PEN Centres across the world in defence of freedom of expression and provides international support, research, policy development and programming to further this aim. The Charity Commission's RR12 declares: "there is an obvious public benefit in promoting human rights. For individuals whose human rights are thereby secured, the benefit is immediate and tangible. There is also a less tangible, but nonetheless significant, benefit to the whole community that arises from our perception that the fundamental rights of all members of the community are being protected."

In 2023, we will be updating our core governance practices so that they reflect standard good practice, as well as, a governance system that will improve overall communication. With the help of Clifford Chance (our pro bono Lawyers), we will understand and address the skills and effectiveness needed to maintain board professionalism. As part of the exercise with Clifford Chance, we will update our Governance codes and training curriculum to improve our boards' readiness to meet their obligations.

CRITERIA FOR MEASURING SUCCESS

International P.E.N. has a diverse framework for measuring its impact effectiveness. Linked to the organisational log frame, qualitative and quantitative indicators are recorded through tracking tables, case studies, focus groups and questionnaires. These are used to determine the effectiveness and appropriateness of activities. Our approach aims to be participatory and adaptable in order to understand the impact of PEN's work across the organisation by bringing the voices of writers and members working in a variety of contexts together, to build a comprehensive picture of PEN's work. Lessons learnt, including from achievements and challenges, are fed into planning and to strengthen the work going forward.

With PEN Centres participating in our Civil Society Programme, we have sought to build strategic coherency and capacities, we have worked through inclusive and detailed planning (including gender and diversity mapping); cultivating ownership over the work and more broadly strategic outcomes and building the relationship through learning – in which our relationship between the Centres and the Secretariat is constantly being reviewed through learning, transformation and unlearning.

Meaningful feedback and honest analysis is at the core of our system, as is our means of capturing data which harnesses the strength of PEN as an organisation of writers who can tell stories of change.

Programmes are subject to external and independent evaluations when required by funders.

FUNDRAISING STRATEGY FOR BUILDING PEN'S SUSTAINABILITY IN THE LONG TERM

International P.E.N. saw an increase in the number of individuals contributing to its work in the year. This has led to an increase in regular giving income, though there has been an overall fall in donations from supporters of £101k compared to 2021 as that year saw a significant number of unrepeated major donations due to the centenary. While individuals and institutions continue to be our main source of funding to invest in human rights work, income source diversification continues to be critical in the current climate. We plan to do this by focusing on building income from major gift sources, legacies and foundations.

To coincide with our global campaign on Day of the Imprisoned Writer, and to seek funds to meet the growing demands for our support from writers at risk we launched our very first GoFundMe [crowdfunding campaign](#) in November 2022. The initiative raised £27k by year end through 98 donations, we attracted around 90 single donors (some gave more than one donation); 25 of these were already known to us (staff/family/members). Importantly we received support from 65 new donors, and their contribution totalled around £15,000 of new income. Voluntary income accounts for much less of our income, although it remains important to our identity and to our sense of partnership with supporters and communities. It is for these reasons that we seek to grow this area of funding.

We have reviewed and strengthened our fundraising proposition and case for support to show the impact fundraised income can have on human rights. International P.E.N.'s strength lies in the fact that it is a global movement of people who stand up for freedom of expression and human rights.

International P.E.N follows a set of six fundraising principles, which we use to guide our fundraising policy and strategy. These principles lay out our commitment to our supporters and members

- Our fundraising respects and protects our independence, and mission
- We fundraise with integrity
- We work in partnership with those who support us
- We value and respect our supporters
- We fundraise with courage
- We are transparent in our fundraising and use of funds

Our fundraising activity complies with all relevant legislation and regulation, including the UK General Data Protection Regulation and the Privacy and Electronic Communications Regulations 2003. We also comply with the Code of Fundraising Practice.

ORGANISATIONAL UPDATE

In 2022 PEN International was able to stabilise its situation following several years of financial challenges aggravated by the global pandemic. A series of deep cuts to our operations including redundancies, and reduction in working hours as well as efforts to streamline and prioritised our work has enabled the organisation to end the year on a more promising footing. In 2022 most staff returned to their normal hours a time when the onslaught on freedom of expression plummeted to unforeseen depths.

Staff wellbeing - *"We have an inspiring mission and so our work is inspiring ... people are supportive, and solidarity exists [in the team] ... but work overload can impact this."*

PEN International successfully sought a 3 year accreditation by Investors in People, who have over the last year held in depth consultations with staff.

'We are pleased to accredit PEN International; this small team of deeply committed, skilled and knowledgeable people have come through a difficult period and have strong aspirations for the development of PEN, the team and themselves. We understand that financial constraints have limited what can be done to better resource PEN's work and develop capability. But this has not stopped incremental improvements in governance, communication and engagement, and the development and improvement of business processes. And the recommendations made in our last assessment have been acted upon or are in progress.'

We operate a pay and reward policy that aims to attract and retain the best talent needed to take forward our ambitious strategic objectives globally. We ensure that all elements of pay are fair and transparent and easily understood by our employees. We periodically undertake benchmarking exercises, using established salary surveys, to help set our pay rates.

International P.E.N. is a Living Wage accredited employer, meaning all our staff and contractors are paid at least the Living Wage. We aim to develop a well-led workforce within the organisation that is structured for good performance and supports continuous improvement and staff well-being.

Our regular staff meetings which bring colleagues together to discuss strategy were very well received; people welcomed the connectivity this offered the remote working team and the opportunity for collaboration. Following on from the review of our work, the sharing of challenges is being used to reset priorities and help people create realistic work programmes. Addressing workload and encouraging healthy work boundaries will be fundamental priorities.

Communication needs further work as it does in most organisations, let alone one which is spread thinly across multiple international locations and communities. Leadership and management development is a recognised priority and the clarification of the respective operational and strategic roles of the board and the leadership team is a welcome development for the wider team.

We will streamline HR processes by developing a more integrated IT system, which staff are using. There are several policies we are developing with a training and implementation plan to include Trustees and staff to improve our workplace culture.

MOVING PEN INTERNATIONAL OPERATIONS ONLINE

In late 2022 following consultation with staff, the Board of Trustees took the decision to take PEN International operations online. In light of staff continuing to work remotely, and to further PEN's financial resilience the Board decided to make additional savings and to relinquish PEN's office in Central London. Whilst we hope this will be a short-term necessity, the savings will enable PEN to build its financial resilience.

The decision to move to online operations was reached after consulting sister organisations which had experience of creating digital offices. Learning shared has helped PEN International to plan how to keep employees engaged and mitigate isolation of working remotely through convening of regular in person meetings to encourage sharing and learning, retain motivation and organisational culture.

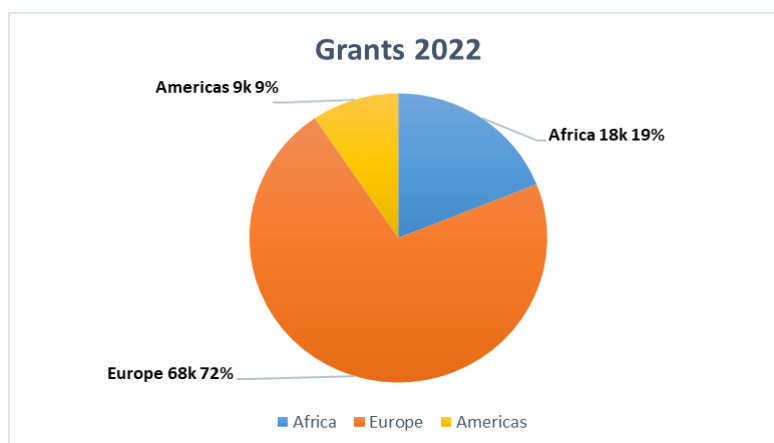
We invested in technology improvements to support fully remote working and meetings more effectively with a blend of in-person (if needed) and online participation.

GRANT-MAKING

Grant-making continues to be a core aspect of our charitable work. During the year, majority of our civil society grant activities were done virtually with little travel and few in-person activities. We awarded a total of £95k in grants through our civil society programme (CSP) (2021: £150k). Grants to Europe included £55k to Svenska PEN for the PEN/Opp.

Grants-making allocated by continent:

- Africa - £18k
- Americas - £9k
- Europe - £68k



OUR FINANCE

In order to support our development and growth we continue to review our financial plan to ensure we are growing our turnover, and surpluses, and becoming reserve resilient. Following the Board of Trustees approved of our three year financial strategy in 2021, we have adopted and transformed our financial outlook in the last two years. The fallout of the pandemic, cost of living crisis and the global fundraising challenges created a financial operational risk but with strong scenario planning, we redoubled our focus on effectiveness and efficiency savings across our operations.

As part of the strategy, we have been able to achieve the below outcomes:

- A balanced portfolio of fundraising activities, which is diverse, manages risk and delivers growth in net income
- Improved income generation in a way that is consistent with our commitments to our charitable object and is consistent with relevant regulation and legislation
- Operational unrestricted surplus contributing towards our sustainability, resilience and reserves capacity building;
- Developed a framework of continuous improvement which supports our risk management assessment, safeguard our assets, and our planned partnership negotiations with Sida.

FINANCIAL REVIEW

The Trustees of International P.E.N. present their Annual Report and financial statements for the year ended 31 December 2022 under the Charities Act 2011, the Companies Act 2006 and Accounting and Reporting by Charities: 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 2019).

International P.E.N.'s main sources of income arise from our charitable activities in three main business areas; Advocacy, Freedom of expression and Writers at risk. Income from these areas are made up from a mixture of grants, member dues, circles, and donations. Recognised income for the year was £1,539k (2021: £1,784k). The largest proportion of our income is from SIDA (*Swedish International Development Cooperation Agency*) (2022: £696k; 2021: £842k). In addition, we received £843k in grants, donations and earned income (2021: £942k).

Despite the decrease in turnover, after interest charges and investment performance the overall surplus on unrestricted funds for the year was £6k (2021: £14k). In 2022, we continued to face a challenging investment market, our net investment performance wasn't favourable in the year. Positively, we are now seeing a bounce back in investment performance in quarter one of the new financial year.

In the year, we incurred centenary expenditure of £9k (2021: £39k) consisting of website cost and book cost of sales.

We maintained a stable cash position in the year. We have mitigated some risk to our income-earning activities by implementing a broad business full cost recovery model with diversified income streams.

We anticipate that we will have more unrestricted donations and grant commitments in place to meet the future costs of our programmes and it is not expected that we will have any issues with working capital over the next 12 months as the Trustees have mobilised their efforts on fundraising. A decision was made by the Board to develop a Philanthropic Advisory Group (PAG), giving us the opportunity to increase our income.

We maintain sufficient reserves to enable us to fulfil the objectives of the organisation. These reserves are held in a combination of both fixed and current assets including an investment portfolio managed on the board's behalf by our investment managers Swissquote.

RECOGNISED INCOME

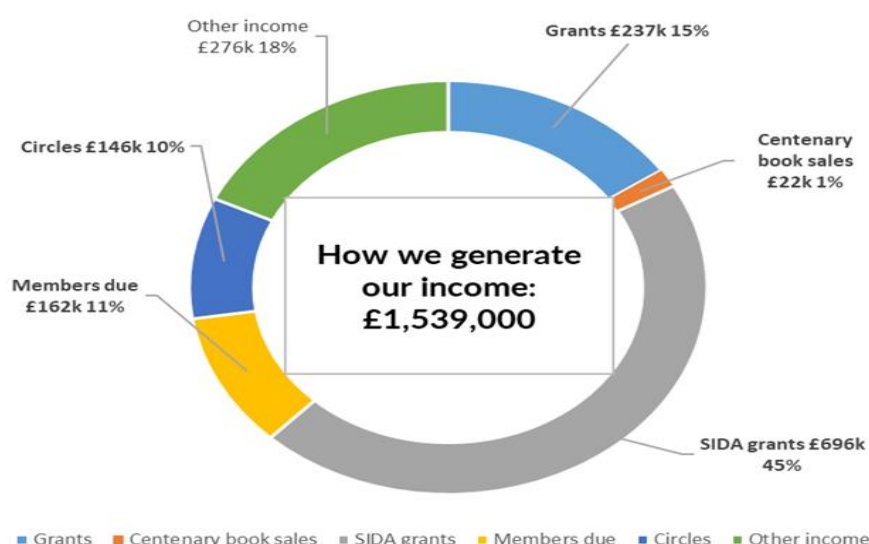
International P.E.N. is grateful to its donors for their generous support in assuring its income of £1,539k during 2022 (2021: £1,784k), a decrease of 14% over the previous financial year. The unrestricted income in 2022 was £584k, an increase of 13% on 2021, while the restricted income was £955k a decrease of 25% on 2021 (due to centenary donations).

Other principal restricted funding sources for 2022 include Sida, the Norwegian Ministry of Foreign Affairs, Fritt Ord Foundation, Sigrid Rausing, National Endowment for Democracy and the Banyan Tree Foundation.

The funds from these donors go towards our research and policy work, civil society projects and the defence of writers at risk.

Our main sources of unrestricted income are the membership dues and the subscriptions to our Circles.

Regconised income: January 2022 to December 2022



MEMBER DUES

Membership dues are paid by centres and individuals, the dues contribution of our centres to the work of International P.E.N. is essential – it not only helps support PEN's work internationally but demonstrates the commitment of PEN members to support its important work world-wide. At present, the community of PEN, through the dues collected by centres and the publishers, writers and readers circle contributes 23% of the annual budget of International P.E.N. Centres pay their membership dues on a yearly basis to International P.E.N. according to the numbers within their own membership. Each individual member of PEN pays dues both to the local centre and to International P.E.N.

The contribution of Centre dues is made according to the GDP of the country, in according to four categories: £14.40, £10.35, £5.75 and £3.45 (respectively per member per year).

CIRCLES

These are the Publishers, Writers, Readers and Screen Circles. Income from the Circles increased in 2022. The Trustees recognise the need to grow this basis of unrestricted income and have put plans in place within our new three years financial strategy to grow the Circles in 2021-2023.

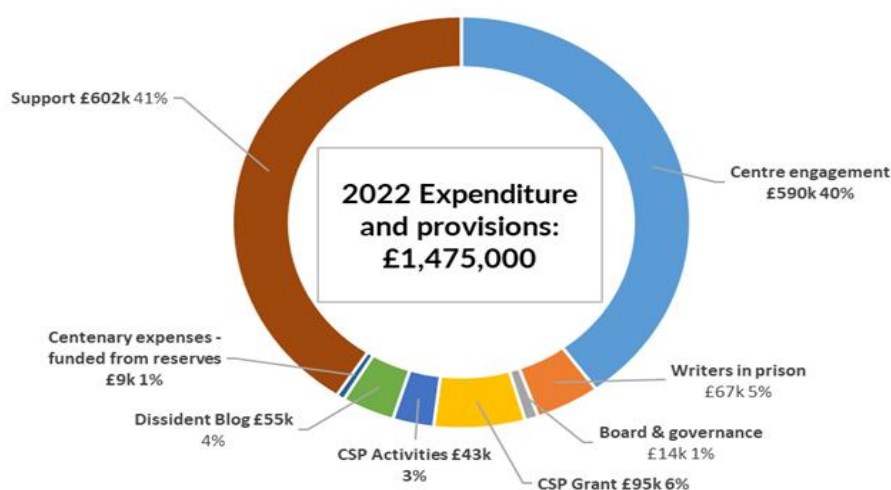
EXPENDITURE

Total expenditure was £1,475k (2021: £1,803k), a decrease of 18%. Expenditure was tightly controlled throughout the year to try to achieve an overall surplus to rebuild reserves and future sustainability. The main items that make up this amount include:

- Total staffing costs (including recruitment, training and consultant) 64%;
- Centenary costs including staffing 1%;
- Overall support costs, administration, finance, communications (core costs) 35%.

Employment costs remained by far the highest single item, totalling £758k (directly employed staff and consultants).

Expenditure: January 2022 to December 2022



VALUE FOR MONEY

Providing value for money is vital for any charity. Ensuring that we don't compromise on quality while ensuring we get as much as we can for our money, means spending less, spending well and spending wisely. A focus on value for money is an objective that all staff are now aware of. Every role has a requirement to think about the value for all orders they are placing, questioning costs they believe to be too high, and getting multiple quotes for purchases.

By looking at value for money we want to make sure that:

- What we do is relevant and leads to benefits for our centres (spend wisely)
- How we work is efficient and effective, so we don't waste time or money (spend less)
- We get a good return from what we spend and make wise choices (spend well)

NET SURPLUS

The overall financial result for the year ended 31 December 2022 shows a surplus on unrestricted funds of £6k compared to a surplus of £14k in 2021. In 2023, we will continue to focus on increasing our business resilience, stability and financial sustainability, while also working to rebuild our reserves and manage risks.

STRUCTURE, GOVERNANCE AND MANAGEMENT

PEN is a charity that was first set up in 1921. Since 2006, the activities of PEN have been undertaken through a charitable company, limited by guarantee. International P.E.N.'s governing document is the PEN Charter and its Constitution; International P.E.N.'s members are the PEN Centres meeting once a year as the Assembly of Delegates at PEN's annual Congress.

We have a Board of up to 10 Trustees which includes the International President, International Secretary, and the International Treasurer:

- elected officials of International P.E.N. are nominated by at least 2 Centres;
- nominations and the election process is managed by the Search Committee; and
- two additional co-opted members are openly recruited by the other Trustees against a skills-needs audit.

The Board is responsible for setting the organisation's strategy, reviewing and adopting the budget and financial reports.

The Search Committee of the Assembly of delegates oversees trustee recruitment.

Candidates are provided with a job description and are required to submit in writing a biography and a signed letter of acceptance of nomination, with a statement of intent. The deadline for submission of nominations is 3 months in advance of Congress. Centres eligible to vote must have paid their membership dues to International P.E.N. and each Centre has one vote. The secret ballot is managed and overseen by the Search Committee.

International P.E.N.'s Trustees have been elected at Congress (the annual meeting of the Assembly of Delegates). The responsibilities of the Board of International P.E.N. have been defined by its constitution. Trustees can serve up to two three-year terms of office.

The list of trustees who served during the year and up to the date of approval of the financial statements has been provided below:

Trustees

Burhan Sonmez, president/chair
Iman Humaydan, deputy chair
Eric Lax, International Treasurer
Regula Venske, International Secretary (appointed 7 Oct 2022)
Kätlin Kaldmaa, International Secretary (departed 7 Oct 2022)

Elected Trustees

Beatrice Lamwaka (appointed 7 Oct 2022)
Danson Sylvester, Kahyana (departed 7 Oct 2022)
Francis, David Warwick
Jose Gabriel Seisedos
Ola Larsmo
Salil Tripathi
Tanya Tuma (appointed 7 Oct 2022)

Trustees are not paid.

New Trustees are introduced to PEN with a formal induction programme. We also provide on-going training, based on periodic skill assessments.

The names of all those who are currently Trustees or who served as a trustee during the year to 31 December 2022 are set out above. Further information on our current Trustees is available on our website (<https://www.pen-international.org/who-we-are>).

The Trustees delegate the day-to-day running of PEN to the Executive Director (ED). The work of the ED is guided by three sub-committees of the Board, each one chaired by a Trustee:

- **Finance Committee:** oversees the management of risk and finance and supervises the appointment of independent auditors;
- **Fundraising Committee:** develops and monitors the fundraising strategy of the organisation, partnership building and long-term sustainability; and
- **Centres Committee:** analyses the situation of all PEN Centres, intervenes in centre disputes, prepares new PEN Centres' candidatures to be presented at the assembly of delegates for approval, proposes dormancies and closures of centres to the assembly, and deregistering centres who have ceased to exist.

As part of our Human resource development and staff remuneration, PEN is committed to ensuring that we pay our staff fairly and in a way that ensures we attract and retain the right skills in order to have the greatest impact in delivering our charitable objectives. Delivery of our charitable vision and purpose is primarily dependent on the performance and efforts of our staff, which is the largest single element of charitable expenditure. We aim to recruit, subject to experience, towards the lower point within a salary band, providing scope to reward for excellence and growth within the role. We do not employ interns without pay. We pay at least the London Living Wage for all our staff and are committed to encouraging our suppliers do the same. PEN evaluates each post against other posts in PEN and market comparators to arrive at salary rates based on a consistent and transparent process, designed to offer a

fair pay framework for all salary assessments and decisions. The pay structure is reassessed on an annual basis. All staff confirmed in post are subject to regular performance conversations, at least annually but quarterly is strongly encouraged. As part of our HR review and staff engagement, we have been awarded an Investors In People accreditation indicating a step in the right direction to enhance our workforce.

We are still in the process of implementing our current governance structure as a basis to develop and monitor a newly developed governance framework, Trustees recruitment, Trustees induction, Code of Conduct.

Our **Centres** are legal members of our limited company, playing an important legal formal and informal role in our work. PEN Centres are voices for literature and freedom of expression in their respective countries. A full list of current Centres is available on our website (<https://pen-international.org/centres>) or by request.

International P.E.N. is committed to upholding its organisational culture in line with the seven overarching principles of the Charity Governance Code 2017: Organisational Purpose; Leadership; Integrity; Decision Making and Controls; Board Effectiveness; Diversity; and Openness and Accountability.

The Executive Director manages the office supported by a Senior Management team comprised of Finance, HR and Administration Director.

The Senior Management Team is responsible for and provides oversight of the delivery of PEN's strategy and programmes, human resources functions and ensuring compliance with Charity Commission guidelines, good governance, budgetary and funding requirements.

KEY MANAGEMENT PERSONNEL

The President, International Secretary and International Treasurer meet confidentially to discuss the performance and achievements of the charity during the year in order to determine suitable remuneration for key management personnel. Their recommendations are then put forward to the Trustees for discussion and approval.

RISK AND INTERNAL CONTROLS

Risk management is an integral part of our governance. We identify and address our key strategic risks in order to mitigate their likelihood and impact. There are two levels to the risk and assurance process. Our strategic risk approach is designed to identify the key risks which could prevent P.E.N. from achieving its strategic objectives. It also identifies the assurance processes which we have in place to mitigate these risks and any outstanding actions around these assurance processes.

We also have considered operational risks which underpin the strategic risk framework, dealing with a greater number of potential risks at a more detailed level.

This continues to be done at a Board and senior staff level by maintaining an organisational Risk Register that identifies the key organisational risks.

The Trustees continue to review the risks facing PEN, the controls in place and the effectiveness of mitigating actions. International P.E.N. has a risk register which records risks and how they are mitigated, including (but not limited to) our income, assets, management, staff, partners and beneficiaries, reputation, financial controls and governance. This risk assessment process identifies the strategies that are already in place to minimise risks, along with any further actions that may be required to mitigate them. The Trustees delegate risk management to the Executive Director and Finance, HR and Administration Director.

PEN has a comprehensive insurance policy, reviewed annually, and currently provided by Aston Lark Insurance. The Trustees consider all aspects of risk and assurance and are supported in this by the work of the Finance Audit and Risk Sub-Committee.

The major strategic risks of P.E.N., together with plans and strategies in managing these risks, are shown in the table below.

Risk	Current mitigating actions
Financial Stability Funding targets not met. <i>(delivering the strategy in a way that safeguards our financial sustainability)</i>	- Board take strong lead in fundraising and new fundraising strategy - Continued outreach to publishers to increase membership of Publishers', Writers and Screenwriters Circles - New funding streams legacy and crowd funding explored - Head of Development to continue pursuing Trusts and Major Donor fundraising strategy - In discussions with Sida as we complete funding cycle (end 2023) and prepare for new bid 2024 - 2028
People and Development Effectiveness of Senior Management Team (SMT)	- SMT review of roles and responsibilities review of JD as untenable workloads and weak organisational processes reasons for departures of Directors with support from INTRAC - Consultations with the Union - Board approve process for recruitment and their involvement
Financial Stability Mismanagement of disbursed project funds to centres	- Improved disbursement of funds authorisation processes - Quarterly skype calls with Centres on project delivery and to build centre relationships over time 3 - 6 monthly reporting on projects and auditing - Bribery and corruption policy shared, whistle-blower and procurement particularly for those involved in Civil Society programme
Reputational Reputational damage due to politicisation or Centres acting contrary to the PEN Charter	- Centre Development strategy for problematic PEN Centres - Board/SMT take action/missions to engage with Centres whose message is out of line with PEN Charter and human rights norms. Monitoring of Centres -review for closure of dormancy
Strategy and Operational Delivery Dramatic change in international support for freedom of expression demotivation and slows the PEN's ability to deliver its goals.	- Campaigns and advocacy to be more focused and underpinned by robust research – and strong media campaigns - Ensure that individual writers/Centres can advocate on issues of concern to them both at national and international levels – dialogue and debate needed more than ever – role of the writer as thought leader to counter push of authoritarianism - Build relations with key actors in human rights and culture fields and allies at the national level

Strategy and Governance Effectiveness of International Board and Committees	• Board now taking lead in strategy setting including the process • Board positions under 3 year election cycle • At least two in person Board meetings per year • Co-opt members (2) of the Board under review
Operational Delivery Analysis of risk for local PEN Centres organizing events prior, during and after the event. Analysis of risk of unintended harm/negative effects for local partners of PEN missions (common risk analysis of conflict dynamics with other NGOs for common missions)	• Risk assessment in context for each PEN meeting/mission, including unintended negative effects for staff & local Centres • Consultation with Centres & NGO partners prior to PEN missions taking into account conflict dynamics • Collaboration with UN bodies in context of meetings in areas of concern for freedom of expression

OTHER MATTERS

INVESTMENT POLICY

The Trustees commissioned Swissquote as our broker during the year. At present, we have investment of £82k (2021: £242k) held with the company.

In making any financial investment, P.EN.'s policy requires consideration of:

- **Minimisation of risk** - The overall investment objective of PEN International is to maximize the return on invested assets while minimizing risk and expenses. PEN International seeks to achieve this through prudent investing and planning, as well as through the maintenance of a diversified portfolio
- **Liquid risk:** Invested funds to be kept liquid to allow them to be called upon as necessary
- **Balancing income and capital returns:** The assets should be managed to at least maintain the real capital value of the funds invested, whilst generating a sustainable level of investment income to support the current charitable activities

As part of our financial strategy, we are looking to create a policy for longer term investment of PEN's reserves in order to spread risk and ensure PEN's financial sustainability.

At 31 December 2022, the only form of investment held by P.E.N. was funds held with Swissquote in mutual bonds and single securities, included in the accounts within fixed assets.

GOING CONCERN

The Trustees are aware of International P.E.N.'s contract term with Sida coming up for review. At the end of 2022, PEN International completed the third of a four-year programme of support from the Swedish International Development Agency (Sida). During 2022 PEN International maintained strong links with its most significant institutional supporter. The annual review meeting with Sida was held in January 2023 to discuss PEN's work in 2022 – the meeting was very positive and feedback from Sida was very encouraging on the progress of PEN's work. The trustees are confident that sufficient funding will be continued at the same level with Sida and other funders to support our current level of activities in the future.

As part of the going concern assessment by the Trustees, they have reviewed our financial position and financial forecasts, taking into account the level of reserves and cash, the effects of the pandemic, the cost-of-living increase and our systems of financial control and risk management.

As a result of this and an ongoing review of operational and staffing costs, the Trustees believe that we are well placed to manage operational, financial and cost of living risks successfully.

We have started discussions with Sida on another long-term strategic partnership to ensure the continuation of Sida support beyond 2023. As part of this process, we have agreed with Sida to conduct an internal audit of our processes, controls and systems in October 2023 as the first of our consultation.

The management has determined that the actions that it has taken are sufficient to mitigate the uncertainty around any reduced level of funding and has therefore prepared the financial statements on a going concern basis as it has a reasonable expectation that P.E.N. will continue in operational existence for the foreseeable future.

TREASURY POLICY

The Trustees set aside available funds from our income to pay for anticipated costs. The Trustees also set aside a small amount each year, when income is strong, to allow for some flexibility in periods of economic downturn. In order to protect our charitable projects from the loss of short-term funding, a target for a minimum level of reserves has been set at three months' grants receipts and expenditure for project delivery.

Undesignated reserves amounted to £51k as at 31 December 2022. This is below target for the year. However, the shortfall in funds has been built into a strategic financial recovery modelling for the next three years. This policy is reviewed every year.

RESERVES POLICY

Like many other charities P.E.N has a reliance on a small number of income sources. It is important that, however unlikely it may be that these sources all suddenly cease, we plan to hold sufficient reserves to meet our obligations and needs. In this respect, P.E.N remains positive in building resilient reserves that are strong and healthy.

The trustees set aside available funds from our income to pay for anticipated costs and for planned designated activities.

The Trustees recognise the need to hold sufficient reserves to allow protection of core activities in the event of any income shortfalls to implement long-term strategic programmes and enable International P.E.N. to carry out its essential projects.

The policy aims to have sufficient free reserves to enable International P.E.N. to cope with fluctuations and to hold at least the equivalent of three months' budgeted operating cost expenditure.

Total reserves at 31 December 2022 were £546k (2021: £488k) Restricted reserves held in 2022 were £471k (2021: £415k) and unrestricted reserves were £75k. Of this £24k were designated reserves while the reserves were £51k (2020: £45k).

The value of net assets in future years is projected to reduce/increase in the light of budgeted deficits/surplus and investment in our financial strategy. However, P.E.N remain strong as a 'going concern'.

Restricted reserves are those funds that have been received for particular purposes and projects and are shown in detail in note 16.

Even though general fund is low, we are still able to meet our free reserves target level implied by the current reserves policy, which seeks to build reserves up to three months' operating expenditure. The Finance Subcommittee of the board will continue to monitor closely the reserves position with quarterly reviews. This policy is reviewed every year.

FUNDRAISING

Our Head of Development ensures we follow best practice for charitable fundraising, active participation in fundraising regulation and compliance with the most recent codes of conduct. We continue to regularly review our policies and processes to check they are periodically refreshed, in particular with reference to our ongoing major fundraising campaign as part of our centennial.

In particular, P.E.N:

- ensures adherence to the Code of Fundraising Practice;
- employs due diligence to ensure that significant financial contributions from, and partnerships and agreements with, individuals and organisations comply with legal, ethical and best practice regulations and guidance;
- does not use professional fundraisers;
- ensures that the charity's fundraising practice complies with all data protection regulations and best practice guidance.

VOLUNTEERS

International P.E.N. is immensely grateful to the volunteers who contribute to our campaigns and communications work as well supporting our International programmes team with media monitoring on freedom of expression issues. Their skill, time and dedication helps us achieve our goals while offering them an opportunity to learn and gain experience in a field of work that has growing relevance in our world today.

AUDITOR

Our auditor, HW Fisher LLP, has indicated a willingness to continue in office and it is proposed that the firm be re-appointed as auditor for the ensuing year.

DISCLOSURE OF INFORMATION TO AUDITOR

In so far as each of the Trustees is aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- each of the Trustees has taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Signed on behalf of the Trustees

B Sonmez
Burhan Sonmez

Eric Lax
Eric Lax

President

Treasurer

05 May 2023

The Trustees (who are also directors of International P.E.N. for the purpose of company law) are responsible for preparing the report of the Board of Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires Trustees to prepare financial statements for each financial year that give a true and fair view of the state of the affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006 and regulations made thereunder.

They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of the financial statements may differ from legislation in other jurisdictions.

OPINION

We have audited the financial statements of International P.E.N (the 'charity') for the year ended 31 December 2022 which comprise the statement of financial activities, the statement of financial position, the cash flow statement and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2022 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

OTHER INFORMATION

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other

information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the report of the board of trustees, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the report of the board of trustees have been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the report of the board of trustees.

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

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

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material

misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

As part of our planning process:

- We enquired of management the systems and controls the charity has in place, the areas of the financial statements that are most susceptible to the risk of irregularities and fraud, and whether there was any known, suspected or alleged fraud. The charity did not inform us of any known, suspected or alleged fraud.
- We obtained an understanding of the legal and regulatory frameworks applicable to the company. We determined that the following were most relevant: the Charity SORP, FRS 102, Charities Act 2011, Companies Act 2006.
- We considered the incentives and opportunities that exist in the charity, including the extent of management bias, which present a potential for irregularities and fraud to be perpetuated, and tailored our risk assessment accordingly.
- Using our knowledge of the charity, together with the discussions held with the charity at the planning stage, we formed a conclusion on the risk of misstatement due to irregularities including fraud and tailored our procedures according to this risk assessment.

The key procedures we undertook to detect irregularities including fraud during the course of the audit included:

- Identifying and testing journal entries and the overall accounting records, in particular those that were significant and unusual.

- Reviewing the financial statement disclosures and determining whether accounting policies have been appropriately applied.
- Reviewing documentation such as the charity's board minutes, and correspondence with solicitors, for discussions of irregularities including fraud.
- Assessing the extent of compliance, or lack of, with the relevant laws and regulations.
- Testing key income lines, in particular cut-off, for evidence of management bias.
- Assessing the validity of the classification of income, expenditure, assets and liabilities between unrestricted, designated and restricted funds.
- Obtaining third-party confirmation of material bank balances.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements even though we have properly planned and performed our audit in accordance with auditing standards. The primary responsibility for the prevention and detection of irregularities and fraud rests with the trustees of the charity.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

USE OF OUR REPORT

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose.

To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Andrew Rich

Andrew Rich (Senior Statutory Auditor)

for and behalf of HW Fisher LLP

Chartered Accountants

Statutory Auditor

Acre House

11-15 William Road

London, NW1 3ER

05 May 2023

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	Note	General funds £'000	Designated funds £'000	Restricted funds £'000	Total 2022 £'000	Total 2021 £'000
Income						
Income from charitable activities						
Donations and legacies	3	438	-	-	438	539
Charitable activities	4	146		955	1,101	1,245
Total income		584	-	955	1,539	1,784
Expenditure						
Expenditure on						
Cost of raising funds						
Expenditure on fundraising and publicity		5	-	-	5	20
Expenditure on charitable activities						
General advocacy and support	5	455	4	840	1,299	1,442
Writers in prison	5	112	-	59	171	341
Total expenditure on charitable activities		567	4	899	1,470	1,783
Total expenditure		572	4	899	1,475	1,803
Net gain / (loss)	23	(6)	-	-	(6)	(3)
Total net (income)/expenditure before transfers		6	(4)	56	58	(22)
Transfers between funds		-	-	-	-	-
Net (income)/expenditure after transfers/ Net movement in funds		6	(4)	56	58	(22)
<i>Reconciliation of funds</i>						
Balances brought forward at 1 January 2022		45	28	415	488	510
Balances carried forward at 31 December 2022	19	51	24	471	546	488

All gains and losses recognised in the year are included on the Statement of Financial Activities.

The accompanying notes form part of these financial statements.

Comparative year – 31 December 2021

	Note	General funds £'000	Designated funds £'000	Restricted funds £'000	Total 2021 £'000
Income					
Income from charitable activities					
Donations and legacies	3	408	-	131	539
Charitable activities	4	107	-	1,138	1,245
Total income		515	-	1,269	1,784
Expenditure					
Expenditure on					
Cost of raising funds					
Expenditure on fundraising and publicity		20	-	-	20
Expenditure on charitable activities					
General advocacy and support	5	268	4	1,170	1,442
Writers in prison	5	208	2	131	341
Total expenditure on charitable activities		476	6	1,301	1,783
Total expenditure		496	6	1,301	1,803
Net gain / (loss)	23	(3)	-	-	(3)
Total net income/(expenditure) before transfers		16	(6)	(32)	(22)
Transfers between funds		(2)	2	-	-
Net income/(expenditure) after transfers/ Net movement in funds		14	(4)	(32)	(22)
<i>Reconciliation of funds</i>					
<i>Balances brought forward at 1 January 2021</i>		31	32	447	510
Balances carried forward at 31 December 2021	19	45	28	415	488

	Note	£'000	2022 £'000	2021 £'000	£'000
Non-current assets					
Tangible assets	13a		11		15
Investment	13b		82		242
			93		257
Current assets					
Stock		124		129	
Debtors	14	206		196	
Cash at bank and in hand		235		228	
		565		553	
Creditors:					
amounts falling due within one year	15	(112)		(322)	
Net current assets			453		231
Total assets less creditors			546		488
The funds of the charity	17,18,19				
Unrestricted funds					
Other charitable funds			51		45
Designated funds			24		28
			75		73
Restricted funds			471		415
			546		488

05 May 2023

Approved by the Trustees on

and signed on their behalf

Eric Lax

Eric Lax, Treasurer

B Sonmez

Burhan Sonmez, president

	Note	2022		2021	
		£'000	£'000	£'000	£'000
Net cash outflow from operating activities	20		(141)		56
Cash flows from investing activities					
Payments to acquire fixed assets	13a	(1)		(2)	
Disposal of Investment		141			
Payments to acquire investments		(1)			
Cash withdrawn from portfolio		9			
Total capital Income/Expenditure			148		(2)
Change in cash and cash equivalents in the reporting period			7		54
Cash and cash equivalents at the beginning of the reporting period			228		174
Cash and cash equivalents at the end of the reporting period			235		228
Comprising:					
Cash at bank and in hand:			235		228
			235		228

1. ACCOUNTING POLICIES

1.1 Accounting convention

The accounts have been prepared in accordance with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "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 2019). The charity is a Public Benefit Entity as defined by FRS 102. The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £. The financial statements have been prepared under the historical cost convention, modified to include the revaluation of investments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

The Trustees are aware of International P.E.N.'s contract term with Sida coming up for review. At the end of 2022, PEN International completed the third of a four-year programme of support from the Swedish International Development Agency (Sida). During 2022 PEN International maintained strong links with its most significant institutional supporter. The annual review meeting with Sida was held in January 2023 to discuss PEN's work in 2022 – the meeting was very positive and feedback from Sida was very encouraging on the progress of PEN's work. The trustees are confident that sufficient funding will be continued at the same level with Sida and other funders to support our current level of activities in the future.

As part of the going concern assessment by the Trustees, they have reviewed our financial position and financial forecasts, taking into account the level of reserves and cash, the effects of the pandemic, the cost-of-living increase and our systems of financial control and risk management.

As a result of this and an ongoing review of operational and staffing costs, the Trustees believe that we are well placed to manage operational, financial and cost of living risks successfully.

We have started discussions with Sida on another long-term strategic partnership to ensure the continuation of Sida support beyond 2023. As part of this process, we have agreed with Sida to conduct an internal audit of our processes, controls and systems in October 2023 as the first of our consultation.

The management has determined that the actions that it has taken are sufficient to mitigate the uncertainty around any reduced level of funding and has therefore prepared the financial statements on a going concern basis as it has a reasonable expectation that P.E.N. will continue in operational existence for the foreseeable future.

1.3 Critical estimates and judgements

International P.E.N.'s significant accounting policies are stated in this note. Not all of these significant accounting policies require the Trustees to make difficult, subjective, or complex judgements or estimates.

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The trustees do not believe there to be any judgements or estimates critical to the financial statements.

1.4 Income

Income other than grant income is recognised at the fair value of the consideration received or receivable for goods and services provided. Fair value takes into account settlement discounts allowed on services.

Income from donations and 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.

The value of services provided by volunteers has not been included in these financial statements. Gifts in kind are included where the sum can be accurately estimated.

Unrestricted income is deferred when this is received and relates to a period following the year end. Restricted income is deferred only when this relates wholly to a future period, as specified by the funder.

1.5 Grants received

Where grants are received for specific purposes they are credited to the restricted funds of International P.E.N. Grants that are awarded for a specific period are recognised in the SOFA in that period.

1.6 Grants payable

Grants payable as cash are accounted for in the period in which they are approved. Grants awarded to centres of International P.E.N. are accounted for upon approval.

1.7 Basis of allocation of support costs

Staff and other support costs are allocated to the various activities of International P.E.N. based upon the direct staff costs involved in delivering direct charitable activities and on the estimated time devoted to the governance of PEN.

1.8 Defined contributions pension scheme

Employer contributions to PEN's defined contribution Pension Scheme are charged to the SOFA on an accruals basis.

1.9 Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the Charity.

Designated funds have been allocated to specific projects by the trustees.

Restricted funds are donations where the donor has specified to be solely used for particular areas of the Charity's work or for specific projects being undertaken by the Charity.

1.10 Expenditure and irrecoverable Value Added Tax

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 attracting voluntary income and the costs of fundraising.
- Expenditure on charitable activities includes the costs of the delivery of its activities and services for its beneficiaries.
- 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.

Rental costs under operating leases are charged against income on a straight-line basis over the term of the lease.

1.11 Volunteers

International P.E.N. provides volunteering opportunities in a number of its activities. The work performed by the volunteers is well-appreciated and is explained in the Report of the board of trustees. No financial appraisal of the value of volunteering is included within these financial statements.

1.12 Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Asset Category

Office equipment	25% reducing balance
Fixtures & Fittings	25% reducing balance
Computer Equipment	25% reducing balance

The policy with respect to impairment reviews of fixed assets is that these assets are inspected regularly for any impairment and any defect remedied so as to maintain the current value.

All assets costing more than £500 are capitalised.

1.13 Investment

Investments are stated at market value at the balance sheet date. The SOFA includes the net gains and losses arising on revaluation and disposals throughout the year. Gains and losses on the disposal of investment assets are calculated as the difference between historical and market values.

1.14 Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered and provision for bad and doubtful debts.

Prepayments are valued at the amount prepaid net of any trade discounts due.

1.15 Book stock

The centenary book stock is valued at the lower of cost and net realisable value. The book held is recognised as expenditure at the point it is dispatched from PEN International warehouse. Books in transit at the year-end are accounted for as expensed as it is deemed highly probable that they will reach their intended beneficiaries in good condition. Any material damage or loss of stock would be adjusted in the accounts in the following year. There was no damage or loss of stock in transit at year-end 31 December 2022. Provision is made where necessary for obsolete, slow-moving and defective stock in the accounts.

1.16 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.

1.17 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.

1.18 Other financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments. The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Except for fixed asset investments, basic financial instruments are recognised as the amount payable or receivable when the instrument is first recognised together with any subsequent transaction costs but modified in respect of trade debtors for an assessment of potential bad debt.

1.19 Foreign exchange

Transactions denominated in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. All differences are included in net outgoing resources. Where trustees hold restricted funds in foreign currency, gains and losses on foreign exchange are borne by unrestricted funds to maintain restricted gifts at their original value.

1.20 PEN Centres

PEN Centres are not treated as branches of International P.E.N. They are independently governed organisations.

1.21 Restricted funds

Project grants: Grants that are received for specified purposes are credited to a restricted fund. Expenditure that is attributable to such grants is charged directly to the fund in the statement of financial activities.

1.22 Designated funds

Fixed Assets: The balances on the funds represent our fixed asset portfolio. The capital costs of asset that are met from PEN's own resources are represented by designated funds. Depreciation is charged directly against the fund in the statement of financial activities.

2. LEGAL STATUS OF THE CHARITY

International P.E.N. (or “the Charity”) is a company limited by guarantee incorporated in England and Wales. The registered office is 162-164 Abbey Street, Koops Mill Mews, Unit A, London, SE1 2AN.

NOTES TO THE FINANCIAL STATEMENTS YEAR END 31 DECEMBER 2022

3. INCOME FROM DONATIONS & LEGACIES

Source	2022			2021		
	Unrestricted funds £'000	Restricted funds £'000	Total £'000	Unrestricted funds £'000	Restricted funds £'000	Total £'000
Donations and legacies	438	-	438	408	131	539

Donations to unrestricted funds:

2022 £'000	2021 £'000
276	227
162	165
-	16
438	408

2022 £	2021 £
-	131
-	131

Donations to restricted funds:

Individual contributions

4. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2022 £'000	Restricted funds 2022 £'000	Total funds 2022 £'000	Unrestricted funds 2021 £'000	Restricted funds 2021 £'000	Total funds 2021 £'000
Grants receivable	-	933	933	-	1,062	1,062
Publishers Circle	108	-	108	101	-	101
Writers Circle	38	-	38	6	-	6
Readers Circle	-	-	-	-	-	-
Centenary – book sales	-	22	22	-	76	76
	146	955	1,101	107	1,138	1,245

Analysis of grants receivable:

	2022 £'000	2021 £'000
Norwegian Ministry of Foreign Affairs	40	50
ICORN	-	88
SIDA	696	842
NED	6	6
UNESCO	-	11
Fritt Ord Foundation	33	21
Derek Moore Foundation	-	5
Sigrid Rausing	120	-
Evan Cornish Foundation	-	-
Banyan Tree Foundation	38	28
PEN America	-	11
	933	1,062

5. ANALYSIS OF EXPENDITURE RELATING TO GENERAL ADVOCACY AND SUPPORT

	2022 £'000	2021 £'000
Staff costs	448	726
Sub-grants to PEN Centres	95	150
Other centre development costs	290	256
Support costs (note 6)	457	271
Centenary – book costs	9	39
	1,299	1,442

Analysis of expenditure relating to writers in prison

	2022 £'000	2021 £'000
Staff costs	59	226
Other costs	-	15
Support costs (note 6)	112	100
	171	341

Continued overleaf

6. ANALYSIS OF SUPPORT COSTS AND GOVERNANCE COSTS

The Charity initially identifies the costs of its support functions. It then identifies those costs which relate to the governance function. Governance costs include payments to the auditor of £33,000 (2021: £15,000) and other financial services of £4,000 (2021: £nil).

Having identified its governance costs, the remaining support costs together with the governance costs are all allocated against the charitable activities based on the time spent on those activities.

Support costs	General advocacy and support 2022 £'000	Writers in prison 2022 £'000	Total 2022 £'000	General advocacy and support 2021 £'000	Writers in prison 2021 £'000	Total 2021 £'000
Staff costs	70	20	90	31	15	46
Depreciation	4	-	4	4	2	6
Rent and occupancy	69	20	89	60	30	90
Office supplies and equipment	10	3	13	12	6	18
Other Costs	86	25	111	40	19	59
Governance costs (see below)	218	44	262	124	28	152
	457	112	569	271	100	371

Governance costs	General advocacy and support 2022 £'000	Writers in prison 2022 £'000	Total 2022 £'000	General advocacy and support 2021	Writers in prison 2021	Total 2021 £'000
Staff costs	133	27	160	76	17	93
Audit fees	31	6	37	13	2	15
Other costs	54	11	65	35	9	44
	218	44	262	124	28	152

Auditor's remuneration

	2022 £'000	2021 £'000
Statutory audit	33	15
Non audit service	-	-
	33	15

7. NET (EXPENDITURE) FOR THE YEAR

This is stated after charging:

	2022 £'000	2021 £'000
Operating lease rentals	95	96
	95	96

8. ANALYSIS OF STAFF COSTS, TRUSTEE REMUNERATION AND EXPENSES, AND THE COST OF KEY MANAGEMENT

	2022 £'000	2021 £'000
Wages and salaries	657	962
Social security costs	68	87
Pension	32	42
	757	1,091

Number of employees whose emoluments during the year fell between:

	2022	2021
£60,000 and £69,999	-	-
£70,000 and 89,999	-	1
£90,000 and £99,999	1	-
£100,000 and £109,999	1	2

The key management personnel of the Charity comprise the Trustees, the Executive Director and the Director of Finance, HR and Administration. Remuneration of key management personnel was £208,000 (2021: £291,000).

Trustee Expenses: None of the trustees received any remuneration during the year, but the Trustee Board (two members) were reimbursed a total of £3,000 (2021: £59) travel and subsistence expenses.

The total expenses incurred by the Trustees in the discharge of their duties and paid to third parties was £6,000 (2021: £69). However, two Trustees from our board donated £117,000 towards our core activities.

Number of volunteers was 3 (2021: 1). Volunteers assist with centenary project, support the International programmes team with media monitoring on freedom of expression issue and the Finance, HR & Admin Team.

9. STAFF NUMBERS

The monthly head count was 14 staff (2021: 19) and the average monthly number of full-time equivalent employees (including casual and part time staff) during the year were as follows:

	2022 Number	2021 Number
Charitable activities	10	14
Fundraising	2	2
Governance	1	1
Support	-	-
	13	17

10. PENSION AND OTHER POST-RETIREMENT BENEFIT COMMITMENTS

The Charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Charity in an independently administered fund. The pension cost charge represents contributions payable by the charity to the fund.

	2022 £'000	2021 £'000
Contributions payable by the company for the year	32	43

The expense has been allocated to restricted and unrestricted expenditure on the same basis as wages and salaries.

11. RELATED PARTY TRANSACTIONS

During the year, donations without conditions from Trustees totalled £117,000. At the year end, there were no other disclosable related party transactions.

12. CORPORATION TAX

As a charity, International P.E.N. is exempt from UK tax on income and gains to the extent that these are applied to its charitable objects. No UK tax charges have arisen in the Charity, during the year or the previous year.

13a. TANGIBLE FIXED ASSETS

	Office Equipment £,000	Fixtures & Fittings £,000	Computer Equipment £,000	Total £,000
Cost:				
As at 1 January 2022	20	2	33	55
Additions	-	-	1	1
Disposals	-	-	(11)	(11)
As at 31 December 2022	20	2	23	45
Depreciation:				
As at 1 January 2022	17	1	22	40
On disposals	-	-	(10)	(10)
Charge for year	1	-	3	4
As at 31 December 2022	18	1	15	34
Net book value				
As 31 December 2022	2	1	8	11
As at 31 December 2021	3	1	11	15

All assets are used for charitable purposes.

13b. INVESTMENTS

	£,000
Valuation	
At 1 January 2022	242
Additions	1
Disposal	(141)
Realised and unrealised gains/losses	(11)
Movement in cash	(9)
Net book value	
As at 31 December 2022	82
As at 31 December 2021	242

International P.E.N. holds investment funds with Swissquote which are mutual funds for bonds and equities. These funds are single securities for bonds in Global and Euromarkets issues but no US domestic issues, with all investments generating daily liquidity.

14. DEBTORS

	2022 £'000	2021 £'000
Trade debtors	22	61
Grants receivable	-	59
Other debtors	23	34
Prepayments and accrued income	161	42
	206	196

Bad debt provisions are based upon the debtor balances on individual accounts.

There has been no change in the basis of calculation during the year.

15. CREDITORS: AMOUNTS DUE WITHIN ONE YEAR

	2022 £'000	2021 £'000
Trade creditors	30	39
Grants awarded	16	18
Taxation and social security costs	29	31
Other creditors	14	117
Accruals and deferred income	23	117
	112	322

Deferred income at the balance sheet date was £2k which represent PayPal donations received.

16. FINANCIAL INSTRUMENTS

	2022 £'000	2021 £'000
Financial assets measured at fair value through profit and loss	82	242

17. ANALYSIS OF RESTRICTED FUNDS

	Balance as at 1 January 2022 £,000	Incoming resources £,000	Resources expended £,000	Transfers Unrestricted Funds £,000	Funds as at 31 December 2022 £,000
Writers in Prison Committee (WIPC)	12	71	(59)	-	24
Swedish International Development Cooperation Agency (SIDA)	46	696	(699)	-	43
Centre Development	9	126	(72)	-	63
UNESCO	7	-	(7)	-	-
Norwegian Ministry of Foreign Affairs (NMFA)	13	40	(53)	-	-
Individual Donation (£610,200 towards the following 3 Areas):					
(i) *International P.E.N. Centenary	(78)	22	(9)	-	(65)
(ii) Defence of Writers & Literature	203	-	-	-	203
(iii) Strategic Development	203	-	-	-	203
	415	955	(899)	-	471

*This fund is overdrawn as expected in 2022. However, we expect donations received in 2022 to reduce the deficit.

	Balance as at 1 January 2021 £,000	Incoming resources £,000	Resources expended £,000	Transfers Unrestricted Funds £,000	Funds as at 31 December 2021 £,000
Writers in Prison Committee (WIPC)	6	137	(131)	-	12
Swedish International Development Cooperation Agency (SIDA)	-	842	(796)	-	46
Centre Development	8	22	(21)	-	9
UNESCO	-	11	(4)	-	7
Norwegian Ministry of Foreign Affairs (NMFA)	16	50	(53)	-	13
Individual Donation (£610,200 towards the following 3 Areas):					
(i) International P.E.N. Centenary	11	207	(296)	-	(78)
(ii) Defence of Writers & Literature	203	-	-	-	203
(iii) Long Term Reserves	203	-	-	-	203
	447	1,269	(1,301)	-	415

17. ANALYSIS OF FUNDS (Continued)

WIPC - The mobilisation of communication and support in opposition to the infringement of freedom of expression.

SIDA - Support for regional programmes for PEN centres and support for capacity and outreach in London.

Centre Development - Supporting exchanges mainly between the African centres.

NMFA - Support for the work of the Writers in Prison Committee in the Middle East, Asia and North Africa.

Individual donation – Support of the defence of writers and literature, PEN Centenary work, and to strengthen PEN's long-term reserves.

18. ANALYSIS OF MOVEMENT IN DESIGNATED FUNDS

	Balance as at 1 January 2022	Resources expended	Transfers	Funds as at 31 December 2022	Funds as at 31 December 2021
	£'000	£'000	£'000	£'000	£'000
Fixed Assets Fund	15	(4)	-	11	15
Donation	13	-	-	13	13
	28	(4)	-	24	28

	Balance as at 1 January 2021	Resources expended	Transfers	Funds as at 31 December 2021
	£'000	£'000	£'000	£'000
Fixed Assets Fund	20	(6)	1	15
Donation	12	-	1	13
	32	(6)	2	28

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2022 £'000	Designated funds 2022 £'000	Restricted funds 2022 £'000	Total 2021 £'000	Total 2021 £'000
Tangible fixed assets	-	11	-	11	15
Investments	-	-	82	82	242
Current assets	108	13	444	565	553
Creditors of less than one year	(57)	-	(55)	(112)	(322)
	51	24	471	546	488

	Unrestricted funds 2021 £'000	Designated funds 2021 £'000	Restricted funds 2021 £'000	Total 2021 £'000
Tangible fixed assets	-	15	-	15
Investments	-	-	242	242
Current assets	209	13	331	553
Creditors of less than one year	(164)	-	(158)	(322)
	45	28	415	488

20. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2022 £'000	2021 £'000
Net movement in funds	58	(22)
Add back depreciation charge	4	5
Decrease/(increase) in stock	5	(129)
(Increase)/decrease in debtors	(10)	12
Decrease/(increase) in creditors	(210)	189
Loss on disposal of fixed asset	1	1
Unrealised (gain)/loss on investment	11	-
Net cash used in operating activities	(141)	56

21. ANALYSIS OF CHANGES IN NET DEBT

The charity had no debt during the year.

22. COMMITMENTS UNDER OPERATING LEASES

	2022 £'000	2021 £'000
Within one year - property	21	84
Between two and five years - property	-	14
	21	98

23. NET GAIN / (LOSS)

	2022 £'000	2021 £'000
Currency exchange gain	5	(3)
Realised and unrealised gains/losses on investment	(11)	-
	(6)	(3)

REFERENCE AND ADMINISTRATIVE INFORMATION

Governance and management

Trustees

Burhan Sonmez, president/chair
 Iman Humaydan, deputy chair
 Eric Lax, International Treasurer
 Regula Venske, International Secretary (appointed 7 Oct 2022)
 Kätlin Kaldmaa, International Secretary (departed 7 Oct 2022)

Elected Trustees

Beatrice Lamwaka (appointed 7 Oct 2022)
 Danson Sylvester, Kahyana (departed 7 Oct 2022)
 Francis, David Warwick
 Jose Gabriel Seisdedos
 Ola Larsmo
 Salil Tripathi
 Tanya Tuma (appointed 7 Oct 2022)

Executive Director

Romana Cacchioli

Company Secretary

Emmanuel Asamoah FCCA/MBA/MSc

Senior Management Team

Romana Cacchioli, Executive Director
 Emmanuel Asamoah FCCA/MBA/MSc, Finance, HR & Administration
 Director

Administrative information

Charity number

1117088

Company number

05683997

Registered office

162-164 Abbey Street,
 Koops Mill Mews,
 Unit A,
 London, SE1 2AN

Independent auditors

HW Fisher LLP
 Acre House
 11-15 William Road
 London, NW1 3ER

Bankers

HSBC Plc
 74 Goswell Road
 London, EC1V 7DA

Principal solicitors

Bates Wells and Braithwaite
 2-6 Cannon Street
 London EC4M 6YH

Official social media

Website

Facebook

Twitter

<https://pen-international.org/>
 /pen-international
 @pen-international

INTERNATIONAL P.E.N.

England & Wales - Charity number 1117088

Accounts



INTERNATIONAL P.E.N.

TRUSTEES' ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

CHARITY NUMBER: 1117088

COMPANY NUMBER: 05683997

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WELCOME

In the name of countries currently in trouble like Afghanistan, Myanmar, Ukraine and Belarus, I'm grateful to all PEN centres for their work in solidarity. We are a great family of writers in over one-hundred-countries. I thank my fellow PEN members and Board for entrusting me with PEN's future - an honour and a responsibility that I recognise and will keep in my mind and heart as I fill the role of President of our noble organisation.

As the new president of PEN International I feel proud to have been in the line of great people of literature and freedom like Catherine Amy Dawson Scott, Jennifer Clement, Per Wastberg, John Ralston Saul, H.G. Wells, Arthur Miller and Heinrich Böll.

While the whole world confronts the Covid-19 epidemic, another epidemic called authoritarianism has been spreading. Freedom of expression and human creativity are under grave attack.

Today PEN International is needed more than ever. We stand at PEN International's centenary this year as on the edge of a frontier. A hundred years ago, in his words at the first PEN dinner, our first president John Galsworthy said: "We writers are in some sort trustees for human nature, if we are narrow and prejudiced, we harm the human race." I reaffirm today, one hundred years later, this founding commitment - aware of the responsibility and the caution in his words.

PEN International is a defender of free expression, and a refuge for writers at risk. It is a place of hospitality for all writers without exception.

We work for the unity of letters through dialogue and translation. We stand apart from politics and political regimes with the mission of defending freedom of expression, linguistic rights and equality. PEN is a tireless defender of all writers, young writers, women writers, and those writers coming from minority and oppressed communities.

I and my fellow Trustees give great thanks for all the work that this report reflects and the lives of those PEN's services and projects, staff and volunteers, supporters and partners that have helped us change for good.

Burhan Sönmez, President of PEN International

The Trustees of International P.E.N. present their Annual Report and financial statements for the year ended 31 December 2021 under the Charities Act 2011, the Companies Act 2006 and Accounting and Reporting by Charities: 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 2019).

This year, to ensure our reporting of activity and finances over the year is accessible to all, we have produced three documents:

- International P.E.N. Learning Report;
- PEN in Numbers explains some of our activity using statistics, including a simple guide to our finances; and
- This Annual Report, which is the statutory report charities have to produce and features the audited financial statements in detail.

All these documents are available on our website: <https://pen-international.org/who-we-are/governance>

OBJECTIVES AND ACTIVITIES

International P.E.N. (commonly known as PEN International) is a worldwide association of writers. It was founded in 1921 and is governed under the PEN Charter which was originally passed in 1948 and subsequently amended. It exists to promote friendship, fellowship and intellectual co-operation among writers everywhere, regardless of their political or other views; to fight for freedom of expression and to defend vigorously writers suffering from oppressive regimes. PEN International connects an international community of writers from its Secretariat in London. It is a forum where writers meet freely to discuss their work; it is also a voice speaking out for writers, silenced in their own countries. Through Centres in over 100 countries, PEN operates on five continents. PEN International is a non-political organisation which holds Special Consultative Status at the UN and Associate Status at UNESCO.

In 2021 PEN International celebrated its 100th year of being at the forefront of freedom of expression and the promotion of literature. As part of the centenary celebrations, PEN launched its Digital Archive Exhibition Unlocking the history of PEN International showcasing the organization's history and achievements over the last 100 years. Also, in collaboration with the Motovun group (MGIP) and other co-publishers PEN published its Centenary Book, An Illustrated History. The book presents the organisation's journey and work on the promotion of literature and protection of freedom of expression since its foundation in 1921.

During its centenary year PEN International demonstrated that its work is as relevant and as vital as it was 100 years ago. PEN works closely with a range of literary, cultural and free expression organisations to affect change on issues of common concern. As writers, PEN's members are uniquely placed to use stories to open minds and encourage dialogue. Our influence reaches leaders and communities – we engage them through creative voices and experience, we unite writers of influence globally to press for a world where writers and freedom of expression for all are fully protected; where languages and literatures are respected and celebrated; and where the free exchange of literatures and ideas build tolerance and understanding within and across borders.

Our work responding to grave emergent situations in 2021 coincided with a financial challenge within the organisation, forcing the board into making difficult but necessary decisions to ensure the longevity of the organization. The working hours of all staff were reduced to four days a week and PEN was forced

into making redundancies of the protection team (with effect from the beginning of 2022) at a time when the onslaught on freedom of expression plummeted to unforeseen depths.

ACHIEVEMENTS AND PERFORMANCE

The objectives for 2021 followed the organisation's strategic plan 2020 – 2023, developed through consultations with the Board of Trustees and staff as well as the membership, and adopted at Congress in Manila, Philippines in 2019. PEN International's overarching goal is to promote and defend freedom of expression, literatures and linguistic diversity, and mutual respect and tolerance across borders. In order to pursue its mission we worked towards four overarching objectives:

1. Creating new spaces for literature, language, debate, dialogue idea and opinions

PEN Centres are supported through our Civil Society Programme (CSP), to contribute to a dynamic and informed civil society, by creating spaces for creativity and dialogue, where ideas are shared and challenged and where expression in all its forms can flourish. The CSP offers a flexible framework for PEN Centres to identify and propose locally relevant projects, which promote and strengthen civic spaces for expression. The programme strengthens initiatives, which enhance the participation of women and minorities through campaigns and advocacy, literary events, festivals, and community outreach, educational support programmes, literary and research initiatives.

CSP PROJECTS 2021

Following on from 2020 where projects increased PEN's digital audiences and improved the online communications of PEN Centres, in 2021, a new round of projects based on a hybrid approach is deepening Centres audience engagement in both the online and offline spheres. Eleven PEN Centres received small grants for their projects including Afghanistan, Afrikaans, Argentina, Cambodia, Chile, Ecuador, Haiti, Iraq, Malawi, Sierra Leone and Zimbabwe. A further, nine PEN Centres based in Latin America received support for campaigns and events around Day of the Dead and Day Against Impunity. Centers ran online activities, which ranged from poetry readings to campaigning actions which focused on cases of writers persecuted or murdered because of their work. Digital consultants (3) were retained to support PEN Centres with technical expertise and to expand PEN's digital audiences particularly in the Middle East and North Africa region.

Examples of Centre projects supported in 2022 include - **PEN Afrikaans** programme entitled [Access](#) a short story initiative to encourage writing on the theme of access to human rights. The PEN Centre also partnered with local initiative 'WOW', to encourage the love of reading among high school students from disadvantaged backgrounds by running reading circles and providing access to existing short story collections.

PEN Argentina built on the success of their previous project with *CyberWalk for Reading*. The premise is that Reading Awakens the Voice - Writers and Readers Awakening the Voice of the Region in order to promote and enhance the role of Argentinian writers, through platforms for dialogue between writers and their readers. Outputs include an interactive map, as well as videos, audios of writers with their reading communities. In order to maximise outreach, the Center worked with a range of education institutions, universities, libraries and community centres across Argentina.

In 2020 **PEN Cambodia** launched its successful video podcast series *Writer TV*, in 2021 the Centre produced three additional episodes. Unlike previous podcasts, the new episodes focus on a specific writer and feature an interview about their work. Each episode is preceded by an online discussion with the writer in question to further engage audiences and feed an appetite for the episode. The Centre aims to give continuity to their endeavour to create a space for Cambodian writers to promote their work.

PEN Chile's project *Opening up to Chile and the World* also builds on the success of their previous digital project to consolidate the Centre's presence and influence among civil society and the cultural scene in the country and the region. To that aim, the Centre consolidated alliances and organised activities with their membership, women's, indigenous and youth organisations, cultural institutions and other PEN Centres in the region. Project activities included a two-day seminar jointly organised with the Museum of Memory and Human Rights and the Cultural Centre of Spain in Chile on the theme of democratic memory and literature as well as the launch of a yearly poetry competition and of the digital and paper publication *PEN Chile Literary Notebooks* among others.

PEN Ecuador, a relatively new Centre is running a project to raise awareness of the PEN mission in the country – audiences include the diverse writing community, the media, policy makers and the general public – the project aims to build the Centre's reputation as a champion of literature and freedom of expression.

In a new initiative under the CSP, and as part of the ongoing partnership between PEN International and **Moomin Characters Ltd.** Moomins offered PEN the use of *The Invisible Child* story to address literacy challenges and children's rights, as well as to promote the love of reading and encourage creativity amongst children in marginal communities. To that aim, PEN International works with PEN Centres in Malawi, Sierra Leone (supported by Derek Moore Foundation) and Zimbabwe, and PEN's first indigenous language Centre in Chiapas, Mexico, to translate and retell this story in local contexts and languages, as well as fostering critical dialogue and creative writing engagements with young people. This project is part of the *Reading, Writing, and the Moomins initiative*.

PEN International continued to support [PEN/OPP](#) digital magazine curated by PEN Sweden, which publishes commissioned work ranging from essays on free expression topics to literature and culture.

[Ilkyaqz](#), the digital platform also continued under the CSP supporting young writers to showcase their writings.

2. Improving the situation of writers at risk who are displaced, imprisoned or otherwise persecuted

In 2021, PEN International's support to writers at risk remained as critical as ever. While we continued to monitor and research violations of freedom of expression against writers and creatives, we undertook advocacy, solidarity actions and provided humanitarian assistance including evacuation, relocation and asylum support. PEN's 2020 [Case list](#) was published in May 2021 with a global overview of attacks, imprisonment and persecution of writers including an overview of key events that impacted on freedom of expression and a summary of cases of concern to PEN.

PEN evaluated the authenticity of applications - authorship and artistic production as well as declared danger of 89 applicant creatives seeking short term residencies with the International Cities of Refuge Network (ICORN). Of the 89 assessments, 44 were from the Middle East and North Africa region, 20 from Asia, 10 from Africa, 12 from Europe and 3 were from the Americas.

The termination of our contract with ICORN at the end of the year prompted a reassessment of PEN's approach to assisting writers at risk. This reassessment driven by our budgetary constraints was also propelled by the external environment in which the environment governing freedom of expression has necessitated faster, more agile, and effective, strategic responses and interventions to remain relevant. The intensifying threat to freedom of expression which has escalated to unprecedented levels in parts of the world – led to a mass exodus and a need for PEN to respond with urgency. The increasing dependence on one structured institutional path to access evacuation, and inability to pursue any strategic advocacy to address the underlying issues, deepened the Boards assessment that drastic change was needed if we were to remain responsive to writers.

An additional emergency grant for protection work from Sida supported PEN through a very difficult year, which enabled the organisation to respond to unprecedented crises in countries such as **Afghanistan, Belarus, Cuba, Myanmar and Nicaragua**.

In **Africa**, writers, media workers, human rights defenders, and political opposition groups continued to be targets of repression for their peaceful expression, work, or activism. Attacks on writers and journalists: In Ethiopia, Uganda, Eswatini and South Africa, journalists were violently attacked or prevented from doing their work - covering conflict, elections, or protests. In Rwanda, poet [Innocent Bahati](#) disappeared in February 2021 after a prominent personality allegedly posted disparaging social media messages about his poetry. At the end of the year his whereabouts were yet to be established. Throughout the year PEN carried out campaign actions and awareness raising.

Critical writers and journalists continued to be frequent targets of harassment, arbitrary arrest, and detention and in some cases, investigation, or prosecution on bogus charges. In **Uganda**, novelist [Kakwenza Rukirabashaija](#) continued to have his civil liberties curtailed through inordinately long police investigations on a fabricated charge, he was arrested once again and tortured in December 2021. In **Zimbabwe** novelist **Tsitsi Dangarembga** and journalist **Hopewell Chin'ono** are on their second year of facing malicious prosecution for the peaceful exercise of free speech. On the twentieth anniversary of their detention, PEN called upon the Eritrean authorities to immediately and unconditionally release **Dawit Isaak, Amanuel Asrat, Said Idris 'Abu Are', Temesken Ghebreyesus; Methanie Haile; Fessehaye 'Joshua' Yohannes; Yousif Mohammed Ali; Seyoum Tsehaye; Dawit Habtemichael; Said Abdelkadir; Sahle 'Wedi-Itay' Tsefezab and Matheos Habteab.**

Good news: PEN International's intervention helped protect an Eritrean writer and his family from imminent deportation to Eritrea by the Kenyan authorities. PEN continues to offer protection support in Nairobi.

In **Asia**, PEN International's work focused on responding to emergent crises, while also continuing to advocate against government censorship and the long-term imprisonment of writers throughout the region. The PEN community deplored the military coup that took place in [Myanmar](#) in February 2021, with its devastating impact on freedom of expression across the country. PEN International focused its efforts on sensitive protection work, while also engaging in public advocacy and campaigning initiatives to raise public awareness of the military junta's crimes and to call for an end to the repression of anyone persecuted for their peaceful expression.

In [Hong Kong](#), the government continued to use the National Security Law to completely undermine the territory's constitutional right to freedom of expression, forcing the closure of Hong Kong's largest independent news outlet while its owner, **Jimmy Lai**, faces life imprisonment. In [Thailand](#), authorities have continued to suppress pro-democracy activists by using the deeply problematic lèse-majesté law to punish those who peacefully call for its abolition. Among the growing number of those charged is poet and human rights lawyer, **Arnon Nampha**, who now faces decades in prison if convicted. This year, PEN International embarked on a [novel advocacy initiative](#) in support of those detained for their peaceful expression in the country.

In Sri Lankan poet, **Ahnaf Jazeem**, has now been held for over a year and a half without any charges. Following the [high-impact joint letter](#) that PEN International drafted in May 2021, PEN called upon the UN Special Rapporteurs to prioritise his case as a point of concern with the Sri Lankan authorities.

AFGHANISTAN CRISIS RESPONSE

In the months preceding the withdrawal of US troops from Afghan soil, PEN's daily communication with PEN Afghanistan had alerted us to growing concerns for their safety. In April 2021, amidst fears of escalation, our team initiated an assessment which recommended a range of measures to strengthen the security of our local staff, members, and premises. In July, rather than undertake expensive building work, PEN Afghanistan found alternative premises and very soon after, two of their members were brutally murdered by resurgent Taliban forces.

Following the departure of NATO forces in August 2021, PEN International effectively responded to the ongoing crisis which demanded an extraordinary effort from the global PEN network. The protection needs were, and continue to be, severe. Significant progress was made, with PEN International successfully coordinating and securing the safe evacuation and resettlement of over 24 writers and their dependents, so far 80 persons were safely evacuated from Afghanistan, several are in transit countries with relocation in progress, and 72 persons have been fully resettled in a destination country (Germany, Sweden, Norway).

Aside from those who have safely been resettled or are in the process many more Afghan writers contact us requesting evacuation assistance. The unfortunate reality is that governments are no longer accepting further additions to their current evacuation lists. We continue to provide support, when possible, to those through the PEN Emergency Fund and by engaging in high-level advocacy work.

Good news: Despite the significant challenges there was some good news with the release of Sri Lankan writer [Shaktika Sathkumara](#), and the granting of medical bail to Indian poet, [Varavara Rao](#), who had previously contracted COVID-19 while in detention. The release of Myanmar poet [Zarganar](#) and US journalist, [Danny Fenster](#) from prison in Myanmar was welcomed and in December 2021, Indian writer and lawyer **Sudha Bharadwaj** was released on statutory bail.

In **Europe**, impunity for violence against journalists continued with Turkey retaining the dubious accolade of the world's biggest jailer of journalists. PEN International launched a [global campaign](#) on behalf of **Selahattin Demirtaş**, who in turn sent a moving postcard to PEN members, thanking them for their support. **Roberto Saviano's** letter to Demirtaş was notably [published](#) in the Italian press. In November, 54 organisations – including 37 PEN Centres – signed a [global appeal](#) urging the Turkish authorities to immediately and unconditionally release news editor, reporter, and poet **Nedim Türfent**. Kurdish PEN member, writer, and poet **Meral Şimşek** –faced a lengthy prison sentence for her writings – she was [acquitted](#) of the charge of 'membership of a terrorist organisation', which carried up to 15 years in prison. She attributed her acquittal to PEN's

campaign which were widely covered in the Turkish and Kurdish press, as well as by the international media

Writers, journalists and academics were harassed and intimidated, including through arbitrary detentions and unfair prosecutions. In **Belarus**, scores of journalists were arbitrarily detained, beaten, sentenced to prison or hefty fines for reporting on the [protests](#) that have swept the country since the contested presidential elections of August 2020. PEN International supported members of PEN Belarus – who were left with no choice but to flee the country – support included financial assistance. PEN also promoted PEN Belarus’s groundbreaking report documenting over 1000 instances of cultural and human rights violations against cultural workers, and the blocking of their website. In November, we issued two urgent actions on behalf of Belarusian PEN members Ales Bialiatski and Uladzimir Mackievič.

Good news: In Turkey, writer and journalist **Ahmet Altan** was [released](#) in April 2021 after spending more than four years behind bars on trumped-up charges. Scores of PEN Centres across the world have been actively campaigning on his behalf, by notably sending appeals to the Turkish authorities, conducting trial observations, taking part in solidarity actions and promoting his writings. In Spain, Catalan writers and civil society leaders **Jordi Sànchez** and **Jordi Cuixart** were [pardoned](#) in June 2021 after spending nearly four years in prison. While this is a positive step, PEN International calls on the Spanish authorities to quash their sentences and convictions. In the UK, PEN International [welcomed](#) the news in January 2021 not to extradite WikiLeaks founder and publisher **Julian Assange** to the US, and called on the authorities to release him immediately pending the outcome of his appeal.

In the Americas, the [suspension](#) of public activities of [PEN Nicaragua](#) led us to find a way to avoid the censorship imposed by the State by creating an international observatory [Eye on Nicaragua](#) an online weekly newsletter, which provides up to date information on developments in the country. PEN International also took part in a hearing on Nicaragua in October 2021 with the Inter-American Commission on Human Rights Special Rapporteurs and in November 2021, released a [statement](#) calling on the Nicaraguan government to provide guarantees for freedom of independent press.

In **Cuba**, following the [demonstrations](#) on 11 July 2021 when State repression increased and dozens of artists were detained for participating peacefully in protests, PEN issued a number of [actions](#). In June, PEN International with Artist at Risk Connection launched a project with a grant from National Endowment of Democracy (NED) to advocate and support Cuban artist and writers. In preparation for the Universal Periodic Review (UPR) of Cuba in 2023, PEN, submitted an [interim report on attacks on free expression and artistic freedom in Cuba](#) with special recommendations to the State of Cuba.

Good news: As a result of PEN's advocacy work over many years, the Inter-American Commission on Human Rights ordered **Honduras** to provide reparations to the family of journalist [Julio Ernesto Alvarado](#). In Paraguay, writer and PEN Paraguay member [Nelson Aguilera](#) – was freed after 8 years. He was sentenced in 2013 to 30 months in prison for alleged plagiarism. In February 2021 the lawsuit was dismissed and today Nelson [is free](#). PEN International and PEN Centres around the world, writers, lawyers and experts on freedom of expression issues, fought in his [defence](#).

In the **Middle East and North Africa (MENA)** region, many governments stepped up their crackdown on dissenting voices. Summary executions and killings of writers and journalists continued to be of serious concern. In **Iran**, PEN condemned the summary execution of exiled Iranian journalist and activist [Ruhollah Zam](#). Also, in **Lebanon**, PEN International called on the Lebanese authorities to swiftly bring killers of prominent writer and publisher [Lokman Slim](#) to justice and end the cycle of impunity over targeted killings of activists and public figures.

In November, PEN International [condemned](#) the rearrest of prominent writer and human rights advocate [Narges Mohammadi](#) by the Iranian authorities. At risk of flogging and retaliatory imprisonment, she was regularly placed in solitary confinement. In early 2022, Mohammadi was released on medical bail.

PEN International campaigned on behalf of imprisoned Moroccan journalist **Solaiman Raissouni**, ([RAN 4/2021](#)) calling for his release. PEN International also worked on behalf of prominent Egyptian journalist **Bsama Mostafa**, securing a PEN emergency grant and assistance in her application for asylum in Germany which was granted in early 2022. In October, PEN Emergency Fund also provided young Egyptian poet, writer and journalist **Mostafa al-Asar** with a grant. In July, PEN International [welcomed](#) his release -among others- following almost three years of arbitrary pre-trial detention.

During the recent conflict in **Israel** and **oPt**, attacks on press freedom reached unprecedented levels. PEN International condemned the attacks against media offices and cultural institutions, [urging](#) the International Criminal Court (ICC) prosecutor to include the recent attack against media offices and cultural institutions in Gaza in her investigation with respect to the situation in Palestine.

Good news: In Egypt, PEN International [welcomed](#) the release of three journalists in April 2021. PEN also welcomed [further releases](#) of six journalists and activists in July 2021.

3. Addressing structural threats and barriers to freedom of expression

PEN International organised a [high-level panel discussion](#) on the situation in Belarus, Nicaragua, and Eritrea – three countries on the UN Human Rights Council's agenda – which sought to identify concrete action to protect freedom of expression. The event was co-sponsored by the Permanent Mission of Canada, the Permanent Mission of the Principality of Liechtenstein, the Permanent Mission of the United Kingdom, the Permanent Mission of Finland and the Permanent Mission of the Federal Republic of

Germany. There was a strong turnout from diplomatic missions, government agencies, INGOs, and PEN members alike.

With support from Fritt Ord, PEN International worked to update its 2018 joint report with PEN Moscow and St Petersburg PEN, entitled [Russia's Strident Stifling of Free Speech 2012-2018](#), which set out PEN's concerns about the situation for freedom of expression in the Russian Federation. PEN International worked closely with both PEN Centres throughout the year to identifying key cases and concerns. However, at the time of writing, this project has been put on hold due to [Russia's invasion](#) of Ukraine and its crackdown of independent voices at home, where journalists have come under sustained attack, harassment and arbitrary detention.

PEN's work on Honduras focused on ensuring the repeal of restrictive legislation within the Penal Code. A [debate](#) convened by PEN with **Pedro Vaca**, Rapporteur for Freedom of Expression of the Inter-American Commission on Human Rights, paved the way for collaboration with the UK Embassy in Guatemala and Honduras, PEN Honduras and PEN International. The UK government opened a dialogue with the Honduran government after two years of no government-to-government contact, according to their reports, PEN is advising on free expression issues.

PEN supported by UNECSO is concluding a VIDA count which sheds insight into the numerical disparities which exist between male and female writers in the awards sector.

The quantitative count is accompanied by a series of interviews with writers and publishers to examine the invisibility of the diverse female authors in the region. Historic inequalities evidenced through this study, provide the necessary information and sufficient clarity to begin approaching relevant sectors to redress the imbalance. A report on our findings, along with podcast content from interviews with writers and publishers will form a part of comprehensive materials to accompany the launch of our findings in April 2022.

PEN continues to add its expertise to strengthen partnerships with cultural and freedom of expression organizations to shape new areas of international law (such as linguistic rights). In June 2022, we shall publish a report on linguistic rights in the Americas which aims to showcase good practice case studies emerging in Colombia, Guatemala, and Mexico in securing linguistic and other rights for indigenous communities.

4. Strengthening the institutional capacity and sustainability of PEN, so that the movement is fully representative and relevant

PEN Malta and PEN Quechua were welcomed to the PEN family at PEN's Congress, bringing the total number of PEN Centers representing writers across the world to 145.

Mainstreaming Gender and Diversity

PEN's internal organizational culture, hierarchies and layers continued to inform, shape, and steer interventions on gender and diversity. Our multi-faceted lens has focused in on a series of sequential and overlapping interventions to systematically mainstream this lens through all PEN's work.

In addressing the strategy in this way, we hope that not only will we have our internal house in order, before we start engaging more prolifically in debates on gender, discrimination, and literature (for example) but current and incoming members, will be clear about acceptable forms of behavior.

Introducing this approach through our programmatic work across our CSP work including the Invisible Child project (as part of an overlapping, multi-layered approach) will build Centre understanding and capacities to enable them to challenge the impact of discrimination on literature credibly and publicly. Furthermore, we commissioned a gender audit of the Secretariat which has reaffirmed our observations about the needs of our staff in mainstreaming gender and diversity within PEN's research, campaigns and advocacy in tangible ways.

Additionally, the Programme Manager updated a policy on sexual harassment to support safeguarding Centre volunteers as well as setting out a protocol by which to investigate any such claims made against PEN members or when approached by an alleged victim. Similarly, we are reviewing the Child Protection Policy in line with a human rights approach (in which we will integrate gender) as part of the programmatic work being carried out by Centres.

Training webinars

Over 2021, a multi-disciplinary team from the Secretariat came together to identify core topics to continue building the capacities of PEN Centers. Three sessions were well attended and enhanced peer to peer learning. The webinars focused on helping PEN Centers prepare for our Centenary year (introducing them to the branding and how to integrate Centenary planning and embrace the year in any external facing events; digital security training – facilitated by PEN America and supplemented with a handbook for Centers to understand how to secure their online digital presence. To protect the security of our Centers, particularly those located under more authoritarian regimes – we agreed with the participants not to record the session. Lastly, we ran a campaigning workshop – focused on enabling Centers to campaign on issues related to gender violence. To boost Centre learning and enable better flowing discussion in the training webinar, we produced a training video – in advance – on the various steps and tools that are used in planning campaigns and produced guidance on relevant gender terminology.

PUBLIC BENEFIT

Article 19 of the Universal Declaration of Human Rights (UDHR) addresses freedom of expression as follows:

"Everyone has the right to freedom of opinion and expression; this right includes freedom to hold opinions without interference and to seek, receive and impart information and ideas through any media and regardless of frontiers".

The trustees have paid due regard to the guidance issued by the Charity Commission in deciding what activities the charity should undertake, to further its charitable purposes for the public benefit.

International P.E.N. coordinates the activities of PEN Centres across the world in defence of freedom of expression and provides international support, research, policy development and programming to further this aim. The Charity Commission's RR12 declares: "there is an obvious public benefit in promoting human rights. For individuals whose human rights are thereby secured, the benefit is immediate and tangible. There is also a less tangible, but nonetheless significant, benefit to the whole community that arises from our perception that the fundamental rights of all members of the community are being protected."

CRITERIA FOR MEASURING SUCCESS

International P.E.N. has a diverse framework for measuring its impact effectiveness. Linked to the organisational log frame, qualitative and quantitative indicators are recorded through tracking tables, case studies, focus groups and questionnaires. These are used to determine the effectiveness and appropriateness of activities. Our approach aims to be participatory and adaptable in order to understand the impact of PEN's work across the organisation by bringing the voices of writers and members working in a variety of contexts together, to build a comprehensive picture of PEN's work. Lessons learnt, including from achievements and challenges, are fed into planning and to strengthen the work going forward.

Meaningful feedback and honest analysis is at the core of our system, as is our means of capturing data which harnesses the strength of PEN as an organisation of writers who can tell stories of change. Programmes are subject to external and independent evaluations when required by funders.

CELEBRATION OF PEN CENTENARY HIGHLIGHTING PEN'S MISSION TODAY

PEN International held its 87th Centenary Congress, from 20–24 September 2021. Themed *One Hundred Years of Intellectual Debate and Activism on Freedom of Expression and Literature*, it celebrated the organization's first 100-year anniversary.

Central to the five days long programme was the election of award-winning Turkish Kurdish novelist and human rights lawyer Burhan Sonmez as [President of PEN International](#). Mexican-American writer Jennifer Clement, the first woman President to lead the organization, leaves the post of President after

six years, with the heartfelt thanks of the entire PEN community from across the globe. Jennifer Clement opened the Congress with a welcome speech, which can be viewed [here](#).

Congress highlights included an exploration of 'Against Hate', a conversation about free speech and hate speech between writers Salman Rushdie and Carolin Emcke, as well as discussions and testimonies from writers, human rights activists and former PEN's cases: Margaret Atwood, J.M. Coetzee, Can Dündar, Omar El Akkad, Tienchi Martin-Liao, Enoch Meyomesse, Boris Novak, Orhan Pamuk, Philippe Sands, Eugene Schoulgin, Dareen Tatour, Ma Thida and Ngugi Wa Thiong'o. The programme also featured speeches from former PEN International Presidents Homero Aridjis, John Ralston Saul and Per Wästberg.

Key moments also included the election of William Nygaard as Vice President of PEN International, the re-election of Ola Larsmo and the election of Gabriel Seisdedos and Salil Tripathi as Board Members, as well as the election of Ma Thida as Chair of the Writers in Prison Committee

FUNDRAISING STRATEGY FOR BUILDING PEN'S SUSTAINABILITY IN THE LONG TERM

The pandemic and lockdown affected all sectors, whilst the organisation had aimed to draw support for growth and sustainability through the centenary.

From 2022 we aim to build support and resources towards long-term strategies and operational growth through two strategic strands simultaneously.

The first strand, across all levels of the organisation, is focussed on high-level relationships and bids with *the aim of attracting high value gifts*. We have started to see an increase, with donations and pledges from existing and new supporters.

Geert Mak, Bernhard Schlink, Jonathan Beck, and Nikolaus Gelpke all gave substantially higher supplementary gifts in response to our 'crisis' messages. Some longstanding supporters also responded to our approaches with extra money this year.

In 2021, new supporters were brought in through personal contacts by the outgoing President, Treasurer and from appeals to the membership thanks to Board members. Our fundraiser has been nurturing dozens of prospects new to PEN and some of these have already started to donate.

A dedicated team is pursuing global opportunities including state funding and cultural rights grants and making use of contacts (as with the recent new grant from the Sigrid Rausing Trust).

The second strand, an investment in testing digital outreach and public appeals beyond the PEN network has the aim of attracting a high number, relatively low financial level gifts with collective value through volume, this is crucial in creating the foundations of a supporter database. We will evaluate this more in Q2 of 2022. Voluntary income accounts for much less of our income, although it remains

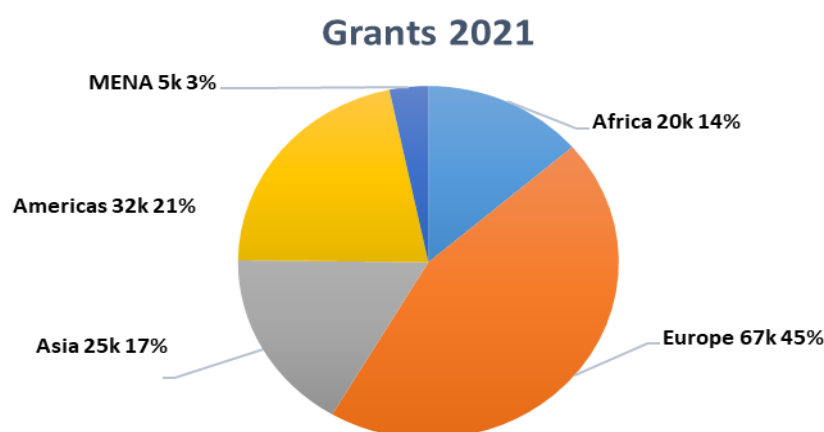
important to our identity and to our sense of partnership with supporters and communities. It is for these reasons that we seek to grow this area of funding.

GRANT-MAKING

Grant-making is a core aspect of our charitable work, and this continues to grow. However, due to the pandemic the majority of our civil society grant activities were done virtually with little travel and few in-person activities. During the year we awarded a total of £149k in grants through our civil society programme (CSP) (2020: £132k).

Grants-making allocated by continent:

- Africa - £20k
- Asia - £25k
- Americas - £32k
- Europe - £67k
- MENA - £5k



In their communications with us, several of the PEN Centres highlighted how our process of succinct engagement enabled them to understand strategic thinking and the mandatory form filling required for ensuring success in external funding rounds. This learning was commented on by Centres, in which for example our PEN Iraq Centre, Hamded Hamzoz stated, how our engagement through the application process, was *very helpful to shape the projects, goals for sustainability, impact and long-term strategies. It is appreciated.* We anticipate that this process and method of learning will ultimately assist them to succeed in external funding applications and becoming independent civil society players.

PLANS FOR THE FUTURE

Freedom of expression is a foundational right, on which other rights are dependent. Our response to the evolving nature of threats to this right are driven by external realities. Our barometer of how we need to respond is driven by the writers, our members and their ability to pursue their creative craft, whilst upholding this creative space for others. However, when it is their immediate safety and right to life that is threatened, we are compelled to prioritize this over all our other work so that we remain relevant and credible as a civil society player. Our constant challenge is to reflect and learn from what we do, strategically revisiting our work to ensure that we are maximizing our limited resources. In 2022 we will review our strategic objectives and to begin consultations with the membership towards developing plans beyond our current programme of work 2019 – 2023.



With support from Sida, PEN's civil society programme will continue to support projects which address local need and meet our strategic objectives. In 2021 we reviewed our internal process to improve project design, delivery and accountability. Successful projects must now be undertaken by at least one centre member who is not a board member. Doing so will ensure consistent, objective oversight of the project whilst enriching the work being undertaken. A designated member of the board should be available to oversee the project and to ensure delivery of the work. This criterion was introduced to prevent the domination of any one individual or set of individuals over centre development and presence. Our new approach is also intended to ensure sustainability of the work, we strongly encourage centres to demonstrate that the knowledge being harnessed through implementation is shared amongst all active centre members in a proactive and evidenced manner. We also encourage Centres to proactively identify how they will financially continue their work independent of the Secretariat once the proposed project cycle is completed

OUR FINANCE

In order to support our development and growth we need a robust financial plan that ensures that we are growing our turnover, and surpluses, and becoming reserves resilient. The Board of Trustees have approved a three year financial strategy covering 2021 – 2023. The key strategic aims are detailed below.

- To generate surpluses which produce sufficient cash to support the PEN's strategic objectives and provide institutional sustainability (reserves capacity building);
- To grow and diversify income over the next three years;
- To operate efficiently and effectively - managing the cost of operations and delivering value for money through our programmes over the next three years;

- To assess and manage risk in all PEN's growth and development activities considering both digital or face to face – Creating visibility into a fast-changing environment – This objective runs across all seven objectives;
- To operate sound Treasury Management – maintaining a sound investment portfolio with Swissquote and cash reserves;
- To closely monitor and respond to the external environment and its impact on PEN – funding competitions, economic fluctuations;
- To effectively report and communicate PEN's financial performance internally and externally.

FINANCIAL REVIEW

International P.E.N.'s main sources of income arise from our charitable activities in three main business areas; Advocacy, Freedom of expression and Writers at risk. Income from these areas are made up from a mixture of grants, member dues, circles, and donations. Recognised income for the year was £1,784k (2020: £1,444k). The largest proportion of our income is from SIDA (*Swedish International Development Cooperation Agency*) (2021: £842k; 2020: £770k). In addition, we received £942k in grants, donations and earned income (2020: £674k).

Despite the increase in turnover, after interest charges and investment performance the overall surplus on unrestricted funds for the year was £14k (2020: £75k - *deficit*). Due to a challenging investment market, our investment performance wasn't favourable in the year. Positively, we continue to see a bounce back in investment performance in quarter one of the new financial year.

In the year, we incurred centenary expenditure of £296k (2020: £277k) consisting of staffing and project activities.

The pandemic and an unprecedented year of uncertainty impacted on almost all the organisation's unrestricted income streams, from Circles and individual donations to centenary donations.

We mitigated this negative impact by tightly controlling expenditure throughout the year, reducing overall unrestricted expenditure by:

- restructuring our staffing model and reducing staffing numbers;
- scaling back on our programmes and developing a digital inclusion model;
- saving on overheads;
- making optimum use of government assistance, such as the furlough scheme.

Our cash position did not progress in the year as expected due to the Covid-19 pandemic, thankfully we were able to drawdown on cash reserves to support our programmes. We also claimed £16k from HMRC's Coronavirus Job Retention Scheme to offset the cost of furloughed staff.

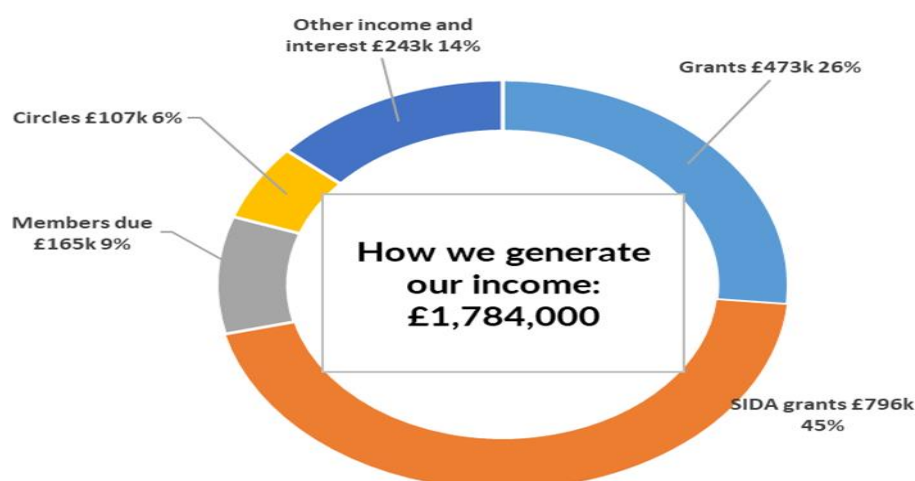
We anticipate that we will have more unrestricted donations and grant commitments in place to meet the future costs of our programmes and it is not expected that we will have any issues with working capital over the next 12 months as the Trustees have mobilised their efforts on fundraising. A decision was made by the Board to extend the centenary celebration into 2022, giving us the opportunity to increase our income.

Much of the year-end operating deficit in restricted funds is due to the centenary activities and projects, but this has been utilised by the brought forward restricted reserves.

We maintain sufficient reserves to enable us to fulfil the objectives of the organisation. These reserves are held in a combination of both fixed and current assets including an investment portfolio managed on the board's behalf by our investment managers Swissquote.

RECOGNISED INCOME

Cash income: January 2021 to December 2021



International P.E.N. is grateful to its donors for their generous support in assuring its income of £1,784k during 2021 (2020: £1,444k), an increase of 23% over the previous financial year. The unrestricted income in 2021 was £515k, an increase of 59% on 2020, while the restricted income was £1,269k an increase of 13% on 2020.

Other principal restricted funding sources for 2021 include Sida, the Norwegian Ministry of Foreign Affairs, the International Cities of Refuge Network (ICORN), Fritt Ord Foundation, UNESCO, Derek Moore Foundation, National Endowment for Democracy and the Banyan Trust amongst others.

The funds from these donors go towards our research and policy work, civil society projects and the defence of writers at risk.

Included in restricted income are donations of £207k received towards our Centennial in 2021. This amount funded several centennial activities including staffing.

Our main sources of unrestricted income are the membership dues and the subscriptions to our Circles.

MEMBER DUES

Membership dues are paid by centres and individuals, the dues contribution of our centres to the work of International P.E.N. is essential – it not only helps support PEN's work internationally but demonstrates the commitment of PEN members to support its important work world-wide. At present, the community of PEN, through the dues collected by centres and the publishers, writers and readers circle contributes 20% of the annual budget of International P.E.N. Centres pay their membership dues on a yearly basis to International P.E.N. according to the numbers within their own membership. Each individual member of PEN pays dues both to the local centre and to International P.E.N.

The contribution of Centre dues is made according to the GDP of the country, in according to four categories: £14.40, £10.35, £5.75 and £3.45 (respectively per member per year).

CIRCLES

These are the Publishers, Writers, Readers and Screen Circles. Income from the Circles decreased in 2021. However, there was an increase in the Publishers Circle's income. The Trustees recognise the need to grow this basis of unrestricted income and have put plans in place within our new three years financial strategy to grow the Circles in 2021-2023.

COVID-19

As with many other organisations, PEN's largest risk is currently the continued global political and economic volatility caused by COVID-19, which has impacted most income streams. We have mitigated some risks to our income by implementing a more diversified model of carrying out our programmatic activities. As a result, we continue to operate a full cost recovery model in all our activities.

We have adapted well operationally. We closed our office and all of our colleagues moved to working from home, and they have adapted not only to a new way of working but also demonstrated agility in responding to changing guidance and circumstances.

We continually monitor the COVID-19 situation, following all government guidelines and staying alert to the threat of new variants.

At 31 December 2021, no bad debt provision was held in the balance sheet as a result of Covid-19, since all our debtors are recoverable. However, this affected the net cash outflow for payroll that was required.

Further to this, PEN remains supportive in an attempt to enable our Centres to continue to operate and make significant impacts in their advocacy for freedom of expression/writers in prison.

We remain cautious and vigilant over the threat of COVID-19 on our employees, services, and finances, but as noted in the financial statements the Trustees consider that the charity is well placed to manage any further risks associated with the pandemic.

EXPENDITURE

Total expenditure was £1,803k (2020: £1,691k), an increase of 7%. Expenditure was tightly controlled throughout the year to try to achieve an overall surplus to rebuild reserves and future sustainability. The main items that make up this amount include:

- Total staffing costs (including recruitment, training and consultant) 46%;
- Centenary costs including staffing 17%;
- Overall support costs, administration, finance, communications (core costs) 37%.

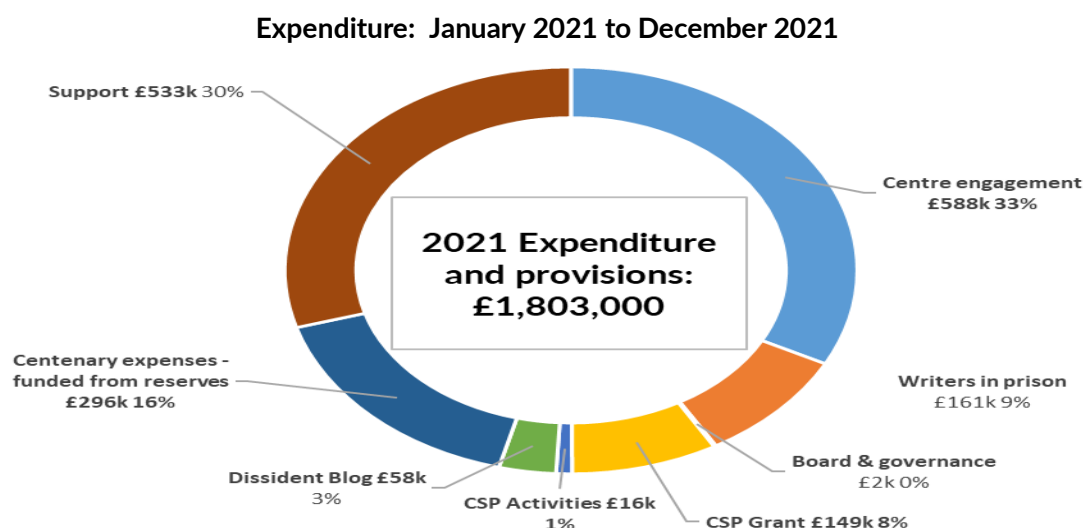
Employment costs remained by far the highest single item, totalling £1,091k (directly employed staff and consultants).

VALUE FOR MONEY

Providing value for money is vital for any charity. Ensuring that we don't compromise on quality while ensuring we get as much as we can for our money, means spending less, spending well and spending wisely. A focus on value for money is an objective that all staff are now aware of. Every role has a requirement to think about the value for all orders they are placing, questioning costs they believe to be too high, and getting multiple quotes for purchases.

By looking at value for money we want to make sure that:

- What we do is relevant and leads to benefits for our centres (spend wisely)
- How we work is efficient and effective, so we don't waste time or money (spend less)
- We get a good return from what we spend and make wise choices (spend well)



NET DEFICIT

The overall financial result for the year ended 31 December 2021 shows a surplus on unrestricted funds of £14k after transfer to designated funds compared to a deficit of £75k in 2020. For FY 2022 we intend to focus on increasing our business resilience, stability and financial sustainability, while also working to rebuild our reserves and manage both risks and financial controls.

STRUCTURE, GOVERNANCE AND MANAGEMENT

PEN is a charity that was first set up in 1921. Since 2006, the activities of PEN have been undertaken through a charitable company, limited by guarantee. International P.E.N.'s governing document is the PEN Charter and its Constitution; International P.E.N.'s members are the PEN Centres meeting once a year as the Assembly of Delegates at PEN's annual Congress.

We have a Board of up to 10 Trustees which includes the International President, International Secretary, and the International Treasurer:

- elected officials of International P.E.N. are nominated by at least 2 Centres;
- nominations and the election process is managed by the Search Committee; and
- two additional co-opted members are openly recruited by the other Trustees against a skills-needs audit.

The Board is responsible for setting the organisation's strategy, reviewing and adopting the budget and financial reports.

The Search Committee of the Assembly of delegates oversee trustee recruitment.

Candidates are provided with a job description and are required to submit in writing a biography and a signed letter of acceptance of nomination, with a statement of intent. The deadline for submission of nominations is 3 months in advance of Congress. Centres eligible to vote must have paid their membership dues to International P.E.N. and each Centre has one vote. The secret ballot is managed and overseen by the Search Committee.

International P.E.N.'s Trustees have been elected at Congress (the annual meeting of the Assembly of Delegates). The responsibilities of the Board of International P.E.N. have been defined by its constitution. Trustees can serve up to two, three-year terms of office.

The list of trustees who served during the year and up to the date of approval of the financial statements have been provided below:

Trustees

Burhan Sönmez, president/chair (appointed 1 Oct 2021)
Jennifer Clement, president/chair (departed 1 Oct 2021)
Regula Venske, deputy chair
Eric Lax, Treasurer
Kätlin Kaldmaa, International Secretary

Elected Trustees

Ma Thida (departed 1 Oct 2021)
Salil Tripathi (appointed 1 Oct 2021)
Ola Larsmo
Iman Humaydan
Francis, David Warwick
Kahyana, Danson Sylvester
Jose Gabriel Seisdedos (appointed 1 Oct 2021)

Trustees are not paid.

New Trustees are introduced to PEN with a formal induction programme. We also provide on-going training, based on periodic skill assessments.

The names of all those who are currently Trustees or who served as a trustee during the year to 31 December 2021 are set out in the section on “Reference and administrative information” at the end of this report. Further information on our current Trustees is available on our website (<https://pen-international.org/who-we-are/our-people/board>).

The Trustees delegate the day-to-day running of PEN to the Executive Director (ED). The work of the ED is guided by three sub-committees of the Board, each one chaired by a Trustee:

- **Finance Committee:** oversees the management of risk and finance and supervises the appointment of independent auditors;
- **Fundraising Committee:** develops and monitors the fundraising strategy of the organisation, partnership building and long-term sustainability; and
- **Centres Committee:** analyses the situation of all PEN Centres, intervenes in centre disputes, prepares new PEN Centres’ candidatures to be presented at the assembly of delegates for approval, proposes dormancies and closures of centres to the assembly, and deregistering centres who have ceased to exist.

As part of our Human resource development and staff remuneration, PEN is committed to ensuring that we pay our staff fairly and in a way that ensures we attract and retain the right skills in order to have the greatest impact in delivering our charitable objectives. Delivery of our charitable vision and purpose is primarily dependent on the performance and efforts of our staff, which is the largest single element of charitable expenditure. We aim to recruit, subject to experience, towards the lower point within a salary band, providing scope to be rewarded for excellence and growth

within the role. We do not employ interns without pay. We pay at least the London Living Wage for all our staff and are committed to encouraging our suppliers do the same. PEN evaluates each post against other posts in PEN and market comparators to arrive at salary rates based on a consistent and transparent process, designed to offer a fair pay framework for all salary assessments and decisions. The pay structure is reassessed on an annual basis. All staff confirmed in post are subject to regular performance conversations, at least annually but quarterly is strongly encouraged. As part of our HR review and staff engagement, we have been awarded an Investors In People accreditation indicating a step in the right direction to enhance our workforce.

We are still in the process of implementing our current governance structure as a basis to develop and monitor a newly developed governance framework, Trustees recruitment, Trustees induction, Code of Conduct.

Our **Centres** are legal members of our limited company, playing an important legal formal and informal role in our work. PEN Centres are voices for literature and freedom of expression in their respective countries. A full list of current Centres is available on our website (<https://pen-international.org/centres>) or by request.

International P.E.N. is committed to upholding its organisational culture in line with the seven overarching principles of the Charity Governance Code 2017: Organisational Purpose; Leadership; Integrity; Decision Making and Controls; Board Effectiveness; Diversity; and Openness and Accountability.

The Executive Director manages the office supported by a Senior Management team comprised of Finance, HR and Administration Director; Centenary Director and Director of International Programmes.

The Senior Management Team is responsible for and provides oversight of the delivery of PEN's strategy and programmes, human resources functions and ensuring compliance with Charity Commission guidelines, good governance, budgetary and funding requirements.

KEY MANAGEMENT PERSONNEL

The President, International Secretary and Treasurer meet confidentially to discuss the performance and achievements of the charity during the year in order to determine suitable remuneration for key management personnel. Their recommendations are then put forward to the Trustees for discussion and approval.

RISK AND INTERNAL CONTROLS

Identifying and actively managing risk is an important part of ensuring that P.EN. remains a healthy and impactful charity, and ensures Trustees remain focused on the appropriate issues as they lead the

organisation. This continues to be done at a Board and senior staff level by maintaining an organisational Risk Register that identifies the key organisational risks.

The Trustees continue to review the risks facing PEN, the controls in place and the effectiveness of mitigating actions. International P.E.N. has a risk register which records risks and how they are mitigated, including (but not limited to) our income, assets, management, staff, partners and beneficiaries, reputation, financial controls and governance. This risk assessment process identifies the strategies that are already in place to minimise risks, along with any further actions that may be required to mitigate them. The Trustees delegate risk management to the Executive Director and Finance, HR and Administration Director.

PEN has a comprehensive insurance policy, reviewed annually, and currently provided by Aston Lark Insurance.

The Trustees have considered the nature and extent of any risks and uncertainties that arise as a result of Brexit and COVID-19. Any material concerns have been included in the following table, which set out the specific areas that give rise to the potential major risks for the next financial year.

Risk	Current mitigating actions
Reduced income due to the impact of COVID-19 on PEN's membership cutting income by significant amounts in 2020 and the following years. Brexit adds additional uncertainty into the economy.	- Increasing levels of income generation and generally finding ways of diversifying our income streams - Reducing costs through delaying, reducing, or stopping core expenditure where feasible (efficiency strategy) - Realigning staff structure PEN's new strategy and budget constraints
Risk of ill-health, reduced morale and of resignations of key staff due to COVID-19 or related impact and proposals for restructuring/staff reductions/ redundancies	- Comprehensive and updated risk assessments for staff individually and of the office/workspaces to minimise the COVID-19 infection risk, with special emphasis on minimising risk for those vulnerable groups identified by government/NHS guidance to be at higher risk of COVID-19 - Significant staff support in place and exploration in consultation with staff about further support needs including in relation to wellbeing and enhanced engagement
Unrestricted fundraising targets not met.	- Board take strong lead in fundraising and new fundraising strategy - Continued outreach to publishers to increase membership of Publishers', Writers and Screenwriters Circles - New funding streams legacy and crowd funding explored
Effectiveness of Senior Management Team (SMT)	- SMT review of roles and responsibilities review of JD as untenable workloads and weak organisational processes reasons for departures of Directors with support from INTRAC - Consultations with the Union - Board approve process for recruitment and their involvement
Mismanagement of disbursed project funds to centres	- Improved disbursement of funds authorisation processes - Quarterly skype calls with Centres on project delivery and to build centre relationships over time 3 - 6 monthly reporting on projects and auditing - Bribery and corruption policy shared, whistle-blower and procurement particularly for those involved in Civil Society programme

Politicisation or intolerant positions of centres	- Centre Development strategy for problematic PEN Centres - Board/SMT take action/missions to engage with Centres whose messages is out of line with PEN Charter and human rights norms (i.e. on LGBTI) Several centres closed or made dormant - Hate Speech Working group – main subject congress Uppsala in 2020
Persecution of PEN members and writers we assist for their work in the organisation or for support provided	- We always obtain consent before we carry out any campaigning or advocacy on behalf of members or writers - We carry out a risk assessment before a mission and have developed a comprehensive risk assessment policy
Dramatic change in international support for freedom of expression demotivation and slows the Trust's ability to deliver its goals.	- Campaigns and advocacy are more focused and underpinned by robust research - Ensure that individual writers/Centres can advocate on issues of concern to them both at national and international levels – dialogue and debate need more than ever – role of the writer as thought leader to counter extreme positions - Build relations with key actors in international freedom of expression field
Effectiveness of International Board and Committees	- Board now taking lead in strategy setting including the process - Board positions under 3 year election cycle - At least two in person Board meetings per year - Co-opt members (2) of the Board under review 2 co-opted positions remain open
Injury/kidnapping of staff or consultant on overseas assignment	- Organisational travel security assessment strengthened – we use these regularly, last risk assessment done for High level Turkey mission - Work with local centres with good knowledge of situation and risks in country being visited - Full cover travel insurance - Security protocols in development

OTHER MATTERS

INVESTMENT POLICY

The Trustees commissioned Swissquote as our broker during the year. At present, we have investment of £242k (2020: £242k) held with the company. Trustees are currently updating our investment policy to comply with this activity. As part of our new financial strategy, we are now looking to create a policy for longer term investment of PEN's reserves in order to spread risk and ensure PEN's financial sustainability.

GOING CONCERN

Covid-19 has impacted PEN's income especially from donations, with many individual donors being affected by due to the economic pressure on the fallout of the lockdown.

The Trustees are aware of International P.E.N.'s contract term with Sida coming up for review. At the end of 2021 PEN International completed the second of a four-year programme of support from the Swedish International Development Agency (Sida). During 2021 PEN International maintained strong

links with its most significant institutional supporter. The annual review meeting held to discuss PEN's work in 2020 was held in May 2021 – the meeting was very positive and feedback from Sida was very encouraging on the progress of PEN's work.

At several times in the year, meetings were held to discuss emerging issues including crisis situations in Myanmar and Afghanistan. As a result of this close collaboration, Sida awarded PEN International an emergency grant to support its burgeoning protection work to assist writers in countries like Afghanistan. In 2022 PEN International will explore with Sida next steps for ensuring the continuation of Sida support beyond 2023.

In addition, P.E.N continues to review the staffing levels required for its future work as well as its overall cost base in order to reduce operating expenses and cash outflows.

Although there are risks with this strategy, management has determined that the actions that it has taken are sufficient to mitigate the uncertainty and has therefore prepared the financial statements on a going concern basis as it has a reasonable expectation that P.E.N. will continue in operational existence for the foreseeable future.

TREASURY POLICY

The Trustees set aside available funds from our income to pay for anticipated costs and for planned events (Centennial). The Trustees also set aside a small amount each year, when income is strong, to allow for some flexibility in periods of economic downturn. In order to protect our charitable projects from the loss of short-term funding, a target for a minimum level of reserves has been set at three months' grants receipts and expenditure for project delivery. Therefore, our reserves target is £178k.

Undesignated reserves amounted to £45k as at 31 December 2021. This is below target due to the impact of COVID-19. However, the shortfall in funds has been built into a strategic financial recovery modelling for the next three years. This policy is reviewed every year.

RESERVES POLICY

Like many other charities P.E.N has a reliance on a small number of income sources. It is important that, however unlikely it may be that these sources all suddenly cease, we plan to hold sufficient reserves to meet our obligations and needs. In this respect P.E.N remains positive to build resilient reserves that are strong and healthy.

The trustees set aside available funds from our income to pay for anticipated costs and for planned designated activities.

The Trustees recognise the need to hold sufficient reserves to allow protection of core activities in the event of any income shortfalls to implement long-term strategic programmes and enable International P.E.N. to carry out its essential projects.

The policy aims to have sufficient free reserves to enable International P.E.N. to cope with fluctuations and to hold at least the equivalent of three months' budgeted operating cost expenditure.

Total reserves at 31 December 2021 were £488k (2020: £510k) Restricted reserves held in 2021 were £415k (2020: £447k) and unrestricted reserves were £73k. Of this £28k were designated reserves while the reserves were £45k (2020: £31k).

The value of net assets in future years is projected to reduce/increase in the light of budgeted deficits/surplus and investment in our financial strategy. However, P.E.N remain strong as a 'going concern'.

Restricted reserves are those funds that have been received for particular purposes and projects and are shown in detail in note 16.

Even though, the year ended with a deficit we are still able to meet our free reserves target level implied by the current reserves policy, which seeks to build reserves up to three months' operating expenditure. The Finance Subcommittee of the board will continue to monitor closely the reserves position with quarterly reviews. This policy is reviewed every year.

FUNDRAISING

Our Head of Development ensures we follow best practice for charitable fundraising, active participation in fundraising regulation and compliance with the most recent codes of conduct. We continue to regularly review our policies and processes to check they are periodically refreshed, in particular with reference to our ongoing major fundraising campaign as part of our centennial.

In particular, P.E.N:

- ensures adherence to the Code of Fundraising Practice;
- employs due diligence to ensure that significant financial contributions from, and partnerships and agreements with, individuals and organisations comply with legal, ethical and best practice regulations and guidance;
- does not use professional fundraisers;
- ensures that the charity's fundraising practice complies with all data protection regulations and best practice guidance.

VOLUNTEERS

International P.E.N. is immensely grateful to the volunteers who contribute to our campaigns and communications work as well supporting our International programmes team with media monitoring on freedom of expression issues. Their skill, time and dedication helps us achieve our goals while offering them an opportunity to learn and gain experience in a field of work that has growing relevance in our world today.

AUDITOR

Our auditor, HW Fisher LLP, has indicated a willingness to continue in office and it is proposed that the firm be re-appointed as auditor for the ensuing year.

DISCLOSURE OF INFORMATION TO AUDITOR

In so far as each of the Trustees is aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- each of the Trustees has taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Signed on behalf of the Trustees

Burhan Sönmez

Eric Lax



President

Treasurer

22 Jun 2022

22 Jun 2022

This report incorporates the Directors' Report required for Companies Act purposes.

The Trustees (who are also directors of International P.E.N. for the purpose of company law) are responsible for preparing the report of the board of trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires Trustees to prepare financial statements for each financial year that give a true and fair view of the state of the affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006 and regulations made thereunder.

They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of the financial statements may differ from legislation in other jurisdictions.

OPINION

We have audited the financial statements of International P.E.N (the 'charity') for the year ended 31 December 2021 which comprise the statement of financial activities, the statement of financial position, the cash flow statement and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2021 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

OTHER INFORMATION

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the report of the board of trustees, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the report of the board of trustees have been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the report of the board of trustees.

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

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

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

As part of our planning process:

- We enquired of management the systems and controls the charity has in place, the areas of the financial statements that are most susceptible to the risk of irregularities and fraud, and whether there was any known, suspected or alleged fraud. The charity did not inform us of any known, suspected or alleged fraud.
- We obtained an understanding of the legal and regulatory frameworks applicable to the company. We determined that the following were most relevant: the Charity SORP, FRS 102, Charities Act 2011, Companies Act 2006.
- We considered the incentives and opportunities that exist in the charity, including the extent of management bias, which present a potential for irregularities and fraud to be perpetuated, and tailored our risk assessment accordingly.

- Using our knowledge of the charity, together with the discussions held with the charity at the planning stage, we formed a conclusion on the risk of misstatement due to irregularities including fraud and tailored our procedures according to this risk assessment.

The key procedures we undertook to detect irregularities including fraud during the course of the audit included:

- Identifying and testing journal entries and the overall accounting records, in particular those that were significant and unusual.
- Reviewing the financial statement disclosures and determining whether accounting policies have been appropriately applied.
- Reviewing documentation such as the company board minutes, correspondence with solicitors, for discussions of irregularities including fraud.
- Assessing the extent of compliance, or lack of, with the relevant laws and regulations.
- Testing key income lines, in particular cut-off, for evidence of management bias.
- Assessing the validity of the classification of income, expenditure, assets and liabilities between unrestricted, designated and restricted funds.
- Obtaining third-party confirmation of material bank balances.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements even though we have properly planned and performed our audit in accordance with auditing standards. The primary responsibility for the prevention and detection of irregularities and fraud rests with the trustees of the charity.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

USE OF OUR REPORT

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose.

To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Andrew Rich (Senior Statutory Auditor)

for and behalf of HW Fisher LLP

Chartered Accountants

Statutory Auditor

Acre House

11-15 William Road

London, NW1 3ER

HW Fisher LLP

22 Jun 2022

	Note	General funds £'000	Designated funds £'000	Restricted funds £'000	Total 2021 £'000	Total 2020 £'000
Income						
Income from charitable activities						
Donations and legacies	3	408	-	131	539	375
Charitable activities	4	107		1,138	1,245	1,069
Total income		515	-	1,269	1,784	1,444
Expenditure						
Expenditure on						
Cost of raising funds						
Expenditure on fundraising and publicity		20	-	-	20	17
Expenditure on charitable activities						
General advocacy and support	5	268	4	1,170	1,442	1,471
Writers in prison	5	208	2	131	341	203
Total expenditure on charitable activities		476	6	1,301	1,783	1,674
Total expenditure		496	6	1,301	1,803	1,691
Net gain / (loss)	23	(3)	-	-	(3)	14
Total net income/(expenditure) before transfers		16	(6)	(32)	(22)	(233)
Transfers between funds		(2)	2	-	-	-
Net income/(expenditure) after transfers/ Net movement in funds		14	(4)	(32)	(22)	(233)
<i>Reconciliation of funds</i>						
<i>Balances brought forward at 1 January 2021</i>		31	32	447	510	743
Balances carried forward at 31 December 2021	19	45	28	415	488	510

All gains and losses recognised in the year are included on the Statement of Financial Activities.

The accompanying notes form part of these financial statements.

Comparative year

	Note	General funds £'000	Designated funds £'000	Restricted funds £'000	Total 2020 £'000
Income					
Income from charitable activities					
Donations and legacies	3	202	-	173	375
Charitable activities	4	122	-	947	1,069
Total income		324	-	1,120	1,444
Expenditure					
Expenditure on					
Cost of raising funds					
Expenditure on fundraising and publicity		17	-	-	17
Expenditure on charitable activities					
General advocacy and support	5	308	6	1,157	1,471
Writers in prison	5	79	2	122	203
Total expenditure on charitable activities		387	8	1,279	1,674
Total expenditure		404	8	1,279	1,691
Net gain / (loss)	23	14	-	-	14
Total net income/(expenditure) before transfers		(66)	(8)	(159)	(233)
Transfers between funds		(9)	9	-	-
Net income/(expenditure) after transfers/ Net movement in funds		(75)	1	(159)	(233)
<i>Reconciliation of funds</i>					
<i>Balances brought forward at 1 January 2020</i>		106	31	606	743
Balances carried forward at 31 December 2020	19	31	32	447	510

	Note	£'000	2021 £'000	2020 £'000	£'000
Non-current assets					
Tangible assets	13a		15		19
Investment	13b		242		242
			257		261
Current assets					
Stock	5	129		-	
Debtors	14	196		208	
Cash at bank and in hand		228		174	
		553		382	
Creditors:					
amounts falling due within one year	15	(322)		(133)	
Net current assets			231		249
Total assets less creditors			488		510
The funds of the charity	17,18,19				
Unrestricted funds					
Other charitable funds			45		31
Designated funds			28		32
			73		63
Restricted funds			415		447
			488		510

Approved by the Trustees on

and signed on their behalf

22 Jun 2022

22 Jun 2022



Eric Lax, Treasurer



Burhan Sonmez, president

	Note	2021		2020	
		£'000	£'000	£'000	£'000
Net cash outflow from operating activities	20		56		(303)
Cash flows from investing activities					
Payments to acquire fixed assets	13a	(2)		(9)	
Total capital expenditure			(2)		(9)
Change in cash and cash equivalents in the reporting period			54		(312)
Cash and cash equivalents at the beginning of the reporting period			174		486
Cash and cash equivalents at the end of the reporting period			228		174
Cash at bank and in hand:					
Increase (decrease) in cash			228		174
	21		228		174

1. ACCOUNTING POLICIES

1.1 Accounting convention

The accounts have been prepared in accordance with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "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 2019). The charity is a Public Benefit Entity as defined by FRS 102. The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £. The financial statements have been prepared under the historical cost convention, modified to include the revaluation of investments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

Covid-19 has impacted PEN's income especially from donations, with many individual donors being affected by due to the economic pressure on the fallout of the lockdown.

The Trustees are aware of International P.E.N.'s contract term with Sida coming up for review. At the end of 2021 PEN International completed the second of a four-year programme of support from the Swedish International Development Agency (Sida). During 2021 PEN International maintained strong links with its most significant institutional supporter. The annual review meeting held to discuss PEN's work in 2020 was held in May 2021 – the meeting was very positive and feedback from Sida was very encouraging on the progress of PEN's work.

At several times in the year, meetings were held to discuss emerging issues including crisis situations in Myanmar and Afghanistan. As a result of this close collaboration, Sida awarded PEN International an emergency grant to support its burgeoning protection work to assist writers in countries like Afghanistan. In 2022 PEN International will explore with Sida next steps for ensuring the continuation of Sida support beyond 2023.

In addition, P.E.N continues to review the staffing levels required for its future work as well as its overall cost base in order to reduce operating expenses and cash outflows.

Although there are risks with this strategy, management has determined that the actions that it has taken are sufficient to mitigate the uncertainty and has therefore prepared the financial statements on a going concern basis as it has a reasonable expectation that P.E.N. will continue in operational existence for the foreseeable future.

1.3 Critical estimates and judgements

International P.E.N.'s significant accounting policies are stated in this note. Not all of these significant accounting policies require the Trustees to make difficult, subjective, or complex judgements or estimates.

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The trustees do not believe there to be any judgements or estimates critical to the financial statements.

1.4 Income

Income other than grant income is recognised at the fair value of the consideration received or receivable for goods and services provided. Fair value takes into account settlement discounts allowed on services.

Income from donations and 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.

The value of services provided by volunteers has not been included in these financial statements. Gifts in kind are included where the sum can be accurately estimated.

Unrestricted income is deferred when this is received and relates to a period following the year end. Restricted income is deferred only when this relates wholly to a future period, as specified by the funder.

1.5 Grants received

Where grants are received for specific purposes they are credited to the restricted funds of International P.E.N. Grants that are awarded for a specific period are recognised in the SOFA in that period.

1.6 Grants payable

Grants payable as cash are accounted for in the period in which they are approved. Grants awarded to centres of International P.E.N. are accounted for upon approval.

1.7 Basis of allocation of support costs

Staff and other support costs are allocated to the various activities of International P.E.N. based upon the direct staff costs involved in delivering direct charitable activities and on the estimated time devoted to the governance of PEN.

1.8 Defined contributions pension scheme

Employer contributions to PEN's defined contribution Pension Scheme are charged to the SOFA on an accruals basis.

1.9 Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the Charity.

Designated funds are donations where the donor has not specified a use, but the trustees have allocated these donations to specific projects being undertaken by the Charity.

Restricted funds are donations which the donor has specified are to be used solely for particular areas of the Charity's work or for specific projects being undertaken by the Charity.

1.10 Expenditure and irrecoverable Value Added Tax

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 attracting voluntary income and the costs of fundraising.
- Expenditure on charitable activities includes the costs of the delivery of its activities and services for its beneficiaries.
- 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.

Rental costs under operating leases are charged against income on a straight-line basis over the term of the lease.

1.11 Volunteers

International P.E.N. provides volunteering opportunities in a number of its activities. The work performed by the volunteers is well-appreciated and is explained in the Report of the board of trustees. No financial appraisal of the value of volunteering is included within these financial statements.

1.12 Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Asset Category

Office equipment	25% reducing balance
Fixtures & Fittings	25% reducing balance
Computer Equipment	25% reducing balance

The policy with respect to impairment reviews of fixed assets is that these assets are inspected regularly for any impairment and any defect remedied so as to maintain the current value.

All assets costing more than £500 are capitalised.

1.13 Investment

Investments are stated at market value at the balance sheet date. The SOFA includes the net gains and losses arising on revaluation and disposals throughout the year. Gains and losses on the disposal of investment assets are calculated as the difference between historical and market values.

1.14 Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered and provision for bad and doubtful debts.

Prepayments are valued at the amount prepaid net of any trade discounts due.

1.15 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.

1.16 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.

1.17 Other financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments. The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Except for fixed asset investments, basic financial instruments are recognised as the amount payable or receivable when the instrument is first recognised together with any subsequent transaction costs but modified in respect of trade debtors for an assessment of potential bad debt.

1.18 Foreign exchange

Transactions denominated in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. All differences are included in net outgoing resources. Where trustees hold restricted funds in foreign currency, gains and losses on foreign exchange are borne by unrestricted funds to maintain restricted gifts at their original value.

1.19 PEN Centres

PEN Centres are not treated as branches of International P.E.N. They are independently governed organisations.

1.20 Restricted funds

Project grants: Grants that are received for specified purposes are credited to a restricted fund. Expenditure that is attributable to such grants is charged directly to the fund in the statement of financial activities.

1.21 Designated funds

Fixed Assets: The balances on the funds represent our fixed asset portfolio. The capital costs of asset that are met from PEN's own resources are represented by designated funds. Depreciation is charged directly against the fund in the statement of financial activities.

2. LEGAL STATUS OF THE CHARITY

International P.E.N. (or "the Charity") is a company limited by guarantee incorporated in England and Wales. The registered office is 162-164 Abbey Street, Koops Mill Mews, Unit A, London, SE1 2AN.

NOTES TO THE FINANCIAL STATEMENTS YEAR END 31 DECEMBER 2021

3. INCOME FROM DONATIONS & LEGACIES

Source	2021			2020		
	Unrestricted funds £'000	Restricted funds £'000	Total £'000	Unrestricted funds £'000	Restricted funds £'000	Total £'000
Donations and legacies	408	131	539	202	173	375

Donations to unrestricted funds:

2021 £'000	2020 £'000
Individual contributions	53
PEN centre contributions	149
CJRS grants	-
408	202

2021 £	2020 £
Individual contributions	173
131	173

Donations to restricted funds:

Individual contributions

4. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2021 £'000	Restricted funds 2021 £'000	Total funds 2021 £'000	Unrestricted funds 2020	Restricted funds 2020	Total funds 2020 £'000
Grants receivable	-	1,062	1,062	9	947	956
Publishers Circle	101	-	101	98	-	98
Writers Circle	6	-	6	12	-	12
Readers Circle	-	-	-	3	-	3
Centenary – book sales	-	76	76	-	-	-
	107	1,138	1,245	122	947	1,069

Restricted funds:

	2021 £'000	2020 £'000
Norwegian Ministry of Foreign Affairs	50	51
ICORN	88	88
SIDA	842	770
NED	6	-
UNESCO	11	-
Fritt Ord Foundation	21	9
Derek Moore Foundation	5	-
Natur and Kultur	-	-
Evan Cornish Foundation	-	9
Banyan Tree Foundation	28	20
PEN America	11	-
	1,062	947

5. ANALYSIS OF EXPENDITURE RELATING TO GENERAL ADVOCACY AND SUPPORT

	2021 £'000	2020 £'000
Staff costs	726	467
Sub-grants to PEN Centres	150	132
Other centre development costs	256	571
Support costs (note 6)	271	301
Centenary – book costs	39	-
	1,442	1,471

Analysis of expenditure relating to writers in prison

	2021 £'000	2020 £'000
Staff costs	226	87
Other costs	15	40
Support costs (note 6)	100	76
	341	203

The total cost to produce 5,500 Centenary books in the year were £168k, less the year end stock value of £129k
Included in the year end stock value are additional costs from 2019 (£9k) and 2020 (£10k)

Continued overleaf

6. ANALYSIS OF SUPPORT COSTS AND GOVERNANCE COSTS

The Charity initially identifies the costs of its support functions. It then identifies those costs which relate to the governance function. Governance costs include payments to the auditor of £15,625 (2020: £13,000) and other financial services of £nil (2020: £1,000).

Having identified its governance costs, the remaining support costs together with the governance costs are all allocated against the charitable activities based on the time spent on those activities.

Support costs	General advocacy and support 2021 £'000	Writers in prison 2021 £'000	Total 2021 £'000	General advocacy and support 2020 £'000	Writers in prison 2020 £'000	Total 2020 £'000
Staff costs	31	15	46	97	28	125
Depreciation	4	2	6	6	2	8
Rent and occupancy	60	30	90	-	-	-
Office supplies and equipment	12	6	18	17	5	22
Other Costs	40	19	59	16	4	20
Governance costs (see below)	124	28	152	165	37	202
	271	100	371	301	76	377

Governance costs	General advocacy and support 2021 £'000	Writers in prison 2021 £'000	Total 2021 £'000	General advocacy and support 2020	Writers in prison 2020	Total 2020 £'000
Staff costs	76	17	93	150	33	183
Audit fees	13	3	16	11	3	14
Other costs	35	8	43	4	1	5
	124	28	152	165	37	202

Auditor's remuneration

	2021 £'000	2020 £'000
Statutory audit	15	13
Non audit service	-	1
	15	14

7. NET (EXPENDITURE) FOR THE YEAR

This is stated after charging:

	2021 £'000	2020 £'000
Operating lease rentals	96	84
	96	84

8. ANALYSIS OF STAFF COSTS, TRUSTEE REMUNERATION AND EXPENSES, AND THE COST OF KEY MANAGEMENT

	2021 £'000	2020 £'000
Wages and salaries	962	749
Social security costs	87	76
Pension	42	37
	1,091	862
Number of employees whose emoluments during the year fell between:		
	2021	2021
£60,000 and £69,999	-	2
£70,000 and 89,999	1	-
£90,000 and £99,999	-	-
£100,000 and £109,999	2	1

The key management personnel of the Charity comprise the Trustees, the Executive Director, the Director of Finance, HR and Administration, the Director of International Programmes, and the Director of Centenary Programmes. Remuneration of key management personnel was £291,237 (2020: £252,219).

Included in wages and salaries are termination payments amounting to £129,034.

Trustee Expenses: None of the trustees received any remuneration during the year, but the Trustee Board (Two members) were reimbursed a total of £59 (2020: £1,019) travel and subsistence expenses.

The total expenses incurred by the Trustees in the discharge of their duties and paid to third parties was £69 (2020: £16,788). However, two Trustees from our board donated £56,000 towards our core activities.

Number of volunteers was 1 (2020: 1). Volunteers assist with centenary project, supporting the International programmes team with media monitoring on freedom of expression issues.

9. STAFF NUMBERS

The average monthly head count was 19 staff (2020: 21) and the average monthly number of full-time equivalent employees (including casual and part time staff) during the year were as follows:

	2021 Number	2020 Number
Charitable activities	14	11.5
Fundraising	2	1.5
Governance	1	2
Support	-	-
	17	15

10. PENSION AND OTHER POST-RETIREMENT BENEFIT COMMITMENTS

The Charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Charity in an independently administered fund. The pension cost charge represents contributions payable by the charity to the fund.

	2021 £'000	2020 £'000
Contributions payable by the company for the year	43	37

The expense has been allocated to restricted and unrestricted expenditure on the same basis as wages and salaries.

11. RELATED PARTY TRANSACTIONS

During the year, donations without conditions from Trustees totalled £35,385. At the year end, there were no other disclosable related party transactions.

12. CORPORATION TAX

As a charity, International P.E.N. is exempt from UK tax on income and gains to the extent that these are applied to its charitable objects. No UK tax charges have arisen in the Charity, during the year or the previous year.

13a. TANGIBLE FIXED ASSETS

	Office Equipment £,000	Fixtures & Fittings £,000	Computer Equipment £,000	Total £,000
Cost:				
As at 1 January 2021	20	2	38	60
Additions	-	-	2	2
Disposals	-	-	(7)	(7)
As at 31 December 2021	20	2	33	55
Depreciation:				
As at 1 January 2021	17	-	24	41
On disposals	-	-	(6)	(6)
Charge for year	-	1	4	5
As at 31 December 2021	17	1	22	40
Net book value				
As 31 December 2021	3	1	11	15
As at 31 December 2020	3	2	14	19

All assets are used for charitable purposes.

13b. INVESTMENTS

	£,000
Valuation	
At 1 January 2021	242
Net book value	
As at 31 December 2021	<u>242</u>
As at 31 December 2020	<u>242</u>

International P.E.N. holds investment funds with Swissquote which are mutual funds for bonds and equities. These funds are single securities for bonds in Global and Euromarkets issues but no US domestic issues, with all investments generating daily liquidity.

14. DEBTORS

	2021 £'000	2020 £'000
Trade debtors	61	75
Grants receivable	59	44
Other debtors	34	25
Prepayments and accrued income	42	64
	196	208

Bad debt provisions are based upon the debtor balances on individual accounts.

There has been no change in the basis of calculation during the year.

15. CREDITORS: AMOUNTS DUE WITHIN ONE YEAR

	2021 £'000	2020 £'000
Trade creditors	39	20
Grants awarded	18	10
Taxation and social security costs	31	24
Other creditors	117	18
Accruals and deferred income	117	61
	322	133

Deferred income at the balance sheet date was £2,223 which represent PayPal donations received.

16. FINANCIAL INSTRUMENTS

	2021 £'000	2020 £'000
Financial assets measured at fair value through profit and loss	242	242

17. ANALYSIS OF RESTRICTED FUNDS

	Balance as at 1 January 2021 £,000	Incoming resources £,000	Resources expended £,000	Transfers Unrestricted Funds £,000	Funds as at 31 December 2021 £,000
Writers in Prison Committee (WIPC)	6	137	(131)	-	12
Swedish International Development Cooperation Agency (SIDA)	-	842	(796)	-	46
Centre Development	8	22	(21)	-	9
UNESCO	-	11	(4)	-	7
Norwegian Ministry of Foreign Affairs (NMFA)	16	50	(53)	-	13
Individual Donation (£610,200 towards the following 3 Areas):					
(i) *International P.E.N. Centenary	11	207	(296)	-	(78)
(ii) Defence of Writers & Literature	203	-	-	-	203
(iii) Strategic Development	203	-	-	-	203
	447	1,269	(1,301)	-	415

*This fund is overdrawn as expected in 2021. However, we expect donations received in 2022 to reduce the deficit. As at the date of approval of the accounts, we have received £30k.

	Balance as at 1 January 2020 £,000	Incoming resources £,000	Resources expended £,000	Transfers Unrestricted Funds £,000	Funds as at 31 December 2020 £,000
Writers in Prison Committee (WIPC)	40	126	(160)	-	6
Swedish International Development Cooperation Agency (SIDA)	-	770	(770)	-	-
Centre Development	8	-	-	-	8
Norwegian Ministry of Foreign Affairs (NMFA)	37	51	(72)	-	16
Individual Donation (£610,200 towards the following 3 Areas):					
(i) International P.E.N. Centenary	115	173	(277)	-	11
(ii) Defence of Writers & Literature	203	-	-	-	203
(iii) Long Term Reserves	203	-	-	-	203
	606	1,120	(1,279)	-	447

17. ANALYSIS OF FUNDS (Continued)

WIPC - The mobilisation of communication and support in opposition to the infringement of freedom of expression.

SIDA - Support for regional programmes for PEN centres and support for capacity and outreach in London.

Centre Development - Supporting exchanges mainly between the African centres.

NMFA - Support for the work of the Writers in Prison Committee in the Middle East, Asia and North Africa.

Individual donation – Support of the defence of writers and literature, PEN Centenary work, and to strengthen PEN's long-term reserves.

18. ANALYSIS OF MOVEMENT IN DESIGNATED FUNDS

	Balance as at 1 January 2021	Resources expended	Transfers	Funds as at 31 December 2021	Funds as at 31 December 2020
	£'000	£'000	£'000	£'000	£'000
Fixed Assets Fund	20	(6)	1	15	20
Donation	12	-	1	13	12
	32	(6)	2	28	32

	Balance as at 1 January 2020	Resources expended	Transfers	Funds as at 31 December 2020
	£'000	£'000	£'000	£'000
Fixed Assets Fund	19	(8)	9	20
Donation	12	-	-	12
	31	(8)	9	32

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2021 £'000	Designated funds 2021 £'000	Restricted funds 2021 £'000	Total 2021 £'000	Total 2020 £'000
Tangible fixed assets	-	15	-	15	19
Investments	-	-	242	242	242
Current assets	209	13	331	553	382
Creditors of less than one year	(164)	-	(158)	(322)	(133)
	45	28	415	488	510

	Unrestricted funds 2020 £'000	Designated funds 2020 £'000	Restricted funds 2020 £'000	Total 2020 £'000
Tangible fixed assets	-	19	-	19
Investments	-	-	242	242
Current assets	109	13	260	382
Creditors of less than one year	(78)	-	(55)	(133)
	31	32	447	510

20. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021 £'000	2020 £'000
Net movement in funds	(22)	(233)
Add back depreciation charge	5	8
Decrease/(Increase) in debtors	12	(60)
Increase/(Decrease) in creditors	189	(7)
Loss on disposal of fixed asset	1	-
Increase/(Decrease) in stock	(129)	-
Unrealised (gain)/loss on investment	-	(11)
Net cash used in operating activities	56	(303)

21. ANALYSIS OF CHANGES IN NET DEBT

The charity had no debt during the year.

22. COMMITMENTS UNDER OPERATING LEASES

	2021 £'000	2020 £'000
Within one year - property	84	-
Between two and five years - property	14	-
	98	-

23. NET GAIN / (LOSS)

	2021 £'000	2020 £'000
Currency exchange gain	3	3
Unrealised gains on investment	-	11
	3	14

REFERENCE AND ADMINISTRATIVE INFORMATION

Governance and management

Trustees

Burhan Sönmez, president/chair (appointed 1 Oct 2021)
 Jennifer Clement, president/chair (departed 1 Oct 2021)
 Regula Venske, deputy chair
 Eric Lax, Treasurer
 Kätlin Kaldmaa, International Secretary

Elected Trustees

Ma Thida (departed 1 Oct 2021)
 Salil Tripathi (appointed 1 Oct 2021)
 Ola Larsmo
 Iman Humaydan
 Francis, David Warwick
 Kahyana, Danson Sylvester
 Jose Gabriel Seisdedos (appointed 1 Oct 2021)

Executive Director

Romana Cacchioli

Company Secretary

Emmanuel Asamoah FCCA/MBA/MSc

Senior Management Team

Romana Cacchioli, ED & International Programmes Director
 Emmanuel Asamoah FCCA/MBA/MSc, Finance, HR & Administration
 Director
 Carles Torner PhD, Centenary Director (departed 31 Dec 2021)

Administrative information

Charity number

1117088

Company number

05683997

Registered office

162-164 Abbey Street,
 Koops Mill Mews,
 Unit A,
 London, SE1 2AN

Independent auditors

HW Fisher LLP
 Acre House
 11-15 William Road
 London, NW1 3ER

Bankers

HSBC Plc
 74 Goswell Road
 London, EC1V 7DA

Principal solicitors

Bates Wells and Braithwaite
 2-6 Cannon Street
 London EC4M 6YH

Official social media

Website

Facebook

Twitter

<https://pen-international.org/>
 /pen-international
 @pen-international

INTERNATIONAL P.E.N.

England & Wales - Charity number 1117088

Accounts



INTERNATIONAL P.E.N.

TRUSTEES' ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

CHARITY NUMBER: 1117088

COMPANY NUMBER: 05683997

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This report incorporates the Directors' Report required for Companies Act purposes.

The Trustees of International P.E.N. present their Annual Report and financial statements for the year ended 31 December 2020 under the Charities Act 2011, the Companies Act 2006 and Accounting and Reporting by Charities: 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 2019).

This year, to ensure our reporting of activity and finances over the year is accessible to all, we have produced three documents:

- International P.E.N. Learning Report;
- PEN in Numbers explains some of our activity using statistics, including a simple guide to our finances; and
- This Annual Report, which is the statutory report charities have to produce and features the audited financial statements in detail.

All these documents are available on our website: <https://pen-international.org/who-we-are/governance>

OBJECTIVES AND ACTIVITIES

International P.E.N. is a worldwide association of writers. It was founded in 1921 and is governed under the PEN Charter which was originally passed in 1948 and subsequently amended. It exists to promote friendship, fellowship and intellectual co-operation among writers everywhere, regardless of their political or other views; to fight for freedom of expression and to defend vigorously writers suffering from oppressive regimes.

International P.E.N. connects an international community of writers from its Secretariat in London. It is a forum where writers meet freely to discuss their work; it is also a voice speaking out for writers, silenced in their own countries. Through Centres in over 100 countries, PEN operates on five continents. International P.E.N. is a non-political organisation which holds Special Consultative Status at the UN and Associate Status at UNESCO.

The objectives for 2020 followed the organisation's strategic plan 2020 – 2023. The strategic plan was developed through consultations with the Board of Trustees and staff as well as the membership, and was adopted at Congress in Manila, Philippines in 2019.

PEN International's overarching goal is **to promote and defend freedom of expression, literatures and linguistic diversity, and mutual respect and tolerance across borders.**

As it enters its 100th year anniversary, PEN works alongside, and often partners with, a range of human rights, free expression, literary, and cultural organisations to affect change on issues of common concern. However, PEN remains a unique and often singularly effective voice for the change it promotes through combining literary events with freedom of expression concerns. As writers, we are uniquely placed to use our stories to

open minds and encourage dialogue. Our influence reaches leaders and communities – we engage them through creative voices and experience, we unite writers of influence globally to press for a world where writers and freedom of expression are fully protected; where languages and literatures are respected and celebrated; and where the free exchange of literatures and ideas build tolerance and understanding within and across borders.

In order to pursue our goals of promoting freedom of expression, languages and literatures PEN's four overarching objectives are:

1. Creating new spaces for literature, language, debate, dialogue idea and opinions

Through our sub-granting programme, the civil society programme, which aims to contribute to a dynamic and informed civil society, by creating spaces for creativity and dialogue, where ideas are shared and challenged and where expression in all its forms can flourish. The CSP offers a flexible framework for PEN Centres to identify and propose locally relevant projects, which promote and strengthen civic spaces for expression. The programme aims to strengthen initiatives, which enhance the participation of women and minorities in asserting, and claiming their rights, these include through campaigns and advocacy, literary events, festivals, and community outreach; educational support programmes, literary and research initiatives.

The current grant giving system is based on open calls that encourage the participation of PEN Centres based primarily in official Development Assistant Committee (DAC) recipient countries.

Due to the COVID 19 pandemic, all of PEN's in-person activities moved on-line. As a result, PEN provided small grants to 25 PEN Centres largely from the global south, to develop their on-line presence. Across the world, PEN Centres seized the opportunity to develop digital inclusion and reach new audiences through digital platforms such as Facebook, Twitter, Instagram, and YouTube, and used online sites such as Zoom and Microsoft Teams to hold their meetings and connect their membership. On-line activities provided new spaces for free expression using literature as the vehicle to enhance participation, particularly of marginalized groups in debates around freedom of expression and other rights, to encourage critical thinking and empower those who have no voice. Centres developed a range of events, which ran through the second half of the year – webinars, literary readings, podcasts, and training sessions on a range of issues – from challenges to free expression under the pandemic to women's poetry and activism. PEN hired two expert digital consultants to support PEN Centres with their digital projects, providing tailored mentoring and online training. As a result, all Centres improved their digital skills and reached new audiences, through growing their social media following for literature and freedom of expression.

In 2020 Day of the Dead also went digital. Eleven PEN Centres in Latin America were supported with small grants to commemorate Day of the Dead and Day against Impunity. Centres ran online activities, which ranged

from poetry readings to those focused on cases of writers murdered because of their work. Centres across the region called for an end to impunity and for redress for those killed solely for expression their opinions.

For further information on the impact of these projects, see PEN's Impact Report 2020.

2. Improving the situation of writers at risk who are displaced, imprisoned or otherwise persecuted

Freedom of Expression and PEN's work have been deeply affected by the global COVID 19 pandemic. Although COVID 19 may be a new virus, with deep and wide-ranging impact that will not be possible to measure for years to come, its effect on freedom of expression and on writers in prison are not new. The crisis has thrown into sharp focus the systemic problems that writers who speak out have long faced, problems that PEN International has set out to challenge from its start a century ago. These are likely to continue in some form long after a vaccine is rolled out and this pandemic faded into history.

A pattern we are seeing is that writers arrested and persecuted for their comments on the virus are often the same who have for years, been the subject of harassment and persecution for standing up and challenging states. It is not just COVID 19 commentary that is subject to censorship, but dissident voices in general. They protested injustice before and during COVID and will continue to protest new injustices. Finally, the ravages of COVID through many of the world's prisons, with deaths and illness fast spreading, and families denied access has highlighted the pre-existing problem of appalling conditions and lack of medical care that prisoners have always suffered.

In 2020, PEN continued to support writers at risk, including those detained or otherwise persecuted for their opinions expressed in writing – by monitoring and reporting on cases, advocacy and campaigning, solidarity actions and through the provision of assistance for securing financial, relocation and asylum support. PEN's 2019 [Case list](#) was published in May 2020.

Because of the global pandemic, PEN's work in the first half of the year with the International Cities of Refuge (ICORN) experienced a dramatic drop in the number of cases presented for assessment. However, the second half of the year saw numbers rise - PEN received 115 applications for comment in 2020, close to that of the previous year (119), assessed, and returned 110 applications. In addition, there was a growing level of engagement on a one-to-one basis with applicants. The number of asylum support requests from ICORN applicants has dramatically increased during this year, reflecting the closing of borders due to the coronavirus pandemic, which has presented particular challenges.

The overwhelming majority of applications continue to come from the Middle East and North Africa (MENA) region, with writers in the region particularly at risk for reporting on conflict, human rights violations and political turmoil. Many Egyptian writers were imprisoned solely for exercising their right to freedom of expression and their human rights work, and exiled writers in Egypt face considerable problems and little protection. Political protests in Iraq and Lebanon exacerbated the situation for writers and journalists in these countries, and in the Palestinian Territories, the stifling freedom of expression climate in the Gaza strip

disproportionately targets writers and artists. In addition, the Israeli closure of Gaza is having a devastating effect, making it nigh on impossible for writers to seek protection. Women writers in Gaza are particularly at risk, targeted by both family and state actors, and face gender-based violence. LGBTQ+ writers face acute persecution throughout the region.

Nearly 50% of the applications presented to PEN for comment from the MENA in 2020 came from Iran, which has consistently high numbers of writers in prison and going into exile. Religious and ethnic minorities – in particular Kurdish writers - are amongst those targeted by the state for peacefully expressing themselves. The gravity of threats to writers and artists perpetrated by the Iranian state necessitates an absolute need for long-term relocation in the majority of cases. Economic sanctions make it impossible to send money to Iran, and therefore persecuted writers in the country – many of whom are excluded from employment as part of their persecution - are unable to access emergency funding to ease their predicament. The coronavirus pandemic has exacerbated the situation, increasing fears for the safety of persecuted writers, especially those detained. Thanks to additional support from the Sida grant, PEN was able to increase its language support to the Protection Team, particularly in Farsi to deal with the large number of cases from Iran. In 2020, twenty-four cases were assessed and returned to ICORN from the MENA region.

In Europe and Central Asia, civil space continued to shrink, particularly in parts of the former Soviet Union. PEN recorded a rise of applications from writers in these countries. In Belarus, tens of thousands of people took to the streets in peaceful protest due to rigged elections in August 2020. Hundreds were detained including many writers and artists, suffering arrests, beatings, destruction of instruments, and loss of jobs. In Ukraine and Uzbekistan, where new applications were received, journalists and activists continue to face harassment and threats connected to their reporting. PEN Ukraine, PEN Moscow and Russian PEN have been key partners in providing support to displaced writers from the region in need of protection. The persecution of independent voices in Azerbaijan continues, with journalists and bloggers subjected to physical attacks, harassment and threats, often with impunity; six were behind bars at the end of 2020. Persecution of LGBTQ+ individuals and communities is growing in these regions (as well as increasing pushback on women's rights), where laws criminalising the propaganda of homosexuality have also been used to target writers.

Requests for assistance from Turkish writers continue, though in fewer numbers. More than three years since a failed coup attempt, the Turkish government continues its relentless and pervasive crackdown on civic space, media freedom and dissenting voices. Turkey retains the dubious accolade of the world's biggest jailer of journalists; at least 87 were behind bars at the end of 2020.

From Asia, PEN continues to receive regular requests for protection, relocation and financial assistance including from Bangladeshi writers in the wake of the killings of several secular bloggers there since February 2015, reflecting the restrictive freedom of expression climate in the country. Although fatal attacks have significantly decreased, the climate for freedom of expression has continued to deteriorate, with Bangladesh's vibrant civil society also under attack. Legislative changes, poor law enforcement, lack of governmental

support for the principle of freedom of expression, attempts to undermine independent media and a justice system under-resourced and ill-equipped to provide recourse to victims of rights violations have all contributed to the silencing of dissenting voices, through murder, imprisonment, self-censorship or exile.

The year has also seen an increase in applications from China, reflecting the deteriorating freedom of expression climate especially in the Xinjiang Uyghur Autonomous Region (XUAR); Uyghur applicants also continue to face risk of persecution from beyond China's borders. Issues relating to digital security, consent and safety of family members are particularly complex and pressing in these cases.

The critical security situation in Afghanistan is placing many writers and journalists at risk from both state and non-state actors, and those at particular risk include Hazara people, women, LGBTQ+ individuals, or those defending those groups, especially outside of Kabul, where anti-government elements hold more power. Eighteen applications from Asia were assessed and returned to ICORN in 2020.

In the Americas, given the scale of violence and threats against journalists, PEN recognises the need to expand its reach in the region. Two cases were assessed and returned to ICORN for the Americas in 2020.

The number of requests for assistance and protection from writers from sub-Saharan and north Africa has been consistently high for many years. There is a lot of diversity in the countries of origin of applicants from the region, although the majority come from the horn of Africa. The positive political developments in Ethiopia since 2018 may have led to a drop in applications, although applications from neighbouring Eritrea remain high.

The majority of applicants to ICORN from the continent are living as refugees in exile and are going through the UNHCR resettlement process, which can take several years. Only a fraction can be placed through the ICORN network, and most emergency funding and short-term relocation programmes do not address the needs of writers in need of long-term protection. It is hoped that through our growing network of African Centres and developing partnerships with local organisations on the ground (in particular the DefendDefenders East and Horn of Africa Human Rights Project) more sustainable complementary pathways can be found to support those in long-term limbo at the local and regional level. A capacity-building project with PEN Uganda to support displaced and refugee writers in the country started in 2019. This project will provide much needed solidarity and respite for writers from the region exiled in Uganda. Thirteen assessments were returned to ICORN for Africa in 2020.

Campaigning – Emblematic Cases

Emblematic cases featured in our Campaign for the Day of the Imprisoned Writer or which were the focus of individual statements or actions through PEN's Rapid Action Network (RAN) include the following cases:

Ugandan writer and journalist, **Kakwenza Rukirabashaija** who was arrested in April 2020 by the military police. Accused of violating Uganda's COVID19 control regulations through a post he had made on his Facebook page, his interrogation under torture centred on his novel, *The Greedy Barbarians*, a book critical of endemic official

corruption in Uganda. Although he was released on bail, court proceedings have dragged. PEN continues to monitor this case. Here is a link to more information on the case <https://pen-international.org/news/uganda-release-kakwenza-rukirabashaija>

Prominent investigative journalist and filmmaker, **Hopewell Chin'ono** was violently arrested at his home in Zimbabwe and charged with inciting public violence based on a Twitter post in which he had expressed support for peaceful anticorruption protests planned for July 31. It is however believed that the authorities targeted Hopewell for judicial harassment because of his investigative reports on alleged high-level corruption on COVID19 supplies. <https://pen-international.org/news/zimbabwe-release-journalist-hopewell-chinono-and-drop-all-charges-against-him>. Hopewell was released on bail after 45 days of detention at a maximum security prison, banning his lawyer from representing him and frivolous denials of his bail applications. PEN continues to monitor this case.

Award-winning Zimbabwean writer, playwright and filmmaker **Tsitsi Dangarembga** whose novel *This Mournable Body* was shortlisted for the 2020 Booker Prize, was arrested in Harare while peacefully protesting corruption. This was on July 31, a day when opposition, civil society and professional association activists had called peaceful anticorruption demonstrations. Dangarembga was detained overnight and released on a cash bail, ordered to surrender her passport and report to the police every week. Here is a link for information about her case <https://pen-international.org/news/zimbabwe-drop-charges-against-writer-tsitsi-dangarembga> PEN continues to monitor this case.

On a positive note, in February 2020, the conviction of Ugandan academic, activist and poet **Stella Nyanzi** was quashed, ending her detention in jail. Here is a link the statement we issued on the good news of her court victory <https://pen-international.org/news/uganda-academic-activist-and-poet-dr-stella-nyanzi-released-conviction-quashed>

Several of PEN's main cases in the Americas, have shown encouraging progress and in some cases positive results. **Roberto de Jesús Quiñones Haces**, a Cuban poet, was released on 4th September 2020. We campaigned on his case continuously throughout the year

<https://www.youtube.com/watch?v=4rST7SMcNP0&t=2s>. At least 15 centres in the Region contributed with specific actions on his behalf.

Ending impunity in Mexico, **Lydia Cacho's** case has shown some promising progress, some of those accused of the attacks against her are on trial or in jail. Also a conviction for the murder of journalist [Miroslava Breach](#) was secured and sentence passed, Miroslava's case has been a focus of long term PEN campaigning during [2017](#) and [2018](#).

In Asia, Myanmar poet and activist, [Maung Saungkha](#), was facing three months in jail at a time when those incarcerated are at a great risk of infection from COVID 19. After the statement was circulated on Sep 2nd, the

court verdict on Sep 4 gave him a reduced sentence of a fine with no mandatory jail time. Following on from the news, he thanked PEN International first among the NGOs that advocated on his behalf.

PEN advocated on several cases of writers facing judicial harassment in **India**, particularly that of elderly poet P **Varavara Rao** on medical grounds. A Marxist poet and activist, Rao is considered an important figure in Telugu literature, and has since the late 1960s published numerous poetry collections. His arrest took place in November 2018, and he has been detained ever since, accused of his purported connection with an alleged plot to assassinate Prime Minister Narendra Modi. However, PEN considers that he is being held for his views and that he is being penalized for his continued advocacy for the underprivileged communities in India, including indigenous tribal groups. Several appeals that he be freed on bail in the past year have been rejected.

In Europe PEN co-organised, an advocacy campaign to mark Kurdish reporter **Nedim Türfent's** 1500th day behind bars, including two successful online events in English and Turkish, social media clips, solidarity messages and a joint statement with 43 civil society organisations. PEN also coordinated a joint statement with 37 Centres and other civil society organisations to protest the closure of online station Ozgürüz, led by Can Dündar, and issued statements in two other cases of judicial harassment (**Nurcan Baysal** and **Ragip Zarakolu**). PEN International also joined two English PEN statements concerning the **United Kingdom** together with Scottish PEN, Irish PEN and Wales PEN Cymru, urging the Church of England to overturn a judgment in relation to an Irish-language epitaph. PEN International and six PEN Centres also signed on to a broader NGO statement calling for the release of **Julian Assange**.

In the Middle East and North Africa activists In **Egypt** were among those [briefly arrested](#) during protests calling for the release of political prisoners who they feared are at particular risk of contracting the disease in overcrowded and medically under-resourced prisons. These fears tragically came to be founded with the death in prison in May of filmmaker [Shady Habash](#), reportedly after having ingested sanitizer. Yet more people continued to be detained, such as in June when [Sanaa Seif](#), also a filmmaker, who had protested outside the prison where her brother, a PEN main case, **Alaa Abd El Fattah**, was detained

In **Iran**, the plight of [Narges Mohammadi](#), who is serving a long prison term, became more acute with the news that she had COVID-like symptoms. PEN's calls for her release were replicated in a joint statement by United Nation Special Rapporteurs, and soon after some relief came when she was allowed to speak to her children, now living in Europe, for the first time in over a year. PEN also demanded the dropping of charges against [three writers](#) who were ordered to enter prison in May despite the extent of COVID in the jails.

Fears for the welfare of prisoners in **Bahrain**, also seeing widespread COVID 19 outbreaks in jails, led to the release of many political prisoners, but a number of human rights defenders and journalists [remained behind bars](#). PEN joined call for them also be released. The crisis in **Yemen** which has led to deep suffering across the country, also saw [death sentences](#) served against four journalists by the *de facto* Houthi government in Sanaa. They had been arrested four years earlier on charges of spying and 'false news'. The hosting of the Hay Literary

Festival in Abu Dhabi gave an opportunity to highlight the poor state of freedom of expression in the **United Arab Emirates**, including [long sentences](#) being served by three human rights defenders and activists.

3. Addressing structural threats and barriers to freedom of expression

Structural threats to freedom of expression are confronted and where possible revoked by challenging all forms of censorship including the increasing restrictions to digital freedom on-line and restrictions of freedom of expression for minorities such as LGBTQI communities. PEN opposes the criminalization of speech, insult or defamation laws – with the exception of speech, which directly incites violence. Across the world, demands for stricter regulation of freedom of speech to deal with the very real threat of political violence, is also central to many organised hate speech campaigns.

Fake news has been a paramount concern in these days of COVID 19. On the one hand, writers have been arrested and censored on accusations of ‘false news’ for publishing alternative narratives about the pandemic to those of their governments. On other hand, governments have issued their own ‘fake news’ and denied access to information. Yet this has always been the case. Challenging government policy, investigative journalism, alternative narratives have been labelled ‘false’, ‘fake’, ‘disinformation’, ‘spreading public unrest’, and even ‘threat to public security’. These are one of the most common reasons used to penalize writers for decades, even centuries.

Emergency laws aimed at containing the virus can seem reasonable but have been applied to shut down criticism. In this way, such laws replicate the instrumentalisation of other laws seemingly aimed at protecting the public. Laws dealing with anti-terrorism, defamation, religion, and traditional values are all widely used to shut down criticism of leaders and against non-conformists and minority voices.

PEN, together with several Zimbabwean, regional and global civil society organizations co-signed a joint statement addressed to the Speaker of the Zimbabwe Parliament raising concerns about the gazetted Cybersecurity and Data Protection Bill. Here is a link to the statement

<https://pen-international.org/news/zimbabwe-government-cybersecurity-bill>

Also, after years of advocacy spearheaded by PEN Sierra Leone and other local civil society groups, with support from PEN International, in August, the Sierra Leone Parliament repealed the country’s criminal defamation law. This effectively ended the criminalization of defamation and seditious libel. PEN is exploring with PEN Sierra Leone further action, particularly on capacity strengthening of journalists on the new, more progressive legal and policy environment and ways to secure the gains of the successful advocacy.

We worked on barriers to freedom of expression such as restrictive laws in **Honduras, Nicaragua and Cuba**. These countries are facing repressive censor laws and measures that were hardened during the COVID 19 crisis. On Chile specifically, PEN International condemned legal actions taken against the activists and artists of LASTESIS, authors of the performance piece ["A rapist in your way"](#), which has been performed in more than 35 countries. These actions, brought by a branch of the Chilean police force, the Carabineros, put freedom of

expression at risk and demonstrate the increasing threat to writers, artistic and social activists and journalists who criticize security and government policies. We also published a statement on [USA](#) and the restrictions to free expression after the murder of **George Floyd**.

China continues to be a priority, with the country comprising of the largest number of cases within the 2019 [Case List](#). The situation within China remains grave, particularly for vulnerable minorities in Xinjiang, and the extent of the threat posed to writers at risk increasingly extends beyond the country's national boundaries, with exiled writers facing the risk of refoulement or persecution of family members still inside China. The recent implementation of the national security law in Hong Kong is a particular concern for freedom of expression in the territory, which has long acted as a sanctuary for writers in China. To address the scale of the challenge, the first meeting of the China Planning Group (CPG) was convened in August 2020. The role of the CPG is to coordinate a long-term strategy of actions between several PEN centres working on issues of freedom of expression and the protection of writers at risk in China.

The targeting of writers and journalists criticising government policies continues to be a frequent issue throughout the region, with several recent cases in India emerging in response to criticism of the Indian government's implementation of the controversial Citizenship (Amendment) act. In **Thailand**, public criticism of the ruling monarchy remains fraught with danger, and several writers and activists were charged under the country's highly punitive *lèse-majesté* law for their peaceful participation in pro-democracy protests in recent months.

The implementation of broad emergency powers in response to the COVID 19 pandemic in countries such as **Cambodia, Myanmar, Philippines, and Thailand** is also a pressing concern given each country's well-documented reputation for using security measures to censor criticism and criminalise dissent. In Singapore, government efforts to ostensibly counter the issue of 'fake news' surrounding COVID 19 through legislation has resulted in its use against organisations who criticised the government's early handling of the pandemic. The health dangers posed by COVID-19 have been exacerbated through the on-going implementation of internet shutdowns in **Bangladesh**, Myanmar, and the Indian-administered union territory of Jammu and Kashmir, resulting in the denial of access to information crucial to the health and well-being of vulnerable populations.

At **EU level**, PEN International continues to be involved in the work of a grand coalition of NGO's that advocates for a European instrument tackling Strategic Lawsuits Against Public Participation (SLAPPs), including engagement in the development of a Model Directive. Recently, the European Commission has started signalling interest in initiating the legislative process and there is a group of like-minded MEPs. Furthermore, PEN International also signed on to a statement in support of the mandate of the **OSCE** Representative on Freedom of the Media. With 28 other civil society organisations, we expressed our deep concern over the decision of the representatives of Azerbaijan and Tajikistan to block the renewal of the mandate of Harlem Désir.

4. Strengthening the institutional capacity and sustainability of PEN, so that the movement is fully representative and relevant

Efforts to ensure the sustainability of the PEN movement beyond its centenary are concentrated around three main areas, fundraising, cultivating diverse and young members to ensure the organisation remains relevant, and professional development - building skills to deliver PEN's objectives. Capacity building and knowledge sharing is the Secretariat's primary role in the coming years. In order to achieve PEN's vision, significant resources will be required at all levels – Board, Centre and Secretariat.

In order to maintain the Secretariat's support to the membership in skills training we also moved our capacity-building programme online. We have developed an online series of ten [capacity building webinars](#) in Spanish and English, with approximately 45 PEN members participating from Africa, Asia, and Latin America. The membership have increased their knowledge and skills on a range of practical and thematic issues from project management, financial management and monitoring and evaluation as well as fundraising, gender, and diversity. Presentations and resources on each webinar were widely shared and all sessions were recorded for the benefit of those unable to attend in person. The webinar series ran in both English and Spanish (for the Americas) attracted participation from over 40 Centres in the Global South. Funds to ensure adequate internet access were provided to 7 PEN Centres largely from Africa.

Congress and PEN's AGM

PEN International held its 86th Annual Congress, its first-ever digital Congress with the theme: **Freedom of Expression in Times of Pandemic**. The Congress marked the beginning of our one-year journey towards PEN's Centenary in 2021. From 2 to 6 November 2020, 296 participants from 90 PEN Centres gathered online to examine and debate the challenges to free expression around the world. The Assembly adopted a [resolution](#) calling for public access to sound medical and scientific information about the virus, which should not be limited to suit political or economic interests. It also calls for the global emergency not to be used by governments to further silence voices of opposition.

The Assembly of Delegates welcomed 3 new PEN Centres to the PEN family, namely PEN Ecuador, PEN Greece and its first indigenous language Centre - PEN Chiapas Multicultural. The Congress consisted of 9 hours of live sessions, made possible by 104 hours of web development work. Our digital reach and engagement far outperformed the reach of in person meetings with two public panels reaching over 7,000 people.

More information is provided in PEN's Memorandum and Articles of Association, including restrictions applicable to PEN. This can be viewed on our website <https://pen-international.org/who-we-are/governance> or is available by request.

PUBLIC BENEFIT

Article 19 of the Universal Declaration of Human Rights (UDHR) addresses freedom of expression as follows:

"Everyone has the right to freedom of opinion and expression; this right includes freedom to hold opinions without interference and to seek, receive and impart information and ideas through any media and regardless of frontiers".

The trustees have paid due regard to the guidance issued by the Charity Commission in deciding what activities the charity should undertake, to further its charitable purposes for the public benefit.

International P.E.N. coordinates the activities of PEN Centres across the world in defence of freedom of expression and provides international support, research, policy development and programming to further this aim. The Charity Commission's RR12 declares: "there is an obvious public benefit in promoting human rights. For individuals whose human rights are thereby secured, the benefit is immediate and tangible. There is also a less tangible, but nonetheless significant, benefit to the whole community that arises from our perception that the fundamental rights of all members of the community are being protected."

CRITERIA FOR MEASURING SUCCESS

International P.E.N. has a diverse framework for measuring its impact effectiveness. Linked to the organisational log frame, qualitative and quantitative indicators are recorded through tracking tables, case studies, focus groups and questionnaires. These are used to determine the effectiveness and appropriateness of activities. Our approach aims to be participatory and adaptable in order to understand the impact of PEN's work across the organisation by bringing the voices of writers and members working in a variety of contexts together, to build a comprehensive picture of PEN's work. Lessons learnt, including from achievements and challenges, are fed into planning and to strengthen the work going forward. Meaningful feedback and honest analysis is at the core of our system, as is our means of capturing data which harnesses the strength of PEN as an organisation of writers who can tell stories of change. Programmes are subject to external and independent evaluations when required by funders.

TRANSFORMING INTERNATIONAL P.E.N.

While PEN's Strategic Plan 2020-2023 represents an evolutionary development, rather than a radical shift in organisational direction, it also aims to improve PEN International's accountability and governance.

At the Secretariat, a Management Group with representatives from each team meeting bi-weekly was established to plan, discuss and take decisions on key issues facing the organisation internally. The management group was set up to increase participation and transparency in the decision-making processes and greater accountability by senior managers to the staff and Board.

Due to the pandemic, staff were required to work remotely from mid-March 2020. This provoked a number of challenges for the organisation, including the need to acquire new hardware for homeworkers. Due to new ways of working, PEN commissioned a health and safety workstation review for each member of staff to ensure everyone was working from home in an appropriate and comfortable manner. Furthermore, PEN adopted a working at home policy, which set out the parameters for remote working. The Senior Management Team also adopted flexible hours approach to support staff with home schooling and career responsibilities.

PEN provided a number of trainings, which were welcome by staff, including on GDPR and digital security. The finance team has continued to strengthen PEN's financial and administration policies and procedures, providing training to staff and specific support to the sub-granting programme with a webinar dedicated to budgeting and reporting for the global membership.

The Finance, Administration and HR Director led the development of a new Finance Strategy, adopted by the Board of Trustees, which includes the need to develop a resilience fund from 2020 – 2023. The resilience fund is intended to stabilise the organisation's finances, minimise the likelihood of end of year deficits and with the fundraising strategy increase the organisation's sustainability with a view to growth in the 3rd and 4th year of the strategy.

CELEBRATION OF PEN CENTENARY HIGHLIGHTING PEN'S MISSION TODAY

In December 2020, the Board of PEN International decided to adapt the celebration of PENs 100th anniversary to the health crisis's context and its imposed restrictions. The board decided to celebrate PEN's 100+1 anniversary: the centenary celebrations will extend from 2021 to 2022, until the PEN International Congress meeting in Uppsala, Sweden, in late September.

Centenary celebrations will be looking back to PEN's rich history and acknowledging the fantastic network of close to 150 centres it has become. The centenary slogan is *100 years of celebrating literature and protecting freedom of expression*. Each PEN Centre will be invited to join the celebration through its campaigns, debates, webinars, literary readings, civil society programs and all activities organised in 2021 and 2022. The international secretariat has thus shared with all centres the logo, the banner, the slogan and the hashtag of the centenary, with branding guidelines.

All celebrations will link the mission of PEN today with its centenary history. They started on 15 January 2021 with the PEN Freedom of Expression Award in the context of the Writers Unlimited Festival in The Hague —on the same day of the 50th anniversary of the PEN Emergency Fund. All regional network meetings in the Americas, Africa, Asia-Pacific, Europe and MENA will start the preparations of the PEN Centenary Congress. The Women Writers Meeting in March debated, and the Writers for Peace meeting in April will debate, the mission of its committee in the light of its historical achievements. The Writers in Prison Committee conference in partnership with ICORN will reflect on the extraordinary development of PEN's Protection of Writers at Risk

network and present challenges for writers in exile. The meeting of the Translation and Linguistic Rights Committee in June will celebrate the 25th anniversary of the Universal Declaration of Linguistic Rights.

In June, PEN will launch the PEN Centenary Archive Collection Online Exhibition: more than 90 centres have contributed to this huge archive of the centres' archives. It will give the scope of PEN's presence worldwide and will narrate the many histories of PEN Centre's life, congresses, committee meetings and the development of the PEN Charter. It will showcase an organisation that has grown non-stop, increasing the number of literary communities gathered and increasing their commitment to peace and freedom since 1921.

The launching of *PEN International A history* —a coffee-table book of more than 300 pages and 500 images will take place in September. A team of six authors and twenty researchers have worked for more than two years to collect the documents, pictures and narrations of PEN's history about writers in exile or imprisoned, translation and linguistic rights, and writers for peace and women writers. The book will be published in English, French, Spanish, German, Swedish, Catalan and Basque languages, including special editions with chapters about Slovene, Tibetan Writers Abroad, Belgian Francophone, Danish and American PEN.

The PEN Centenary Congress will take place at the end of September in digital mode. **Salman Rushdie, Svetlana Alexievich, Margaret Atwood, Ngugi wa Thiong'o, Orhan Pamuk, J.M Coetzee, Sihem Ben Sedrine, Can Dündar, Oleg Sentsov and Elena Poniatowska** will be among the keynote speakers and panel participants.

A PEN Centenary statement will reflect on the mission of PEN International for the next 100 years, and the assembly of delegates will elect a new president on the threshold of a new century for PEN International.

FUNDRAISING STRATEGY FOR THE CENTENARY BUILDING PEN SUSTAINABILITY IN THE LONG TERM

In last year's report we noted that one of our five *transformational* aims was 'to use the PEN Centenary as a focus for fundraising over the next years, by redefining the fundraising strategy in both the short and long term' and to create a dedicated Fundraiser function to support this. This has been achieved, although the position was not filled until halfway through the financial year. The initial focus for this role was ensuring appropriate communication with active and, crucially, lapsed members of the Publishers Circle and Writers Circle, which led to current-year and previous-year late donations being received plus additional donations from existing members. A 'Centenary Patrons' Giving and Recognition scheme was also promptly conceptualised and created, with some early successes.

As of last year's report, we could not foresee the longer-term impact of Covid, the extended lockdowns and threats to usually steady economies. Fundraising is even more challenging than usual, with many of our contacts and prospects struggling financially, but we have seen some positive news in increased book sales and publishers posting strong accounts – leading to a development focus on this market, which we are intensifying in 2021.

In 2020, we formed a strong partnership with the Moomin company, including new income-generating activities and a multi-year donation pledge. We are in negotiation with other new partners on innovative

initiatives, meeting our longer-term objectives. We were successful in securing ‘centenary’ funding through Patrons’ approaches, from several members of our Circles, *in addition to* their annual pledges – a remarkable achievement (double funding) which we hope to build on in 2021-22.

We have also had meetings and submitted initial proposals to several large potential funders for ‘step change funding’ or ‘capital investment’. In all of our approaches we balance immediate need with a request for supporters to pledge multi-year support through regular giving or membership of one of our Circles, thus supporting our sustainability objectives.

Future strategies

PEN International has historically not been a ‘fundraising charity’. Our new approach (made possible by the Centenary) comes necessarily with unknowns. The world is changed: economic uncertainty has made analysis and planning an art not a science. Engagement events and networking opportunities are on hold or high risk for the foreseeable future, both in terms of attendance levels and any net financial gain from those events. Budget reliance on new sources is high, and not without risk, especially given the nature of the cause combined with the added challenges created by long-term economic impact of global pandemic. Depending on the efficacy of vaccination and the extent to which ‘normal life’ resumes, we hope to see a slow but steady return to physical events, travel in-person to meetings, and attendance at networking events: *relationship fundraising* which will safeguard PEN longer term. PEN’s leadership groups will also take a role in this work, including through the creation of a high-level Fundraising Development Board to attract new members such as philanthropists and business leaders. In 2021-22, we hope to launch two further Circles to enlarge and strengthen our networks and supporter base, a Lawyers Circle and an Agents Circle.

The fundraising strategy being developed and implemented around the period of PEN’s Centenary is divided into three interdependent strands: (1) The immediate priority: to raise funding for core operational costs in 2021; (2) To build relationships and secure pledges for future support in 2022 and beyond, helping the organisation to have security in programme planning. (3) To raise sponsorship restricted to Centenary activity costs.

This approach addresses the need to raise funding towards resilience reserves. A percentage of any unrestricted donations will be directed towards this purpose. On restricted project applications, an element will be allocated to infrastructure costs, a proportion of this directed towards strengthening our reserves position. All three strands are in real terms inseparable, and part of one donor-focussed strategy. Our priority/ideal approach is to inspire unrestricted giving in 2021 *as well as* commitment to continue with annual gifts. In addition to in-year gifts we hope to secure pledges of future support: through partnership agreements; through contributions to one of the existing annual giving circles, and possibly through newly developing circles; by increasing regular giving from low-value/high-volume groups, through recurring gifts as ‘Friends of PEN’. All of the activities will be conducted in the spirit of PEN’s [Fundraising Principles](#).

In last year's Report we said: "The Board considers fundraising **an urgent priority** to support the **growing demands from writers at risk and for PEN's programmatic work**. The overarching goal is: to achieve an organisational step change in which PEN has the capacity to coordinate and sustain effective campaigns and programmes throughout the PEN network, and in which the scale and impact of PEN's programmes attracts on-going support from a variety of funding sources at both the local and international level." This call to action remains the case now; indeed, even more so.

ACHIEVEMENTS AND PERFORMANCE

INDEPENDENT REVIEW INTO PEN'S GOVERNANCE

In 2020, the Board appointed George Gawlinski to undertake a 360° review of governance and leadership within the charity. This was in the context of serious concerns about secretariat workload and morale, high staff turnover and a breakdown in relations within the Board. The below highlights recommendations based on the Governance Code provided by George Gawlinski:

- The Board should adopt the revised Governance Code
- Strengthen the governance skills base on the Board
- Adopting a Chair and Deputy Chair structure to improve board meetings
- Fundamentally review the responsibilities and accountabilities of the executive team
- Extend the role, membership, and scope of the executive board – Priorities, Finance and Performance
- Re-establish strategic longer-term fund-raising, particularly alongside the Centennial

During the year, we have seen a significant change at the leadership level within the charity. In late 2020, Ola Larsmo was elected the Deputy Chair of the board of trustees. The Executive Director of the organisation who was in post during the majority of 2020 has now stepped back to concentrate on the Centennial and the organisation is currently being led by Interim Executive Director Romana Cacchioli.

CONNECTING THE PEN COMMUNITY

2020 has been a challenging year in many respects, particularly for freedom of expression as the global COVID 19 pandemic locked borders, restricted travel, with many governments taking advantage of the situation to impose further limits on free expression. However, PEN was quick to move its activities online and grasped the opportunity to enhance its digital capacity and presence. PEN appointed two digital consultants and along with an approach to enhance digital inclusion, the civil society programme changed its focus to support digital projects through small grants. Additional resources including communications expertise meant that the PEN community was able to connect like never before.

The launch of PEN's twitter account for the Americas was piloted in mid-October 2020 to connect and amplify the work of PEN Centres as well as to involve the wider public and human rights community in Latin America

and the Caribbean. In 2021, PEN plans to launch social media channels for the MENA region to grow its reach and support Centre development. Regional meetings, thematic Committee meetings and Congress were all transferred online facilitating greater participation of the membership in PEN events and trainings. PEN's first digital congress was a great success. It consisted of a static portion with pre-recorded messages and translated texts as well as live sessions.

In a live, but closed session of the Writers in Prison Committee, registered participants numbered 162, with 53 Centres speaking during the Centres Updates session

The success of the events belie some of the important challenges faced including the short timeframe, the completely new format, linguistic and translation challenges, and connectivity issues for many of the membership particularly in Africa.

Overall, the digital format enabled greater participation - gave voice to Centers who cannot afford to join in-person Congresses and provided rich learning in developing new standards and procedures for digital events.

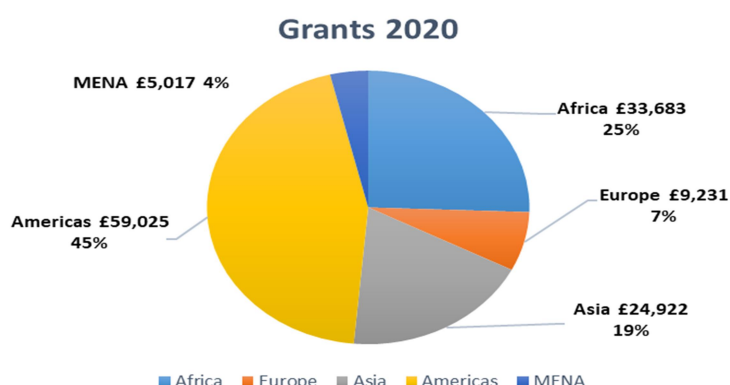
In October, PEN piloted a new initiative, *Creative Witnesses*, a filmed event that displayed new and original creative work by musicians and artists, inspired by writers imprisoned, harassed, or sometimes murdered because of their commitment to freedom of expression. The event was organised by Ege Dündar, volunteer coordinator of PEN International's work with young writers including the *Ilkyaz* literary site, to show solidarity with writers at risk and enable their work to reach a wider audience. The event was the first of three aimed to engage a broader range of artists and reach a younger supporter base. Live streamed on Facebook, the event drew significant viewers and likes

GRANT-MAKING

Grant-making is a core aspect of our charitable work and this continues to grow. However, due to the pandemic the majority of our civil society grant activities were done virtually with no travels. During the year we awarded a total of £131,878 in grants through our civil society programme (CSP) (2019: £163,032).

Grants-making allocated by continent:

- Africa - £33,683.
- Asia - £24,922.
- Americas – £59,025.
- Europe - £9,231.
- MENA - £5,017



The feedback from PEN Afrikaans is illustrative of the usefulness of the digital grant, which is representative of the most positive Centre feedback.

We have not only added social media platforms to our online presence (Instagram, YouTube), but we launched a website and have become more attuned to creating content to utilise across digital platforms. This entails using new tools at our disposal – for instance, software to design images for Instagram and to convert audio files into video files for use on YouTube – and consciously thinking beforehand about the types of social media posts and content we want to disseminate in each week, i.e. adopting a more considered approach.

PLANS FOR THE FUTURE

In 2021 PEN International will celebrate its 100th year. The global pandemic has forced the organisation to revisit its plans for Centenary celebrations. At the end of 2020, the Board considered the prospect of an in person Centenary Congress in Oxford as too great a risk given the situation and continuing concerns over the pandemic and ongoing lockdowns. Whilst hopes of vaccination programmes hold promises of lifting of lockdowns in the global north, participation by our global south membership is deemed unlikely. The Board therefore took the decision that the Centenary congress and all events would continue online until 2022.

As a result of full programme of online events leading up to Centenary Congress have been scheduled.

2021 also marks year 2 of our strategic plan, therefore all public events will be themed to explore PEN strategic foci – Hate Speech, Linguistic Rights and Promoting Gender and Diversity. A research report will be published on the theme of linguistic rights which will make a series of recommendations on how attainment of linguistic and other rights for indigenous communities of the Americas.

PEN will continue its close partnership with ICORN and the PEN Emergency Fund and will provide personalised support to writers in need. We will continue to monitor and undertake research with respect to writers persecuted for their work and to advocate on their behalf for improvements in their situations.



With support from Sida, PEN's civil society programme will continue to support digital inclusion and online projects. An additional digital consultant will be hired to enhance digital inclusion in the MENA region by supporting our Centres and growing public engagement on freedom of expression issues.

A gender and diversity programme is currently being mapped out through consultations with staff and the membership and we hope to provide a detailed roadmap on how gender and diversity can be better represented and achieved through the organisation's work.

Finally PEN will continue to grow its supporter base both through institutional and major donor fundraising initiatives.

OUR FINANCE

In order to support our developments and growth we need a robust financial plan that ensures that we are growing turnover, surpluses and departmental contributions. The Board of Trustees have approved a three year financial strategy covering 2021 – 2023. The key strategic aims are detailed below.

- To generate surpluses which produce sufficient cash to support the PEN's strategic objectives and provide institutional sustainability (reserves capacity building)
- To grow and diversify income over the next three years
- To operate efficiently and effectively - managing the cost of operations and delivering value for money through our programmes over the next three years
- To assess and manage risk in all PEN's growth and development activities considering both digital or face to face – Creating visibility into a fast-changing environment – This objective runs across all seven objectives
- To operate sound Treasury Management – maintaining a sound investment portfolio with Swissquote and cash reserves
- To closely monitor and respond to the external environment and its impact on PEN – funding competitions, economic fluctuations
- To effectively report and communicate PEN's financial performance internally and externally

FINANCIAL REVIEW

International P.E.N.'s main sources of income arise from our charitable activities in three main business areas; Advocacy, Freedom of expression and Writers at risk. Income from these areas are made up from a mixture of grants, member dues, circles, and donations. Recognised income for the year was £1,444,233 (2019: £1,407,289). The largest proportion of our income is from SIDA (*Swedish International Development Cooperation Agency*) (2020: £770,007; 2019: £826,865). We also received £674,226 in grants, donations and earned income (2019: £580,424).

Despite the increase in turnover, after interest charges and investment performance the overall deficit on unrestricted funds for the year was £75,417 (2019: £285,336), linked to the COVID-19 pandemic. Positively we continue to see a bounce back in investment performance in quarter one of the new financial year.

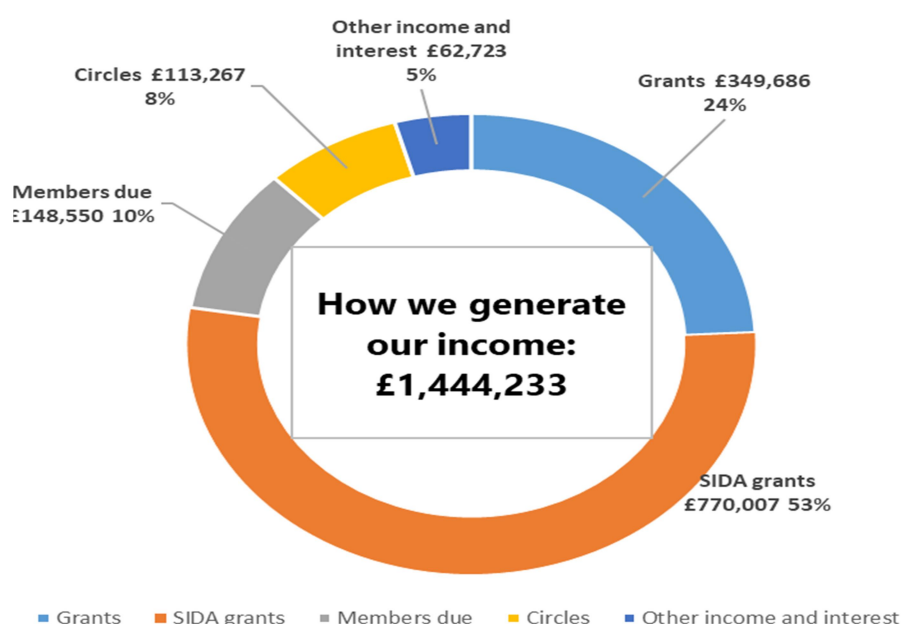
In the year, we incurred centenary expenditure of £183,809 consisting of staffing and project activities.

Our cash position did not progress in the year as expected due to the Covid-19 pandemic, thankfully we were able to drawdown on cash reserves to support our programmes. We anticipate that we will have more unrestricted donations and grant commitments in place to meet the future costs of our programmes and it is not expected that we will have any issues with working capital over the next 12 months as we complete the centenary.

We maintain sufficient reserves to enable us to fulfil the objectives of the organisation. These reserves are held in a combination of both fixed and current assets including an investment portfolio managed on the board's behalf by our investment managers Swissquote.

RECOGNISED INCOME

Cash income: January 2020 to December 2020



International P.E.N. is grateful to its donors for their generous support in assuring its income of £1,444,223 during 2020 (2019: £1,407,012) to allow it to pursue its aim. The unrestricted income in 2020 was £323,540, a decrease of 7% on 2019, while the restricted income was £1,119,693 an increase of 6% on 2019.

Other principal restricted funding sources for 2020 include Sida, the Norwegian Ministry of Foreign Affairs, the International Cities of Refuge Network (ICORN), Evan Cornish Foundation, Fritt Ord Foundation, and the Banyan Trust amongst others. The funds from these donors go towards our research and policy work, civil society projects and the defence of writers at risk.

Included in restricted income are donations of £172,563 received towards our Centennial in 2021. This amount funded several centennial activities including staffing.

Our main sources of unrestricted income are the membership dues and the subscriptions to our Circles.

MEMBER DUES

Membership dues are paid by centres and individuals, the dues contribution of our centres to the work of International P.E.N. is essential – it not only helps support PEN's work internationally but demonstrates the commitment of PEN members to support its important work world-wide. It is therefore vital for all our centres to pay their dues promptly to enable the secretariat to perform its charitable activities. At present, the community of PEN, through the dues collected by centres and the publishers, writers and readers circle contributes 26% of the annual budget of International P.E.N. Centres pay their membership dues on a yearly basis to International P.E.N. according to the numbers within their own membership. Each individual member of PEN pays dues both to the local centre and to International P.E.N.

The contribution of Centre dues is made according to the GDP of the country, in according to four categories: £14.40, £10.35, £5.75 and £3.45 (respectively per member per year).

CIRCLES

These are the Publishers, Writers, Readers and Screen Circles. Income from the Circles decreased in 2020. However, there was an increase in the Writers Circle's income. The Trustees recognise the need to grow this basis of unrestricted income and have put plans in place within our new three years financial strategy to grow the Circles in 2021-2023.

COVID-19

It should be noted that COVID-19 has impacted PEN's revenue from its member dues and Circles, with many members being unable to pay their membership dues during the lockdown period and suffering from lower income when it ended. At 31 December 2020, no bad debt provision was held in the balance sheet as a result of Covid-19, since all our debtors are recoverable. However, this affected the net cash outflow for payroll that was required and also increased costs associated with delivering the services.

Further to this, PEN remains supportive in an attempt to enable our Centres to continue to operate and make significant impacts in their advocacy for freedom of expression/writers in prison.

We remain cautious and vigilant over the threat of COVID-19 on our employees, services, and finances, but as noted in the financial statements the Trustees consider that the charity is well placed to manage any further risks associated with the pandemic.

EXPENDITURE

Total expenditure was £1,690,681 (2019: £1,652,983). We spent £37,698 more in 2020 compared to 2019. The main items that make up this amount include:

- Total staffing costs (including recruitment, training and consultant);
- Centenary costs;
- Overall support costs, administration, finance, communications (core costs).

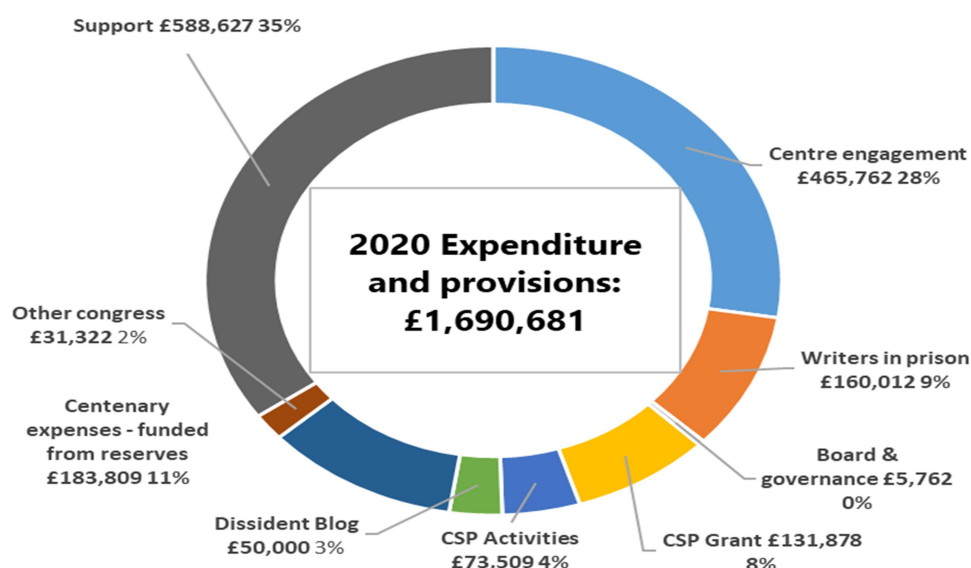
VALUE FOR MONEY

Providing value for money is vital for any charity. Ensuring that we don't compromise on quality while ensuring we get as much as we can for our money, means spending less, spending well and spending wisely. A focus on value for money is an objective that all staff are now aware of. Every role has a requirement to think about the value for all orders they are placing, questioning costs they believe to be too high, and getting multiple quotes for purchases.

By looking at value for money we want to make sure that:

- What we do is relevant and leads to benefits for our centres (spend wisely)
- How we work is efficient and effective, so we don't waste time or money (spend less)
- We get a good return from what we spend and make wise choices (spend well)

Expenditure: January 2020 to December 2020



NET DEFICIT

We ended 2020 with a net unrestricted deficit of £75,417, compared to 2019 deficit of £249,421. The reduction was due to increased donations and effectiveness/efficiency strategy implemented later part of the year to control core cost due to the pandemic.

STRUCTURE, GOVERNANCE AND MANAGEMENT

PEN is a charity that was first set up in 1931. Since 2006, the activities of PEN have been undertaken through a charitable company, limited by guarantee. International P.E.N.'s governing document is the PEN Charter and its Constitution; International P.E.N.'s members are the PEN Centres meeting once a year as the Assembly of Delegates at PEN's annual Congress.

We have a Board of up to 10 Trustees which includes the International President, International Secretary, and the International Treasurer:

- elected officials of International P.E.N. are nominated by at least 2 Centres;
- nominations and the election process is managed by the Search Committee; and
- two additional co-opted members are openly recruited by the other Trustees against a skills-needs audit.

The Board is responsible for setting the organisation's strategy, reviewing and adopting the budget and financial reports.

The Search Committee of the Board oversees trustee recruitment.

Candidates are provided with a job description and are required to submit in writing a biography and a signed letter of acceptance of nomination, with a statement of intent. The deadline for submission of nominations is 3 months in advance of Congress. Centres eligible to vote must have paid their membership dues to International P.E.N. and each Centre has one vote. The secret ballot is managed and overseen by the Search Committee.

International P.E.N.'s Trustees have been elected at Congress (the annual meeting of the Assembly of Delegates). The responsibilities of the Board of International P.E.N. have been defined by its constitution. Trustees can serve up to two, three-year terms of office.

Trustees are not paid.

New Trustees are introduced to PEN with a formal induction programme. We also provide on-going training, based on periodic skill assessments.

The names of all those who are currently Trustees or who served as a trustee during the year to 31 December 2020 are set out in the section on "Reference and administrative information" at the end of this report.

Further information on our current Trustees is available on our website (<https://pen-international.org/who-we-are/our-people/board>).

The Trustees delegate the day-to-day running of PEN to the Executive Director (ED). The work of the ED is guided by three sub-committees of the Board, each one chaired by a Trustee:

- **Finance Committee:** oversees the management of risk and finance and supervises the appointment of independent auditors;
- **Fundraising Committee:** develops and monitors the fundraising strategy of the organisation, partnership building and long-term sustainability; and
- **Centres Committee:** analyses the situation of all PEN Centres, intervenes in centre disputes, prepares new PEN Centres' candidatures to be presented at the assembly of delegates for approval, proposes dormancies and closures of centres to the assembly, and registering centres who have ceased to exist.

As part of our Human resource development and staff remuneration, PEN is committed to ensuring that we pay our staff fairly and in a way that ensures we attract and retain the right skills in order to have the greatest impact in delivering our charitable objectives. Delivery of our charitable vision and purpose is primarily dependent on the performance and efforts of our staff, which is the largest single element of charitable expenditure. We aim to recruit, subject to experience, towards the lower point within a salary band, providing scope to be rewarded for excellence and growth within the role. We do not employ interns without pay. We pay at least the London Living Wage for all our staff and are committed to encouraging our suppliers do the same. PEN evaluates each post against other posts in PEN and market comparators to arrive at salary rates based on a consistent and transparent process, designed to offer a fair pay framework for all salary assessments and decisions. The pay structure is reassessed on an annual basis. All staff confirmed in post are subject to regular performance conversations, at least annually but quarterly is strongly encouraged.

We are still in the process of implementing our current governance structure as a basis to develop and monitor our governance framework, Trustees recruitment, Trustees induction, Code of Conduct and succession planning.

Our **Centres** are legal members of our limited company, playing an important legal formal and informal role in our work. PEN Centres are voices for literature and freedom of expression in their respective countries. A full list of current Centres is available on our website (<https://pen-international.org/centres>) or by request.

International P.E.N. is committed to upholding its organisational culture in line with the seven overarching principles of the Charity Governance Code 2017: Organisational Purpose; Leadership; Integrity; Decision Making and Controls; Board Effectiveness; Diversity; and Openness and Accountability.

Over the next year, the Trustees will take further steps to embed the code across PEN, particularly with regard to setting the foundations for the governance objectives and outcomes in its future strategy.

The Interim Executive Director manages the office supported by a Senior Management team comprised of Finance, HR and Administration Director; and Director of International Programmes. The Senior Management Team is responsible for and provides oversight of the delivery of PEN's strategy and programmes, human resources functions and ensuring compliance with Charity Commission guidelines, good governance, budgetary and funding requirements.

KEY MANAGEMENT PERSONNEL

The President, International Secretary and International Treasurer meet confidentially to discuss the performance and achievements of the charity during the year in order to determine suitable remuneration for key management personnel. Their recommendations are then put forward to the Trustees for discussion and approval.

RISK AND INTERNAL CONTROLS

The Trustees continue to review the risks facing PEN, the controls in place and the effectiveness of mitigating actions. International P.E.N. has a risk register which records risks and how they are mitigated, including (but not limited to) our income, assets, management, staff, partners and beneficiaries, reputation, financial controls and governance. The Trustees delegate risk management to the Executive Director and Finance, HR and Administration Director. The risk register is reviewed regularly by the Finance Committee and at least annually by the Board.

PEN has a comprehensive insurance policy, reviewed annually, and currently provided by Aston Lark Insurance.

The Trustees have considered the nature and extent of any risks and uncertainties that arise as a result of Brexit and COVID-19. Any material concerns have been included in the following table, which set out the specific areas that give rise to the potential major risks for the next financial year.

Risk	Current mitigating actions
Reduced income due to the impact of COVID-19 on PEN's membership cutting income by significant amounts in 2020 and the following years. Brexit adds additional uncertainty into the economy.	- Increasing levels of income generation and generally finding ways of diversifying our income streams - Reducing costs through delaying, reducing, or stopping core expenditure where feasible (efficiency strategy) - Realigning staff structure PEN's new strategy and budget constraints
Risk of ill-health, reduced morale and of resignations of key staff due to COVID-19 or related impact and proposals for restructuring/staff reductions/redundancies	- Comprehensive and updated risk assessments for staff individually and of the office/workspaces to minimise the COVID-19 infection risk, with special emphasis on minimising risk for those vulnerable groups identified by government/NHS guidance to be at higher risk of COVID-19 - Significant staff support in place and exploration in consultation with staff about further support needs including in relation to wellbeing and enhanced engagement

Unrestricted fundraising targets not met.	• Board take strong lead in fundraising and new fundraising strategy • Continued outreach to publishers to increase membership of Publishers', Writers and Screenwriters Circles • New funding streams legacy and crowd funding explored
Effectiveness of Senior Management Team (SMT)	• SMT review of roles and responsibilities review of JD as untenable workloads and weak organisational processes reasons for departures of Directors with support from INTRAC • Consultations with the Union • Board approve process for recruitment and their involvement • Additional support from Board members to support staff
Mismanagement of disbursed project funds to centres	• Improved disbursement of funds authorisation processes • Quarterly skype calls with Centres on project delivery and to build centre relationships over time • 3 - 6 monthly reporting on projects and auditing • Bribery and corruption policy shared, whistle-blower and procurement particularly for those involved in Civil Society programme
Politicisation or intolerant positions of centres	• Centre Development strategy for problematic PEN Centres • Board/SMT take action/missions to engage with Centres whose messages is out of line with PEN Charter and human rights norms (i.e. on LGBTI) Several centres closed or made dormant • Hate Speech Working group – main subject congress Uppsala in 2020
Persecution of PEN members and writers we assist for their work in the organisation or for support provided	• We always obtain consent before we carry out any campaigning or advocacy on behalf of members or writers • We carry out a risk assessment before a mission and have developed a comprehensive risk assessment policy
Dramatic change in international support for freedom of expression demotivation and slows the Trust's ability to deliver its goals.	• Campaigns and advocacy are more focused and underpinned by robust research • Ensure that individual writers/Centres can advocate on issues of concern to them both at national and international levels – dialogue and debate need more than ever – role of the writer as thought leader to counter extreme positions • Build relations with key actors in international freedom of expression field
Lack of resources needed to pursue step change in capacity - i.e. timely recruitment of staff; training of International Secretariat and Centre development	• Staff training received and on-going on project management; M&E programme fully developed with on-going support from INTRAC on developing learning framework – impact grid applied in all reports for civil society programme • Staff training support from INTRAC M&E • Independent coordination for the Americas and Asia • Communications overhaul needed
Effectiveness of International Board and Committees	• Board now taking lead in strategy setting including the process • Board positions under 3 year election cycle • At least two in person Board meetings per year • Co-opt members (2) of the Board under review • 2 co-opted positions remain open

Injury/kidnapping of staff or consultant on overseas assignment	• Organisational travel security assessment strengthened – we use these regularly, last risk assessment done for High level Turkey mission • Work with local centres with good knowledge of situation and risks in country being visited • Full cover travel insurance • Security protocols in development
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OTHER MATTERS

INVESTMENT POLICY

The Trustees commissioned Swissquote as our broker during the year. At present, we have investment of £242,382 (2019: £231,177) held with the company. Trustees are currently updating our investment policy to comply with this activity. As part of our new financial strategy, we are now looking to create a policy for longer term investment of PEN's reserves in order to spread risk and ensure PEN's financial sustainability.

GOING CONCERN

The Trustees have reviewed our financial position and financial forecasts, taking into account the level of reserves and cash, and our systems of financial control and risk management.

It should be noted that COVID-19 has impacted PEN's revenue from its member dues and Circles, with many members being unable to pay their membership dues during the lockdown period and suffering from lower income when it ended. At 31 December 2020, no bad debt provision was held in the balance sheet as a result of Covid-19, since all our debtors are recoverable. However, this affected the net cash outflow for payroll that was required and also increased costs associated with delivering the services.

As a result of this and an on-going review of operational and staffing costs, the Trustees believe that we are well placed to manage operational, financial, and COVID-19 risks successfully. The Trustees continue to believe it is appropriate to adopt the going concern basis of accounting in preparing the financial statements. As a charity, we are aware of the potential impact of coronavirus on our regional committee meetings, board meetings and our centenary in 2021. Strategic funding has already been secured for the next four years. In addition, we will continue to carry out risk assessment to mitigate any potential impact of coronavirus.

TREASURY POLICY

The Trustees set aside available funds from our income to pay for anticipated costs and for planned events (Centennial). The Trustees also set aside a small amount each year, when income is strong, to allow for some flexibility in periods of economic downturn. In order to protect our charitable projects from the loss of short-term funding, a target for a minimum level of free reserves has been set at three months' grants receipts for project delivery together with three months' expenditure. Therefore, our reserves target is £50,000.

Free, undesignated reserves amounted to £30,821 as at 31 December 2020. This is below target due to the impact of COVID-19. However, the shortfall in funds has been built into a strategic financial recovery modelling for the next three years. This policy is reviewed every year

RESERVES POLICY

The trustees set aside available funds from our income to pay for anticipated costs and for planned designated and resilience fund. These funds are:

- Designated fund (current fund target £31k);
- Resilience fund (current fund target £ nil);

The Trustees recognise the need to hold sufficient reserves to allow protection of core activities in the event of any income shortfalls to implement long-term strategic programmes and enable International P.E.N. to carry out its essential projects.

The policy aims to have sufficient free reserves to enable International P.E.N. to cope with fluctuations and to hold at least the equivalent of three months' operating cost expenditure (£475,000).

Total reserves at 31 December 2020 were £510,273 (2019: £743,058) Restricted reserves held in 2020 were £447,341 (2019: £606,073) and unrestricted reserves were £62,932. Of this £32,111 were designated reserves while the free reserves were £30,821 (2019: £106,237).

Restricted reserves are those funds that have been received for particular purposes and projects and are shown in detail in note 16. Even though, the year ended with a deficit we are still able to meet our free reserves target level implied by the current reserves policy, which seeks to build reserves up to three months' operating expenditure. The Finance Subcommittee of the board will continue to monitor closely the reserves position with quarterly reviews during 2020. This policy is reviewed every year.

VOLUNTEERS

International P.E.N. is immensely grateful to the volunteers who contribute to our campaigns and communications work as well supporting our International programmes team with media monitoring on freedom of expression issues. Their skill, time and dedication helps us achieve our goals while offering them an opportunity to learn and gain experience in a field of work that has growing relevance in our world today.

AUDITOR

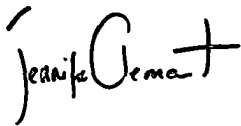
Our auditor, HW Fisher LLP, has indicated a willingness to continue in office and it is proposed that the firm be re-appointed as auditors for the ensuing year.

DISCLOSURE OF INFORMATION TO AUDITOR

In so far as each of the Trustees is aware:

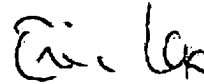
- there is no relevant audit information of which the charitable company's auditor is unaware; and
- each of the Trustees has taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Signed on behalf of the Trustees



Jennifer Clement
President

16 April 2021



Eric Lax
Treasurer

16 April 2021

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also directors of International P.E.N. for the purpose of company law) are responsible for preparing the report of the board of trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires Trustees to prepare financial statements for each financial year that give a true and fair view of the state of the affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006 and regulations made thereunder. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of the financial statements may differ from legislation in other jurisdictions.

OPINION

We have audited the financial statements of International P.E.N for the year ended 31 December 2020 which comprise the statement of financial activities, the statement of financial position, the cash flow statement and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2020 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INTERNATIONAL P.E.N.

OTHER INFORMATION

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the report of the board of trustees, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the report of the board of trustees have been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the report of the board of trustees.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INTERNATIONAL P.E.N.

- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the report of the board of trustees and the requirement to prepare a strategic report.

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

As part of our planning process:

- We enquired of management the systems and controls the charity has in place, the areas of the financial statements that are most susceptible to the risk of irregularities and fraud, and whether there was any known, suspected or alleged fraud. The charity did not inform us of any known, suspected or alleged fraud.
- We obtained an understanding of the legal and regulatory frameworks applicable to the company. We determined that the following were most relevant: the Charity SORP, FRS 102, Charities Act 2011, Companies Act 2006.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INTERNATIONAL P.E.N.

- We considered the incentives and opportunities that exist in the charity, including the extent of management bias, which present a potential for irregularities and fraud to be perpetuated, and tailored our risk assessment accordingly.
- Using our knowledge of the charity, together with the discussions held with the charity at the planning stage, we formed a conclusion on the risk of misstatement due to irregularities including fraud and tailored our procedures according to this risk assessment.

The key procedures we undertook to detect irregularities including fraud during the course of the audit included:

- Identifying and testing journal entries and the overall accounting records, in particular those that were significant and unusual.
- Reviewing the financial statement disclosures and determining whether accounting policies have been appropriately applied.
- Assessing the extent of compliance, or lack of, with the relevant laws and regulations.
- Testing key income lines, in particular cut-off, for evidence of management bias.
- Assessing the validity of the classification of income, expenditure, assets and liabilities between unrestricted, designated and restricted funds.
- Obtaining third-party confirmation of material bank balances.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements even though we have properly planned and performed our audit in accordance with auditing standards. The primary responsibility for the prevention and detection of irregularities and fraud rests with the trustees of the charity.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

USE OF OUR REPORT

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
INTERNATIONAL P.E.N.**

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.

HW Fisher LLP

Andrew Rich (Senior Statutory Auditor)

for and behalf of HW Fisher LLP

Chartered Accountants

Statutory Auditor

Acre House

11-15 William Road

London, NW1 3ER

16/4/21

	Note	General funds £'000	Designated funds £'000	Restricted funds £'000	Total 2020 £'000	Total 2019 £'000
Income						
Income from charitable activities						
Donations and legacies	3	202	-	173	375	224
Charitable activities	4	122		947	1,069	1,183
Total income		324	-	1,120	1,444	1,407
Expenditure						
Expenditure on						
Cost of raising funds						
Expenditure on fundraising and publicity		17	-	-	17	37
Expenditure on charitable activities						
General advocacy and support	5	308	6	1,157	1,471	1,339
Writers in prison	5	79	2	122	203	277
Total expenditure on charitable activities		387	8	1,279	1,674	1,616
Total expenditure		404	8	1,279	1,691	1,653
Net gain / (loss)	23	14	-	-	14	(39)
Total net income/(expenditure) before transfers		(66)	(8)	(159)	(233)	(285)
Transfers between funds	17a	(9)	9	-	-	-
Net income/(expenditure) after transfers/ Net movement in funds		(75)	1	(159)	(233)	(285)
<i>Reconciliation of funds</i>						
Balances brought forward at 1 January 2020		106	31	606	743	1,028
Balances carried forward at 31 December 2020	19	31	32	447	510	743

All gains and losses recognised in the year are included on the Statement of Financial Activities.

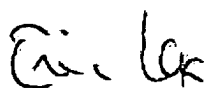
The accompanying notes form part of these financial statements.

Comparative year

	Note	General funds £'000	Designated funds £'000	Restricted funds £'000	Total 2019 £'000
Income					
Income from charitable activities					
Donations and legacies	3	224	-	-	224
Charitable activities	4	126	-	1,057	1,183
Total income		350	-	1,057	1,407
Expenditure					
Expenditure on					
Cost of raising funds					
Expenditure on fundraising and publicity		37	-	-	37
Expenditure on charitable activities					
General advocacy and support	5	379	5	955	1,339
Writers in prison	5	144	2	131	277
Total expenditure on charitable activities		523	7	1,086	1,616
Total expenditure		560	7	1,086	1,653
Net gain / (loss)		(39)	-	-	(39)
Total net income/(expenditure) before transfers		(249)	(7)	(29)	(285)
Transfers between funds		(1)	22	(21)	-
Net income/(expenditure) after transfers/ Net movement in funds		(250)	15	(50)	(285)
<i>Reconciliation of funds</i>					
<i>Balances brought forward at 1 January 2019</i>		356	16	656	1,028
Balances carried forward at 31 December 2019	19	106	31	606	743

	Note	2020 £'000	2020 £'000	2019 £'000	2019 £'000
Non-current assets					
Tangible assets	13a		19		18
Investment	13b		242		231
			261		249
Current assets					
Debtors	14	208		148	
Cash at bank and in hand		174		486	
		382		634	
Liabilities:					
amounts falling due within one year	15	(133)		(140)	
Net current assets			249		494
Total assets less current liabilities			510		743
The funds of the charity					
Unrestricted funds					
Other charitable funds	19		31		106
Designated funds	18		32		31
			63		137
Restricted funds	17		447		606
			510		743

Approved by the Trustees on 16th April 2021 and signed on their behalf



Eric Lax, Treasurer



Jennifer Clement, president

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	2020		2019	
		£'000	£'000	£'000	£'000
Net cash outflow from operating activities	20		(303)		(134)
Cash flows from investing activities					
Payments to acquire fixed assets	13a	(9)		(9)	
Purchase of investment	13b	-		(270)	
Total capital expenditure			(9)		(279)
Change in cash and cash equivalents in the reporting period			(312)		(413)
Cash and cash equivalents at the beginning of the reporting period			486		899
Cash and cash equivalents at the end of the reporting period			174		486
Cash at bank and in hand:					
Increase (decrease) in cash			174		486
	21		174		486

1. ACCOUNTING POLICIES

1.1 Accounting convention

The accounts have been prepared in accordance with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "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 2019). The charity is a Public Benefit Entity as defined by FRS 102. The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £. The financial statements have been prepared under the historical cost convention, modified to include the revaluation of investments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

COVID-19 has impacted PEN's revenue from its member dues and Circles, with many members being unable to pay their membership dues during the lockdown period and suffering from lower income when it ended. At 31 December 2020, no bad debt provision was held in the balance sheet as a result of Covid-19, since all our debtors are recoverable. However, this affected the net cash outflow for payroll that was required and also increased costs associated with delivering the services. However, based upon current forecasting expectation the trustees consider the impact of Covid-19 as medium term, rather than long term, on our performance and viability of our services.

Further to this, PEN remains supportive in an attempt to enable our Centres to continue to operate and make significant impacts in their advocacy for freedom of expression/writers in prison.

Although there are risks with this strategy, management has determined that the actions that it has taken are sufficient to mitigate the uncertainty and has therefore prepared the financial statements on a going concern basis as it has a reasonable expectation that PEN will continue in operational existence for the foreseeable future.

1.3 Critical estimates and judgements

International P.E.N.'s significant accounting policies are stated in this note. Not all of these significant accounting policies require the Trustees to make difficult, subjective, or complex judgements or estimates.

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The trustees do not believe there to be any judgements or estimates critical to the financial statements.

Other estimates that affect the Statement of Financial Activities comprise the allocation of support costs as detailed in the policy.

1.4 Income

Income other than grant income is recognised at the fair value of the consideration received or receivable for goods and services provided. Fair value takes into account settlement discounts allowed on services.

Income from donations and 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.

The value of services provided by volunteers has not been included in these financial statements. Gifts in kind are included where the sum can be accurately estimated.

Unrestricted income is deferred when this is received and relates to a period following the year end. Restricted income is deferred only when this relates wholly to a future period, as specified by the funder.

1.5 Grants received

Where grants are received for specific purposes they are credited to the restricted funds of International P.E.N. Grants that are awarded for a specific period are recognised in the SOFA in that period.

1.6 Grants payable

Grants payable as cash are accounted for in the period in which they are approved. Grants awarded to centres of International P.E.N. are accounted for upon approval or payment date.

1.7 Basis of allocation of support costs

Staff and other support costs are allocated to the various activities of International P.E.N. based upon the direct staff costs involved in delivering direct charitable activities and on the estimated time devoted to the governance of PEN.

1.8 Defined contributions pension scheme

Employer contributions to PEN's defined contribution Pension Scheme are charged to the SOFA on an accruals basis.

1.9 Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the Charity.

Designated funds are donations where the donor has not specified a use, but the trustees have allocated these donations to specific projects being undertaken by the Charity.

Restricted funds are donations which the donor has specified are to be used solely for particular areas of the Charity's work or for specific projects being undertaken by the Charity.

1.10 Expenditure and irrecoverable Value Added Tax

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 attracting voluntary income and the costs of fundraising.
- Expenditure on charitable activities includes the costs of the delivery of its activities and services for its beneficiaries.
- 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.

Rental costs under operating leases are charged against income on a straight-line basis over the term of the lease.

1.11 Volunteers

International P.E.N. provides volunteering opportunities in a number of its activities. The work performed by the volunteers is well-appreciated and is explained in the Report of the board of trustees. No financial appraisal of the value of volunteering is included within these financial statements.

1.12 Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Asset Category

Office equipment	25% reducing balance
Fixtures & Fittings	25% reducing balance
Computer Equipment	25% reducing balance

The policy with respect to impairment reviews of fixed assets is that these assets are inspected regularly for any impairment and any defect remedied so as to maintain the current value.

All assets costing more than £500 are capitalised.

1.13 Investment

Investments are stated at market value at the balance sheet date. The SOFA includes the net gains and losses arising on revaluation and disposals throughout the year. Gains and losses on the disposal of investment assets are calculated as the difference between historical and market values. Investments intended to be held for a period of more than one year are disclosed as a fixed asset on the Balance Sheet. Investments that are expected to be drawn down and utilised within the year are disclosed as a short-term deposit on the Balance Sheet.

1.14 Bad debts

Provisions are made against monies due to International P.E.N. where the debt is overdue, and recovery is in doubt. Debts are written-off according to procedures agreed by the Trustees.

1.15 Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered and provision for bad and doubtful debts.

Prepayments are valued at the amount prepaid net of any trade discounts due.

1.16 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.

1.17 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.

1.18 Other financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments. The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Except for fixed asset investments, basic financial instruments are recognised as the amount payable or receivable when the instrument is first recognised together with any subsequent transaction costs but modified in respect of trade debtors for an assessment of potential bad debt.

1.19 Foreign exchange

Transactions denominated in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. All differences are included in net outgoing resources. Where trustees hold restricted funds in foreign currency, gains and losses on foreign exchange are borne by unrestricted funds to maintain restricted gifts at their original value.

1.20 PEN Centres

PEN Centres are not treated as branches of International P.E.N. They are independently governed organisations.

1.21 Restricted funds

Project grants: Grants that are received for specified purposes are credited to a restricted fund. Expenditure that is attributable to such grants is charged directly to the fund in the statement of financial activities.

1.22 Designated funds

Fixed Assets: The balances on the funds represent our fixed asset portfolio. The capital costs of asset that are met from PEN's own resources are represented by designated funds. Depreciation is charged directly against the fund in the statement of financial activities.

2. LEGAL STATUS OF THE CHARITY

International P.E.N. (or "the Charity") is a company limited by guarantee incorporated in England and Wales. The registered office is 162-164 Abbey Street, Koops Mill Mews, Unit A, London, SE1 2AN.

NOTES TO THE FINANCIAL STATEMENTS YEAR END 31 DECEMBER 2020

3. INCOME FROM DONATIONS & LEGACIES

Source	2020			2019		
	Unrestricted funds £'000	Restricted funds £'000	Total £'000	Unrestricted funds £'000	Restricted funds £'000	Total £'000
Donations and legacies	202	173	375	224	-	224

Donations to unrestricted funds:

	2020 £'000	2019 £'000
Individual contributions	53	36
PEN centre contributions	149	176
Other income	-	12
	202	224

Donations to restricted funds:

	2020 £	2019 £
Individual contributions	173	-
	173	-

4. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2020 £'000	Restricted funds 2020 £'000	Total funds 2020 £'000	Unrestricted funds 2019	Restricted funds 2019	Total funds 2019 £'000
Grants receivable	9	947	956	10	1,057	1,067
Publishers Circle	98	-	98	90	-	90
Writers Circle	12	-	12	17	-	17
Readers Circle	3	-	3	5	-	5
Screen Circle	-	-	-	4	-	4
Other charitable activity income	-	-	-	-	-	-
	122	947	1,069	126	1,057	1,183

Restricted funds:

Norwegian Ministry of Foreign Affairs
 ICORN
 SIDA
 Commonwealth Foundation
 Other Income
 Fritt Ord Foundation
 Open Society Foundation (OSF)
 Natur and Kultur
 Evan Cornish Foundation
 Banyan Tree Foundation
 UNDEF

	2020 £'000	2019 £'000
Norwegian Ministry of Foreign Affairs	51	93
ICORN	88	88
SIDA	770	827
Commonwealth Foundation	-	-
Other Income	-	-
Fritt Ord Foundation	9	29
Open Society Foundation (OSF)	-	-
Natur and Kultur	-	-
Evan Cornish Foundation	9	-
Banyan Tree Foundation	20	20
UNDEF	-	-
	947	1,057

5. ANALYSIS OF EXPENDITURE RELATING TO GENERAL ADVOCACY AND SUPPORT

	2020 £'000	2019 £'000
Staff costs	467	434
Sub-grants to PEN Centres	132	163
Other centre development costs	571	449
Support costs (note 6)	301	293
	1,471	1,339

Analysis of expenditure relating to writers in prison

	2020 £'000	2019 £'000
Staff costs	87	104
Other costs	40	79
Support costs (note 6)	76	94
	203	277

Continued overleaf

6. ANALYSIS OF SUPPORT COSTS AND GOVERNANCE COSTS

The Charity initially identifies the costs of its support functions. It then identifies those costs which relate to the governance function. Governance costs include payments to the Auditors of £13,000 (2019: £13,000) and other financial services of £1,000 (2019: £1,000).

Having identified its governance costs, the remaining support costs together with the governance costs are all allocated against the charitable activities based on the time spent on those activities.

Support costs	General advocacy and support 2020 £'000	Writers in prison 2020 £'000	Total 2020 £'000	<i>General advocacy and support 2019 £'000</i>	<i>Writers in prison 2019 £'000</i>	<i>Total 2019 £'000</i>
Staff costs	97	28	125	62	21	83
Depreciation	6	2	8	5	2	7
Rent and occupancy	-	-	-	79	26	105
Office supplies and equipment	17	5	22	15	4	19
Other Costs	16	4	20	65	22	87
Governance costs (see below)	165	37	202	67	19	86
	301	76	377	293	94	387

Governance costs	General advocacy and support 2020 £'000	Writers in prison 2020 £'000	Total 2020 £'000	<i>General advocacy and support 2019 £'000</i>	<i>Writers in prison 2019 £'000</i>	<i>Total 2019 £'000</i>
Staff costs	150	33	183	21	5	26
Audit fees	11	3	14	10	3	13
Board meetings	-	-	-	16	5	21
Other costs	4	1	5	20	6	26
	165	37	202	67	19	86

Auditor's remuneration

	2020 £'000	2019 £'000
Statutory audit	10	13
Non audit service	4	1
	14	14

7. NET (EXPENDITURE) FOR THE YEAR

This is stated after charging:

	2020 £'000	2019 £'000
Operating lease rentals	84	85
	84	85

8. ANALYSIS OF STAFF COSTS, TRUSTEE REMUNERATION AND EXPENSES, AND THE COST OF KEY MANAGEMENT

	2020 £'000	2019 £'000
Wages and salaries	749	692
Social security costs	76	67
Pension	37	34
	862	793
Number of employees whose emoluments during the year fell between:		
	2020	2019
£60,000 and £69,999	2	-
£90,000 and £99,999	-	1
£100,000 and £109,999	1	-

The key management personnel of the Charity comprise the Trustees, the Executive Director, the Director of Finance, HR and Administration, the Director of International Programmes, and the Director of Centenary Programmes. Remuneration of key management personnel was £252,219 (2019: £246,862).

Trustee Expenses: None of the trustees received any remuneration during the year, but the Trustee Board (Six members) were reimbursed a total of £1,019 (2019: £6,678) travel and subsistence expenses.

The total expenses incurred by the Trustees in the discharge of their duties and paid to third parties was £16,788 (2019: £29,654).

However, two Trustees from our board donated £103,000 towards our core activities.

Number of volunteers was 1 (2019: 3). Volunteers assist with centenary project, supporting the International programmes team with media monitoring on freedom of expression issues.

9. STAFF NUMBERS

The average monthly head count was 21 staff (2019: 17) and the average monthly number of full-time equivalent employees (including casual and part time staff) during the year were as follows:

	2020 Number	2019 Number
Charitable activities	11.5	15
Fundraising	1.5	-
Governance	2	2
Support	-	-
	15	17

10. PENSION AND OTHER POST-RETIREMENT BENEFIT COMMITMENTS

The Charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Charity in an independently administered fund. The pension cost charge represents contributions payable by the charity to the fund.

	2020 £'000	2019 £'000
Contributions payable by the company for the year	37	34

The expense has been allocated to restricted and unrestricted expenditure on the same basis as wages and salaries.

11. RELATED PARTY TRANSACTIONS

At the year-end, there were no disclosable related party transactions. However, in 2019 we gave £5,000 to a centre where the president (KAHYANA, Danson Sylvester) is also a board member through our CSP project. The charity's CSP grant-making process follows a criteria which is independent, transparent, and solely managed by the secretariat with no influence from the board.

12. CORPORATION TAX

As a charity, International P.E.N. is exempt from UK tax on income and gains to the extent that these are applied to its charitable objects. No UK tax charges have arisen in the Charity, during the year or the previous year.

13a. TANGIBLE FIXED ASSETS

	Office Equipment £,000	Fixtures & Fittings £,000	Computer Equipment £,000	Total £,000
Cost:				
As at 1 January 2020	20	2	29	51
Additions	-	-	9	9
Disposals	-	-	-	-
As at 31 December 2020	20	2	38	60
Depreciation:				
As at 1 January 2020	13	-	20	33
On disposals	-	-	-	-
Charge for year	4	-	4	8
As at 31 December 2020	17	-	24	41
Net book value				
As 31 December 2020	3	2	14	19
As at 31 December 2019	7	2	9	18

All assets are used for charitable purposes.

13b. INVESTMENTS

	£,000
Valuation	
At 1 January 2020	231
Revaluation	11
Net book value	
As at 31 December 2020	<u>242</u>
As at 31 December 2019	<u>231</u>

14. DEBTORS

	2020 £'000	2019 £'000
Trade debtors	75	3
Grants receivable	44	44
Other debtors	25	61
Prepayments and accrued income	64	40
	208	148

Bad debt provisions are based upon the debtor balances on individual accounts.

There has been no change in the basis of calculation during the year.

15. LIABILITIES: AMOUNTS DUE WITHIN ONE YEAR

	2019 £'000	2019 £'000
Trade creditors	20	40
Grants awarded	10	28
Taxation and social security costs	24	29
Other creditors	18	23
Accruals and deferred income	61	20
	133	140

There was £3,430 of deferred income brought forward, released during the year was £3,000. Deferred income at the balance sheet date was £38,959 including £430 of the brought forward.

16. FINANCIAL INSTRUMENTS

	2020 £'000	2019 £'000
Financial assets measured at fair value through profit and loss	242	231

17. ANALYSIS OF RESTRICTED FUNDS

	Balance as at 1 January 2020 £,000	Incoming resources £,000	Resources expended £,000	Transfers Unrestricted Funds £,000	Funds as at 31 December 2020 £,000	Funds as at 31 December 2019 £,000
Writers in Prison Committee (WIPC)	40	126	(160)	-	6	40
Swedish International Development Cooperation Agency (SIDA)	-	770	(770)	-	-	-
Centre Development	8	-	-	-	8	8
Norwegian Ministry of Foreign Affairs (NMFA)	37	51	(72)	-	16	37
Individual Donation (£610,200 towards the following 3 Areas):						
(i) International P.E.N. Centenary	115	173	(277)	-	11	115
(ii) Defence of Writers & Literature	203	-	-	-	203	203
(iii) Long Term Reserves	203	-	-	-	203	203
	606	1,120	(1,279)	-	447	606

	Balance as at 1 January 2019 £,000	Incoming resources £,000	Resources expended £,000	Transfers Unrestricted Funds £,000	Funds as at 31 December 2019 £,000
Writers in Prison Committee (WIPC)	34	137	(131)	-	40
Swedish International Development Cooperation Agency (SIDA)	-	827	(806)	(21)	-
Centre Development	22	-	(14)	-	8
Norwegian Ministry of Foreign Affairs (NMFA)	12	93	(68)	-	37
Individual Donation (£610,200 towards the following 3 Areas):					
(i) International P.E.N. Centenary	182	-	(67)	-	115
(ii) Defence of Writers & Literature	203	-	-	-	203
(iii) Long Term Reserves	203	-	-	-	203
	656	1,057	(1,086)	(21)	606

17. ANALYSIS OF FUNDS (Continued)

WIPC - The mobilisation of communication and support in opposition to the infringement of freedom of expression.

SIDA - Support for regional programmes for PEN centres and support for capacity and outreach in London.

Centre Development - Supporting exchanges mainly between the African centres.

NMFA - Support for the work of the Writers in Prison Committee in the Middle East, Asia and North Africa.

Individual donation – Support of the defence of writers and literature, PEN Centenary work, and to strengthen PEN's long-term reserves.

18. ANALYSIS OF MOVEMENT IN DESIGNATED FUNDS

	Balance as at 1 January 2020 £'000	Resources expended £'000	Transfers £'000	Funds as at 31 December 2020 £'000	Funds as at 31 December 2019 £'000
Fixed Assets Fund	19	(8)	9	20	19
Donation	12	-	-	12	12
	31	(8)	9	32	31

	Balance as at 1 January 2019 £'000	Resources expended £'000	Transfers £'000	Funds as at 31 December 2019 £'000
Fixed Assets Fund	16	(7)	10	19
Donation	-	-	12	12
	16	(7)	22	31

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2020 £'000	Designated funds 2020 £'000	Restricted funds 2020 £'000	Total 2020 £'000	Total 2019 £'000
Tangible fixed assets	-	19	-	19	18
Investments	-	-	242	242	231
Current assets	109	13	260	382	634
Creditors of less than one year	(78)	-	(55)	(133)	(140)
	31	32	447	510	743

	Unrestricted funds 2019 £'000	Designated funds 2019 £'000	Restricted funds 2019 £'000	Total 2019 £'000
Tangible fixed assets	-	18	-	18
Investments	-	-	231	231
Current assets	161	13	460	634
Creditors of less than one year	(55)	-	(85)	(140)
	106	31	606	743

20. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2020 £'000	2019 £'000
Net movement in funds	(233)	(285)
Add back depreciation charge	8	7
(Increase)/decrease in debtors	(60)	84
(Decrease)/increase in creditors	(7)	21
Unrealised (gain)/loss on investment	(11)	39
Net cash used in operating activities	(303)	(134)

21. ANALYSIS OF CHANGES IN NET DEBT

The charity had no debt during the year.

22. COMMITMENTS UNDER OPERATING LEASES

	2020 £'000	2019 £'000
Within one year - property	-	63
Between two and five years - property	-	-
Within one year - other	-	2
Between two and five years - other	-	-
	-	65

23. NET GAIN / (LOSS)

	2020	2019
	£'000	£'000
Currency exchange gain	3	(6)
Unrealised gains on investment	11	(33)
	14	(39)

REFERENCE AND ADMINISTRATIVE INFORMATION

Governance and management

Trustees

Jennifer Clement, president/chair (appointed 15 Oct 2015)

Ola Larsmo, deputy chair (appointed 27 Sept 2018)

Elected Trustees:

Eric Lax (appointed 19 August 2019)

Ma Thida (appointed 28 December 2016)

Regula Venske (appointed 15 Oct 2015)

Kätlin Kaldmaa (appointed 28 Dec 2016)

Iman Humaydan (appointed 30 Sept 2017)

Burhan Sönmez (appointed 27 Sept 2018)

Francis, David Warwick (appointed 2 October 2019)

Kahyana, Danson Sylvester (appointed 2 October 2019)

Executive Director

Carles Torner PhD (resigned 30 September 2020)

Interim Executive Director

Romana Cacchioli (appointed 1 October 2020)

Company Secretary

Carles Torner PhD (resigned 1 January 2020)

Emmanuel Asamoah ACCA/MBA/MSc (appointed 1 January 2020)

Senior Management Team

Romana Cacchioli (appointed 6 April 2020), International Programmes Director

Emmanuel Asamoah ACCA/MBA/MSc, Finance, HR & Administration Director

Carles Torner PhD, Centenary Programmes Director

Aaliya Ahmed (resigned 9 April 2020), International Programmes Director

Administrative information

Charity number

1117088

Company number

05683997

Registered office

162-164 Abbey Street,
Koops Mill Mews,
Unit A,
London, SE1 2AN

Independent auditors

HW Fisher LLP
Acre House
11-15 William Road
London, NW1 3ER

Bankers

HSBC Plc
74 Goswell Road
London, EC1V 7DA

Principal solicitors

Bates Wells and Braithwaite
2-6 Cannon Street
London EC4M 6YH

Official social media

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