

ANNUAL REPORT 2003





TABLE OF CONTENTS

Letter from the Director	1
Map of Activities 1992–2004	2
SOS Floods Campaign	4
Chechnya and Ingushetia	5
Afghanistan	6
Iraq • Iran	7
Armenia • Ethiopia • Namibia	8
Kosovo • Romania • Slovakia • Serbia	9
One World	10
Human Rights and Democracy	11
The Field Social Work Program	12
The Variants Project	13
Infoservice	14
Development Cooperation • Migration • Club of Friends	15
Revenues	16
Auditor's Statement	18
Financial Balance Sheet	19
Profit & Loss Statement	21
Notes to Financial Statements	22
People in Need Staff	cover

© People in Need 2004

Photo Credits: Lubomír Kotek, Marek Štys,
Iva Zímová, Tomáš Vlach, Jiří Škvor, Ivo Dokoupil,
Clive Shirley, Martin Šimáček, ČTK – EPA,
Chris Lowenstein-Lom © IOM 1999 – MTP0001

Editor: Tomáš Pojar

Language Editing: Megan King

Design: Ondřej Matyáš

Address: People in Need

Sokolská 18, 120 00 Praha 2

tel. : +420 226 200 400; fax: +420 226 200 401

IČ: 25755277; DIČ: CZ25755277

e-mail: mail@peopleinneed.cz;

www.peopleinneed.cz

DEAR FRIENDS,

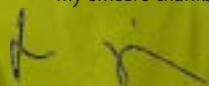
Over the past twelve years, People in Need has been active in thirty-three countries around the world. In 2003, we administered projects and aid in eight locations on four continents, and the mediated value of the aid distributed by People in Need exceeded € 14.4 million.

In addition to working to rebuild in the aftermath of the disastrous floods of 2002 in the Czech Republic, the Relief and Development Department led three large international operations in Chechnya, Afghanistan and Iraq. At the end of 2003, PIN opened a permanent mission in Iran, and our staff members are involved in long-term projects in Namibia, Ethiopia, Armenia, Serbia, Romania, Belarus and Cuba. None of these projects would have been successful without the work of hundreds of devoted People in Need staff members, both in Prague and in the field, and they have my sincere and greatly deserved thanks.


Another focus of our work is made up of long-term programs that fight social exclusion, educate and inform and illuminate the struggle to defend human rights. People in Need strives to work quickly, energetically and efficiently. Decisions made in our offices and in the field are based on our long-term experience and are governed by our conscience.

Special thanks goes to Czech Television, an organization that has been with us from the very beginning, and this year we have a new group of people to thank, the members of the Club of Friends.

My sincere thanks,



Tomáš Pojar, Director

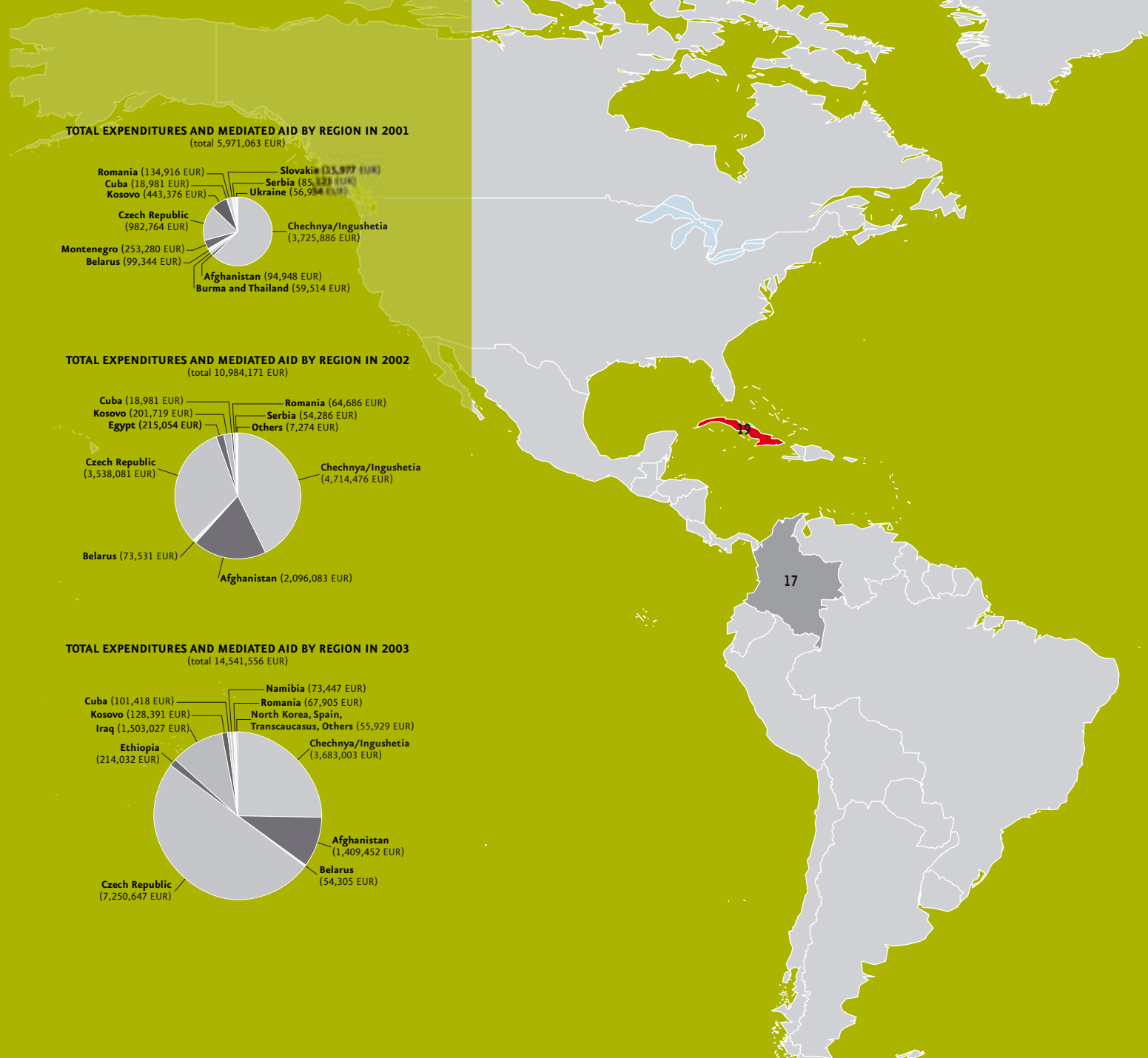


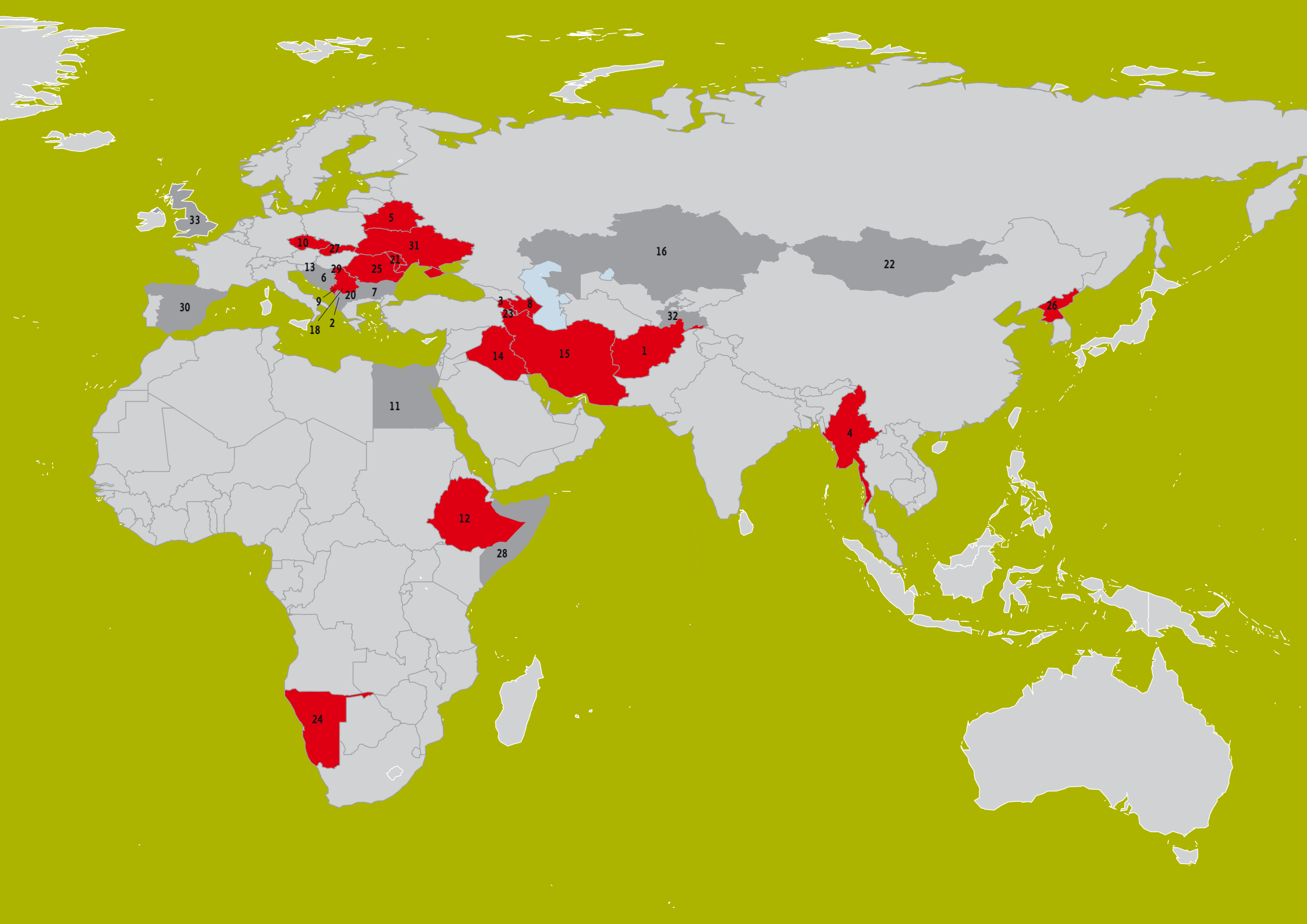
The suffering of others at home and in the farthest corners of the world cannot be ignored.

MAP OF ACTIVITIES 1992–2004

1. Afghanistan 2000–2004
2. Albania 1993, 1997, 1999
3. Armenia 1988, 1998, 2003–2004
4. Burma 1997, 2001–2004
5. Belarus 1998–2004
6. Bosnia Herzegovina 1993–1998
7. Bulgaria 1997
8. Chechnya/ Ingushetia 1995, 2000–2004
9. Montenegro (Crna Gora) 1999–2001
10. Czech Republic 1994–2004
11. Egypt 2002
12. Ethiopia 2003–2004
13. Croatia 1993
14. Iraq 2003–2004
15. Iran 2003–2004
16. Kazakhstan 1995–2001
17. Colombia 1999
18. Kosovo 1998–2004
19. Cuba 1997–2004
20. Macedonia 1999
21. Moldova 1998, 2003–2004
22. Mongolia 1993
23. Nagorno-Karabakh 1992–1993
24. Namibia 2003–2004
25. Romania 1995–2004
26. North Korea 2002–2004
27. Slovakia 1998, 2001–2004
28. Somalia 1993
29. Serbia 2001–2004
30. Spain 2002
30. Ukraine 1993, 1997, 2001, 2003–2004
31. Tajikistan 1998
32. Great Britain 1997–2000

Red areas indicate activity in 2003







Fast and effective crisis relief at home
is a key part of the work of PIN

SOS FLOODS CAMPAIGN

8.5 MILLION EUROS

People in Need began a public SOS collection in August 2002, following the destructive floods that hit the Czech Republic. Through this campaign PIN gathered 8.5 million euros from individuals and companies, and funded aid activities in 2002, 2003 and 2004. Figures which follow represent projects completed as of 30 May 2004. Approximately 365,000 euros were spent in the first phase of emergency humanitarian assistance following the floods. More than three thousand volunteers aided efforts, and PIN provided tools, disinfectants, hygienic products and industrial dryers.

HELP TO INDIVIDUAL HOUSEHOLDS & PUBLIC INTEREST PROJECTS

People in Need distributed a total of 4.8 million euros and directly assisted 3,170 households. In addition to private homes, People in Need distributed more than 3 million euros to support the reconstruction of kindergartens, elementary and secondary schools, retirement homes, libraries, bridges and other projects serving the general public.

OPERATIONAL & ADMINISTRATIVE COSTS

3.2 percent of the SOS campaign funds were used to cover necessary costs of the relief and rebuilding projects. The limited use of these funds for administration was possible due to grants from the CS Mott Foundation and NROS that were used mainly for administration. Ninety-seven percent of funds collected from the public went directly to those in need.

CHECHNYA AND INGUSHETIA

FOOD DISTRIBUTION

In 2003, PIN delivered a total 6,500 tons of basic food items to fifty thousand inhabitants of the city of Grozny on a monthly basis. A significant part of this food distribution went through the People in Need Food for Work Program. The program offers the unemployed the opportunity to receive a greater amount of foodstuffs than they would receive from free food aid distribution programs. In the past year, up to two thousand people took part in the program.

PROGRAMS IN SCHOOLS

In the past year, People in Need reconstructed two kindergartens and five elementary schools, serving almost three thousand children. PIN also implemented child psychosocial support programs, and five hundred children attended various PIN extracurricular activities in locations around Grozny.

CAMPS FOR IDPS IN INGUSHETIA

In Ingushetia, PIN operated twenty-four temporary schools for two thousand children, a vocational training center and provided medical aid to three thousand people in unofficial IDP settlements in 2003.

MATERIAL AID AND COMMUNITY SUPPORT

PIN also ran a variety of other reconstruction projects in Chechnya in 2003. PIN supplied roofing materials for the reconstruction of 1,500 homes, opened a woman's center in Grozny, organized AIDS, TB and drug awareness campaigns, and distributed vegetable seeds to one thousand families.

*Funded by: UNICEF, ECHO, UNHCR, WFP, WHO, IRC/BPRM (USA),
FAO, SOS Chechnya, Berkat, HELP, Hammer Forum, Handicap
International*

For the past four years PIN has been working in Grozny,
the most devastated city in Europe in the period after World War II





AFGHANISTAN

PROGRAMS IN SCHOOLS

In 2003, PIN built and reconstructed eleven schools in central Afghanistan, and preparations have been made to build an additional fifty-three school buildings. In northern Afghanistan, PIN has built wells, installed wash basins, built toilet facilities and implemented hygiene awareness programs.

EDUCATIONAL PROGRAMS

In the city of Bamian, PIN organized a two-month winter training course for 140 teachers. One of the targets of the work of PIN in Afghanistan is to assist in the education of girls in regions where they have limited access to schools. To meet this goal, PIN assisted in the running of five informal schools, and in an effort to involve more girls in formal education, the families of girls who attend school on a regular basis were given food aid as an incentive for attendance.

INTEGRATION OF RETURNEES

People in Need helped rebuild twelve hundred homes, and cleaned more than two hundred large-capacity underground water containment units, often a community's only source of water, in order to aid in the stabilization of refugees. In addition, PIN restored thirty-nine underground water canals, which bring water from distant mountains to arid areas.

DEVELOPMENT SUPPORT

In the region of Zara, PIN distributed fertilizer and seeds to five hundred farmers and reconstructed a twenty-five kilometer road, the only link between the area and the provincial capital. People in Need also built two new health clinics which incorporated funds from the Czech government.

Funded by: UNHCR, UNICEF, IOM, CARE, the Czech Interior Ministry, LBG/ USAID, FAO, WFP, Save the Children UK

Following the end of the conflict, the focus of PIN has become aiding the next generation of Afghans

IRAQ • IRAN

IRAQ

People in Need began work in May 2003 in Missan, a poor and war-torn south eastern province with a population of over one million people. PIN has reconstructed and provided basic equipment for thirty-five health facilities through projects ranging from small village health centers to a central laboratory and hospitals. People in Need has also reconstructed and equipped thirty local schools and other educational facilities. PIN is also providing clean drinking water in the area of the former marshes. In 2003, PIN began projects to strengthen community groups in Missan. PIN is advising local non-governmental organizations and cooperating with the Czech Foreign Ministry to organize study trips and internships for Iraqi students in the Czech Republic.

IRAN

Immediately following the Bam earthquake in December 2003, People in Need organized the SOS Iran campaign, which generated almost two million crowns. As the search for survivors ended, PIN moved into Iran to help deal with the resulting humanitarian disaster. Over the course of 2003, PIN operations moved from emergency relief to work in refugee camps and psychosocial assistance for women and children. In the future, PIN is planning to develop social projects and create economic projects for widows and orphans. In 2004, PIN began rebuilding three schools and one medical clinic, and PIN hopes to conduct more building projects in the future.

Funded by: The Czech Ministry of Foreign Affairs, Concern (Ireland), Cesvi (Italy), German Agro Action, SOS Iraq, SOS Iran, the Czech Interior Ministry, the People in Need Club of Friends, IOM/ USAID, DFID (UK), NED, CPA (Iraq), CIMIC BA, USAID

Health Centers and schools are being rebuilt in the wake of an earthquake and the fall of a dictator





Humanitarian relief saves lives and development projects give hope for future stability

ARMENIA • ETHIOPIA • NAMIBIA

ARMENIA

In 2003, PIN began a three-year-long informational project that is focused on the prevention of illegal migration. The project aims to decrease the number of people who believe the promises of human traffickers about an easy and better life in the West. People in Need also began work implementing projects to rehabilitate schools and reach outside of traditional education to re-qualify workers and focus on youth leisure activities.

ETHIOPIA

In southern Ethiopia, People in Need is building a primary experimental school and trying to introduce modern teaching methods into Ethiopian education. In addition to building schools, People in Need has drilled new water sources that supply clean drinking water for almost eight thousand people.

NAMIBIA

In southern Namibia, People in Need is implementing a project to help stabilize families and communities affected by HIV/ AIDS through social work and an income generation project. People in Need staff in Namibia are offering counseling to members of the local community active in helping victims of HIV/ AIDS and their families, and has built a workshop where local women can produce traditional Namibian handicrafts in a bid to generate income and improve the standard of living for the community as a whole.

Funded by: The Czech Ministry of Environment, the Czech Ministry of Education, the Czech Ministry of Interior, the Czech Ministry of Labor

KOSOVO • ROMANIA • SLOVAKIA • SERBIA

KOSOVO

People in Need has been involved in Kosovo since 1999. In 2003, PIN continued its support for the Faik Konica journalism school in a final grant that has helped the school become financially self-sufficient, and also supported the Committee for Human Rights and Freedom and the Center for Protection of Women and Children.

ROMANIA

PIN has been working with isolated Czech minority communities in the Banat Mountains for eight years. In 2003 PIN rebuilt schools and provided sources and pipelines for fresh drinking water. PIN also supported income generation and infrastructure development projects.

SLOVAKIA

For the past several years, PIN has supported a social work project in the middle of a Slovakian Romany settlement.

SERBIA

For over two years, PIN has given Serbian mental health facilities materials and financial aid for reconstruction and modernization. Through exchange training programs, People in Need is educating the management of these facilities and changing outdated attitudes of service providers toward their clients. In 2004, PIN began a broader long-term project aimed at supporting the transformation of institutional care on a large scale.

Funded by: IOM, the Czech Ministry of Foreign Affairs, the C.S. Mott Foundation, NED

The most effect aid gives those in need
the opportunity to help themselves





One World is dedicated to promoting freedom, justice and dignity

ONE WORLD

FILM FESTIVAL

The sixth annual One World International Human Rights Documentary Film Festival took place April 15–22, 2004 under the auspices of former President Václav Havel, the Czech Minister of Culture and the Mayor of Prague. Over the past six years One World has grown into an important cultural event not only in Prague, but all around the Czech Republic. One World is a multi-faceted film festival that includes discussions with festival guests, seminars, panel debates, schools screenings, and follow-up screenings in fourteen other Czech cities. In one week, over 29,000 people visited the festival in Prague, with an additional 26,000 participants in fourteen other Czech cities.

ONE WORLD IN SCHOOLS

In addition to the film festival, One World has developed a program of cooperation with Czech schools aimed at helping students learn about human rights and relate to current affairs around the globe. Currently 273 schools are involved in the project, and participating teachers receive specialized training and are given subtitled VHS tapes of selected films, relating publications and simulation games. One World in Schools empowers students to form independent opinions and enriches individual social, cultural and historic awareness.

Funded by: Plzeňský Prazdroj, Metrostav, the Czech Ministry of Culture, the Czech Ministry of Foreign Affairs, the Czech Ministry of Education, the City of Prague, Czech Television, the Czech-German Fund for the Future, the Media Programme of the European Commission, the Open Society Institute, the International Visegrad Fund, Hivos, the American Jewish Joint Distribution Committee, OMV

HUMAN RIGHTS AND DEMOCRACY

BELARUS • UKRAINE • MOLDOVA

For seven years, PIN has supported opposition figures, independent journalists and NGO activists in Belarus. In 2003, these activities were expanded to Moldova and Ukraine and will continue in these three countries in the future.

CUBA

For past seven years, PIN has provided the Cuban opposition and the families of political prisoners with material, financial and moral support. In 2003, PIN was influential in founding the International Committee for a Democratic Cuba in Prague under the auspices of Václav Havel.

BURMA

For six years PIN has supported democratic activists in Burma through internships at PIN aimed at studying the experience of Czech democratic transformation and the role of NGOs in democracy society.

NORTH KOREA

Since 2002, PIN has worked to raise global awareness of the North Korean concentration camp system and provided independent information about the most closed country in the world.

HOMO HOMINI

The Homo Homini award is given by PIN each year to an individual contributing to the struggle for human rights. The Serbian activist Natasa Kandic was awarded the prize in 2003.

Funded by: NED, OSI, the Center for a Free Cuba, the Jan Hus Educational Fund, Ivana Urbánková, Freedom House, SOS Cuba, ORSA, the Dutch Foreign Ministry, the British Embassy

PIN supports activists, generates international interest and disseminates independent information on countries oppressed by undemocratic regimes and dictators



PIN social workers are in the field working to reduce the harm caused by ghettoization

THE FIELD SOCIAL WORK PROGRAM

THE FIELD SOCIAL WORK PROGRAM

The Field Social Work Program provides social services for the mainly Roma residents of poor urban neighborhoods. The network of PIN social workers is unique in its ability to help clients overcome the severe consequences of their social situations, while gathering precious and detailed information on the mechanisms that create and sustain the social exclusion of the mainly Romany enclaves around the Czech Republic.

TRAINING FOR PIN SOCIAL WORKERS

People in Need provides its social workers with specific training in the fields of law, techniques of structured case management, communication technology, social services networks, and other relevant areas. Select PIN social workers have undergone specialized training in motivational work with clients and long-term social therapy with family units. PIN supervisory interviews and supervisor-led group sessions help the social workers develop

professional skills and deal with work-related emotions and stress in order to prevent burn-out.

SERVICE STANDARDS AND STAFF HANDBOOK

Building on the work of the past five years, the Field Social Work Program is compiling a handbook of service standards to be followed first by PIN social workers and later to be made available to all similar service providers, subject to governmental accreditation.

ROMANY VICTIMS OF NAZI PERSECUTION

PIN is compiling a book that records the testimony of witnesses of Nazi persecution against the Romany communities in Slovakia during WWII. The resulting text will provide information on a long-neglected page of Czechoslovak history. Seven hundred of these witnesses have been served by PIN social workers in the past three years, as part of the IOM humanitarian and social programs for Holocaust and forced labor victims.



THE VARIANTS PROJECT

DIFFERENT VIEWS, COMMON WORLD

The goal of the Variants Project is to enable citizens to respect all members and view points of a multicultural society, and to empower them to fight discrimination in the Czech Republic and abroad. Through education, Variants hopes to inspire citizens not only to be full participants in their surroundings, but to also take an active interest in global affairs. The multicultural society of today must be built on the ideal of different points of view peacefully coexisting in a common world.

INTERCULTURAL EDUCATION

The Variants Project of People in Need is aimed at supporting rationally-grounded attitudes towards diversity in order to fight discrimination. PIN wants to improve the social position of people who are disadvantaged in society by implementing intercultural education in the Czech national curriculum and in the life-long learning process.

DEVELOPMENT EDUCATION

Development education aims to raise awareness and understanding of international development in the contemporary world. Development education supports an individual's active participation in solving the problems of today's world. PIN is working to introduce development education into the Czech curriculum at the primary, secondary and university levels through training courses and teaching materials.

Funded by: the European Union and the Czech Ministry of Labor and Social Affairs through the Equal Programme, UNDP, The Anne Frank House

People in Need believes that education leads to maturity, freedom, responsibility and the ability to understand and accept various points of view





PIN was founded by journalists reporting on crisis regions, and promoting news from these areas remains a key goal of the organization

INFOSERVICE

WWW.INFOSERVIS.NET*

Infoservice is a long-term project of PIN aimed at disseminating information about crisis regions, totalitarian regimes, areas afflicted by war and other issues affecting today's world. For the past three years, Infoservice has run an Internet web page that hosts articles, interviews and reports written by journalists, professionals and students that is visited by six thousand unique users each month. Infoservice also provides four thousand people with a monthly e-mail brief.

**The Internet address uses the Czech spelling.*

ARTICLES AND SUPPLEMENTS IN THE PRESS

Infoservice pushes information about events in crisis regions into the forefront of the mainstream media through articles and special supplements. Several times a year, Infoservice publishes four-page supplements in leading Czech newspapers and magazines, and in 2003 Infoservice assisted in publishing over 150 articles in the mainstream press.

DOCUMENTARY FILMS

Through the production of documentaries, Infoservice attempts to illustrate the daily struggles of life in crisis regions. In 2003, Czech Television aired PIN documentaries about the victims of Stalin's purges in Belarus, the victims of the North Korean concentration camp system and a special documentary about the work of the PIN humanitarian mission in Afghanistan. Also in 2003, PIN produced a documentary about the dissident movement in Cuba and continued work on a six-part series about foreigners in the Czech Republic.

Funded by: OSF Praha, NROS, Heinrich Boll Stiftung, the Czech Ministry of Interior, Czech Television

DEVELOPMENT COOPERATION • MIGRATION • CLUB OF FRIENDS

DEVELOPMENT COOPERATION

People in Need is focused on raising the awareness of the Czech public, journalists and state employees about the issues of development cooperation and foreign aid through bulletins, informational supplements, published articles, training and press conferences and the Internet portal www.rozvojovka.cz.

PARTNERSHIPS AND MEMBERSHIPS

PIN is now a member of Alliance 2015 and the Eurostep association. Through these organizations and the Czech Forum for Development Cooperation and the cross-European organization (CONCORD), PIN is cooperating with key European organizations working in the field of development cooperation and humanitarian aid.

MIGRATION PROJECT

More than one hundred articles, reports and analyses have been published on the theme of migration in the mainstream media, in order to open a public debate.

CLUB OF FRIENDS

The Club of Friends is a membership project that offers PIN supporters the chance to contribute to the efforts of PIN on a regular basis. One use of the regular financial donations of club members is a fast-reaction fund, first used following the December 2003 earthquake in Bam, Iran.

Funded by: VIA, OSF Prague, EU-Phare 2002 /NROS/, the Czech Ministry of Culture and the Czech Ministry of Foreign Affairs



INFORMATION PROJECTS AND FILMS

EURO
step

FORS

CONCORD
cross-European organization for development cooperation

Alliance 2015
towards the eradication of poverty

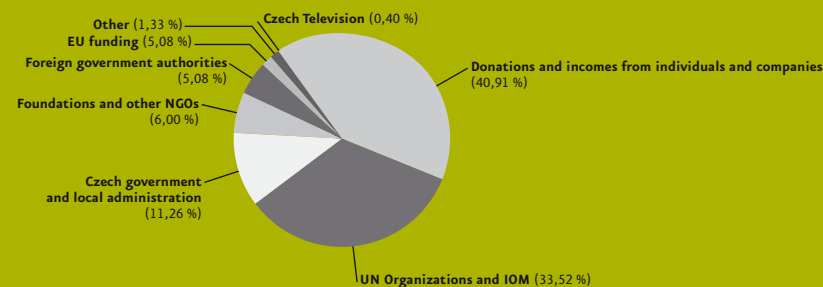
PEOPLE IN NEED'S REVENUES AND VOLUME OF MEDIATED AID IN 2003

Source of Revenues	Revenues in EUR	Grants / donations for acquisitions	Mediated aid	Total revenues (incl. mediated aid)
Donations to SOS floods 2003	5,682,641			5,682,641
WFP – UN World Food Programme	281,831		2,264,572	2,546,403
UNHCR – United Nations High Commissioner for Refugees	619,284	895	429,316	1,049,495
UNICEF – United Nations Children's Fund	557,622	6,210	118,115	681,947
Ministry of Foreign Affairs of the Czech Republic	667,972			667,972
IOM – International Organization for Migration	478,632	6,267		484,899
CPA – Coalition Provisional Authority – Iraq	372,044			372,044
Ministry of Labour and Social Affairs of the Czech Republic	276,371	25,193		301,564
Ministry of Interior of the Czech Republic	293,004	1,256		294,260
EU resources	214,941	1,430		216,371
MRRD – Ministry of Rehabilitation and Rural Development – Afghanistan	199,886	566		200,452
Charles Stewart Mott Foundation	148,041			148,041
Open Society Fund	132,290	3,505		135,795
Ministry of Education, Youth and Sports of the Czech Republic	130,208	5,574		135,782
NED – National Endowment for Democracy	111,717	199		111,916
IRC – International Rescue Committee	109,361	1,225		110,586
FORD Foundation	102,953			102,953
Currency exchange profits	97,314			97,314
Ministry of Environment of the Czech Republic	83,610	5,574		89,184
CHF International (Community Housing Foundation)	77,439			77,439
City of Prague	70,977			70,977
Czech Television (incl. revenues from film production)	57,250			57,250
LBG Afghanistan (Louis Berger Group)	50,143			50,143
Other revenues from own production	44,887			44,887
Ministry of Culture of the Czech Republic	43,203			43,203
GE Capital Bank mediated by United Way	43,203			43,203
Center for a Free Cuba	42,864			42,864
DFID – Department for International Development UK	40,398	730		41,128
Other donations	34,558	1,438		35,996
Accounting for funds – acquisition of fixed assets	-50,334	45,624		-4,710
Interest	34,684			34,684
Readers Digest mediated by United Way	30,859			30,859
Donations to SOS Afghanistan 2003	29,919			29,919
Berkat o.s.	29,477			29,477
Pilsner Urquell brewery	24,688			24,688
Czech-German Fund for the Future	23,145			23,145
Citizens Alliance for North Korean Human Rights	21,936			21,936
WHO – World Health Organization	21,521			21,521

Source of Revenues	Revenues in EUR	Grants / donations for acquisitions	Mediated aid	Total revenues (incl. mediated aid)
UNAMA – United Nations Mission to Afghanistan	21,003			21,003
Visegrad Fund	20,678			20,678
FAO – UN Food and Agriculture Organization	2,587		15,489	18,076
Local Administration donations	17,898			17,898
Hammer Forum	10,571		7,053	17,624
Contributions for dehumidifying after the floods	15,751			15,751
OSI – Open Society Institute	15,638			15,638
Other revenues	10,452			10,452
VIA Foundation	9,874			9,874
CIDA – Canadian International Development Agency	9,580			9,580
Revenues from sale of assets & materials	9,413			9,413
UNDP – United Nations Development Programme	7,557	832		8,389
Donations to SOS Kuba 2003	7,813			7,813
Donations to SOS Iraq 2003	7,112			7,112
Donation from Hachette Filipacchi	5,553			5,553
Donations to SOS Chechnya 2003	5,292			5,292
Freedom House	5,015			5,015
British Know How Fund	4,958			4,958
Fund for Education	4,797			4,797
Save the Children UK	4,561			4,561
Embassy of the United States	4,421			4,421
FORS – Czech Forum for Development Co-operation	4,297			4,297
Alternatives Canada	4,201			4,201
CIMIC – Civil Military Co-operation Unit	3,502			3,502
NROS (except the EU funds)	3,461			3,461
Heinrich Böll Stiftung	2,923			2,923
British Council	2,876			2,876
TNT Express Worldwide	2,864			2,864
Administration of Czech Centres	2,684			2,684
Other grants	2,654			2,654
Caritas International	2,493			2,493
Embassy of France	2,314			2,314
Donation from Ivana Urbánková	2,006			2,006
Goethe Institut	1,903			1,903
Jan Hus Foundation	1,659			1,659
Donations to other public collections 2003	1,681			1,681
Seznam.cz	1,543			1,543
TOTAL	11,474,124	106,518	2,834,545	14,415,187

TOTAL REVENUES AND MEDIATED AID / BY TYPE OF SOURCE

Type of Source	in EUR	
Donations and incomes from individuals and companies	5,896,921	40.91 %
UN Organizations and IOM	4,831,734	33.52 %
Czech government and local administration	1,623,524	11.26 %
Foundations and other NGOs	864,981	6.00 %
Foreign government authorities	732,363	5.08 %
EU funding	216,372	1.50 %
Other	192,042	1.33 %
Czech Television (including film production)	57,250	0.40 %
TOTAL	14,415,187	100.00 %



ITEMIZED EXPENDITURES / INCLUDING MEDIATED AID

Type of expenditure	in EUR	
1. Own expenses	11,600,493	79.78 %
2. Acquisition of equipment from grants and donations	106,518	0.73 %
3. Mediated aid	2,834,545	19.49 %
TOTAL	14,541,556	100.00 %

TOTAL EXPENDITURES AND MEDIATED AID / BY REGION

Country	in EUR	
Afghanistan	1,409,452	9.69 %
Belarus	54,305	0.37 %
Chechnya and Ingushetia	3,683,003	25.33 %
Czech Republic	7,250,647	49.86 %
Ethiopia	214,032	1.47 %
Iraq	1,503,027	10.34 %
Kosovo	128,391	0.88 %
Cuba	101,418	0.70 %

Country	in EUR	
Namibia	73,447	0.51 %
Romania	67,905	0.47 %
North Korea	23,336	0.16 %
Spain	3,472	0.02 %
Transcaucasus	29,079	0.20 %
Other	42	0.00 %
TOTAL	14,541,556	100.00 %

TOTAL EXPENDITURES AND MEDIATED AID / BY TYPE OF ACTIVITY

Type of Activity	in EUR	
Support to Prague Office's projects & operations	316,981	2.18%
Humanitarian and Developmental Aid	12,934,071	88.95%
Material aid	42,094	
Food programs	2,480,529	
Housing reconstruction	1,013,897	
Educational system	1,550,233	
Health system	1,123,110	
Infrastructure	246,807	
Water and sanitation	177,913	
Aid to flooded regions in Czech Republic	5,888,261	
Other Aid	411,227	
Aid to local authorities and other local organizations	94,154	0.65%
Aid to the politically, racially, and otherwise persecuted	199,891	1.37%
Aid to young journalists and independent press	3,723	0.03%

Type of Activity	in EUR	
Social consultancy - social work in the field in remote localities	354,037	2.43%
Organization of seminars and training sessions	213,057	1.46%
intercultural education	204,667	
global development education	8,390	
Enlightenment activities	153,861	1.06%
Infoservis	15,504	
Campaigns	58,348	
Migration	27,419	
Club of Friends	19,640	
TV cycle Člověk v tísní (People in Need)	32,950	
Organization of cultural events	271,781	1.87%
One World Film Festival	236,281	
One World Film Festival in Schools	35,500	
TOTAL	14,541,556	100.00%

AUDITOR'S STATEMENT

We have performed the audit of the enclosed financial statements of Člověk v tísní – společnost při České televizi, o. p. s (PEOPLE IN NEED) drawn up as of 31 December 2003. The Executive Board is responsible for the financial statements. Our task is to render on the basis of the performed audit the opinion on the financial statements as a whole. We received a written statement of the statutory representative of the Organization that we were provided with any and all documents and information required for the verification. At the same time the statutory representative of the Organization declared that the submitted financial statements included all accounting records subject to the duty of posting in the accounting period being verified.

We have performed the audit in compliance with Act on Auditors and auditing regulations of the Chamber of Auditors of the Czech Republic. These regulations require planning and performing of the audit in such a way to allow the auditor to be reasonably sure that the financial statements do not include any significant inaccuracies. The audit comprises verification of the completeness and provability of amounts and information included in the financial statements, made on a selective basis. The audit also includes the assessment of the used accounting procedures and material estimates made by the Society and the assessment of the general presentation of the financial statements. We are convinced that the performed audit provides a reasonable basis for rendering the auditor's statement.

In our view the financial statements give a true and fair view of the state of the assets, liabilities, equity and financial situation of Organization "PEOPLE IN NEED" as of 31 December 2003

and the economic result for 2003 in compliance with Act on Accounting and the respective regulations of the Czech Republic.

The Annual Report contains description of the main activities of the Organization in the period of 2003. Part of the Annual Report for 2003 of the Organization is also a financial overview including the main data taken over from the financial statements of the Organization. In our view, this information complies with the data in the financial statements we have audited.

Balance Sheet, Profit and Loss Account and Notes to the financial statements are Annexes 1, 2 and 3 hereto.

V Praze dne 12. srpna 2004

Auditing firm:

AUDIT SERVIS, spol. s r. o., 140 00 Praha 4, Kloboučnická 14
Licence no. 10 of the Chamber of Auditors of the Czech Republic

Auditor:

Ing. Květoslava Vyleťalová
Licence no. 256 of the Chamber of Auditors of the Czech Republic



Květoslava Vyleťalová

FINANCIAL BALANCE SHEET / AS OF 31 DECEMBER 2003

ASSETS	Line no.	As of 1. 1. 2003 in EUR	As of 31. 12. 2003 in EUR
a	b	1	2
A. Fixed Assets line 02 + 10 + 21 + 29	01	284,240	299,367
A. I. Intangible fixed assets subtotal line 03 through 09	02	10,822	20,985
1 Research and development	(012) 03		
2 Software	(013) 04	3,987	14,319
3 Royalties	(014) 05		
4 Small intangible fixed assets	(018) 06	6,835	6,666
5 Other intangible fixed assets	(019) 07		
6 Acquisition of intangible fixed assets	(041) 08		
7 Advance payments for intangible fixed assets	(051) 09		
A. II. Tangible fixed assets subtotal line 11 through 20	10	443,165	559,142
1 Land	(031) 11		
2 Fine art & collections	(032) 12		
3 Buildings, halls and structures	(021) 13	5,222	14,813
4 Property, plant and equipment	(022) 14	240,316	358,864
5 Cultivated area	(025) 15		
6 Livestock	(026) 16	348	
7 Small tangible fixed assets	(028) 17	197,279	185,465
8 Other tangible fixed assets	(029) 18		
9 Acquisition of tangible fixed assets	(042) 19		
10 Advance payments for tangible fixed assets	(052) 20		
A. III. Long-term investments subtotal line 22 through 28	21	0	0
1 Investments in group undertakings	(061) 22		
2 Investments in associated companies	(062) 23		
3 Other long-term securities and ownership interests	(063) 24		
4 Intercompany loans	(066) 25		
5 Other long-term loans	(067) 26		
6 Other long-term investments	(069) 27		
7 Acquisition of financial investment	(043) 28		
A. IV. Adjustments to fixed assets subtotal line 30 through 40	29	-169,747	-280,760
1 Adjustments to research and development	(072) 30		
2 Adjustments to software	(073) 31	-1,994	-6,419
3 Adjustments to royalties	(074) 32		
4 Adjustments to small intangible fixed assets	(078) 33	-6,835	-6,666
5 Adjustments to other intangible fixed assets	(079) 34		
6 Adjustments to buildings, halls and structures	(081) 35	-380	-1,173
7 Adjustments to property, plant and equipment	(082) 36	-121,614	-170,653
8 Adjustments to cultivated area	(085) 37		
9 Adjustments to livestock	(086) 38	-32	

ASSETS	Line no.	As of 1. 1. 2003 in EUR	As of 31. 12. 2003 in EUR
a	b	1	2
10 Adjustments to small tangible fixed assets	(088) 39	-38,892	-95,849
11 Adjustments to other tangible fixed assets	(089) 40		
B. Current assets line 42 + 52 + 72 + 81	41	8,521,267	3,297,979
B. I. Inventory subtotal line 43 through 51	42	0	4,938
1 Inventories	(112) 43		4,938
2 Inventory in transit	(119) 44		
3 Work-in-progress	(121) 45		
4 Semi-finished own production	(122) 46		
5 Finished goods	(123) 47		
6 Livestock	(124) 48		
7 Merchandise in stock	(132) 49		
8 Merchandise in transit	(139) 50		
9 Advance payments for inventory	(314) 51		
B. II. Receivables subtotal line 53 through 71	52	1,620,919	1,669,403
1 Receivables from customers	(311) 53	72,532	195,927
2 Receivables from bills of exchange	(312) 54		
3 Receivables from discount securities	(313) 55		
4 Advance payments for operational expenditures	(314-51) 56	10,443	45,764
5 Other receivables	(315) 57	5,823	20,707
6 Receivables from employees	(335) 58	7,468	18,114
7 Receivables from social security	(336) 59		
8 Income tax	(341) 60	6,456	5,369
9 Other direct taxes	(342) 61		
10 VAT	(343) 62	3,418	3,765
11 Other taxes & fees	(345) 63		
12 State subsidies & other budgetary contributions	(346) 64	604,589	
13 Local administration budgetary contributions	(348) 65		
14 Intercompany account	(358) 66		
15 Purchased options	(373) 67		
16 Bonds issued	(375) 68		
17 Other different receivables	(378) 69	910,190	1,379,664
18 Estimated receivables	(388) 70		93
19 Adjustment to receivables	(391) 71		
B. III. Financial assets subtotal line 73 through 80	72	6,717,310	921,586
1 Cash	(211) 73	72,595	126,277
2 Valuables	(213) 74		

FINANCIAL BALANCE SHEET / AS OF 31 DECEMBER 2003

ASSETS	Line no.	As of 1. 1. 2003 in EUR	As of 31. 12. 2003 in EUR
a	b	1	2
3. Bank accounts	(221) 75	6,644,715	890,295
4. Equity shares	(251) 76		
5. Bonds & Debentures	(253) 77		
6. Other securities	(256) 78		
7. Acquisition of financial assets	(259) 79		
8. Cash in transit	(261) 80		-94,986
B.IV. Other assets subtotal line 82 through 84	81	183,038	702,052
1. Prepaid expanses	(381) 82	103,924	523,469
2. Accrued revenue	(385) 83	30,728	95,016
3. Unrealised exchange rate losses	(386) 84	48,386	83,567
TOTAL ASSETS line 01 + 41	85	8,805,507	3,597,346

LIABILITIES AND EQUITY	Line no.	As of 1. 1. 2003 in EUR	As of 31. 12. 2003 in EUR
a	b	1	2
A. Equity and Funds line 87 + 91	86	6,074,336	1,388,490
A. I. Funds subtotal line 88 through 90	87	6,113,735	1,514,859
1. Equity	(901) 88	663,703	611,140
2. Funds	(911) 89	5,450,032	903,719
3. Gains and losses from the revaluation of assets	(921) 90		
A. II. Operating results subtotal line 92 through 94	91	-39,399	-126,369
1. Profit & loss for account year	(+/-963) 92		-126,369
2. Profit/loss under approval	(+/-931) 93	-39,399	
3. Retained earnings/losses from previous years	(+/-932) 94		
B. Liabilities line 96 + 98 + 106+ 130	95	2,731,171	2,208,856
B. I. Provisions line 97	96	0	0
1. Tax-deductible provisions	(941) 97		
B. II. Long-term liabilities subtotal line 99 through 105	98	0	0
1. Long-term bank loans	(951) 99		
2. Bonds issued	(953) 100		
3. Leasing payables	(954) 101		
4. Long-term advances received	(955) 102		
5. Long-term bills of exchange payable	(958) 103		
6. Estimated payables	(389) 104		
7. Other long-term liabilities	(959) 105		
B. III. Short-term liabilities subtotal line 107 through 129	106	860,633	1,267,705
1. Trade payables	(321) 107	106,614	162,506
2. Payables of exchange	(322) 108		

LIABILITIES AND EQUITY	Line no.	As of 1. 1. 2003 in EUR	As of 31. 12. 2003 in EUR
a	b	1	2
3. Prepayments received	(324) 109	2,152	679
4. Other payables	(325) 110	28,766	59,960
5. Payables to employees	(331) 111	29,747	30,211
6. Other payables to employees	(333) 112		4,845
7. Social security & health insurance institutions	(336) 113	20,696	13,146
8. Income tax	(341) 114		
9. Other direct taxes	(342) 115	7,658	4,907
10. VAT	(343) 116		
11. Other taxes and fees	(345) 117	32	
12. State budget payables	(346) 118		
13. Local administration budgets payables	(348) 119		
14. Subscriptions & deposits payable	(367) 120		
15. Payables to partners and consortium members	(368) 121		
16. Financial derivatives payables	(373) 122		
17. Other payables	(379) 123	664,968	991,112
18. Short-term bank loans	(231) 124		
19. Credits for discounted securities	(232) 125		
20. Short-term bonds issued	(241) 126		
21. Own bonds issued	(255) 127		
22. Estimated payables	(389) 128		339
23. Other short-term borrowings	(249) 129		
B. IV. Other liabilities subtotal line 131 through 133	130	1,870,538	941,151
1. Accrued expenses	(383) 131	49,051	50,147
2. Deferred revenues	(384) 132	1,798,101	855,207
3. Unrealised exchange rate gains	(387) 133	23,386	35,797
TOTAL LIABILITIES AND EQUITY line 86 + 95	134	8,805,507	3,597,346

PROFIT & LOSS STATEMENT / AS OF 31 DECEMBER 2003

Name of indicator	Line no.	Activity			Total
		Main	Supplem.	Admin.	
A. Costs	01				
A. I. Consumption subtotal line 03 through 06	02	938,343	11,387	1,111	950,841
1 Material consumption	(501) 03	917,852	11,264	741	929,857
2 Energy consumption	(502) 04	19,843		370	20,213
3 Consumption of other not-for-stock materials	(503) 05	648	123		771
4 Costs of goods sold	(504) 06				
A. II. Services subtotal line 08 through 11	07	3,567,104	64,712	8,240	3,640,056
5 Repair & maintenance	(511) 08	40,642	524	309	41,475
6 Travel expenses	(512) 09	273,538		1,574	275,112
7 Entertainment expenses	(513) 10	5,524		710	6,234
8 Other services	(518) 11	3,247,400	64,188	5,647	3,317,235
A. III. Personnel expenses subtotal line 13 through 17	12	887,147	7,406	12,621	907,174
9 Wages & salaries	(521) 13	677,087	6,172	9,350	692,609
10 Social security expenses	(524) 14	210,060	1,234	3,271	214,565
11 Other social expenses	(525) 15				
12 Mandatory social expenses	(527) 16				
13 Other social expenses	(528) 17				
A. IV. Taxes & fees subtotal line 19 through 21	18	1,265	0	0	1,265
14 Road tax	(531) 19	154			154
15 Real estate tax	(532) 20				
16 Other fees and taxes	(538) 21	1,111			1,111
A. V. Other expenses subtotal line 23 through 30	22	6,053,201	216	0	6,053,417
17 Contractual penalties & late interest	(541) 23				
18 Other fines & penalties	(542) 24	617			617
19 Write off bad receivables (tax deductible)	(543) 25				
20 Interest	(544) 26				
21 Currency exchange loss	(545) 27	283,043	216		283,259
22 Gifts	(546) 28	5,733,436			5,733,436
23 Deficits & damages	(548) 29	586			586
24 Other expenses	(549) 30	35,519			35,519
A. VI. Depreciation, assets sold, additions to reserves & adjustments line 32 through 37	31	44,870	648	2,222	47,740
25 Depreciation of tang. & intang. fixed assets	(551) 32	35,365	648	2,222	38,235
26 Net book value of disposed tang. & intang. fixed assets	(552) 33	7,345			7,345
27 Net book value of securities & deposits sold	(553) 34				
28 Net book value of material sold	(554) 35	2,160			2,160
29 Additions to mandatory reserves	(556) 36				
30 Additions to mandatory adjustments	(559) 37				
A. VII. Contributions subtotal line 39 through 40	38	0	0	0	0
31 Intercompany contributions	(581) 39				
32 Contributions	(582) 40				
A. VIII. Income tax line 42	41	0	0	0	0
33 Additional income tax	(595) 42				
TOTAL COSTS line 02 + 07 + 12 + 18 + 22 + 31 + 38 + 41	43	11,491,930	84,369	24,194	11,600,493

Name of indicator	Line no.	Activity			Total
		Main	Supplem.	Admin.	
B. Revenues	44				
B. I. Revenues from production and goods sold subtotal line 46 through 48	45	3,021,972	74,186	0	3,096,158
1 Sale of own products	(601) 46				
2 Sale of own services	(602) 47	3,021,972	74,186		3,096,158
3 Sales of goods purchased for resale	(604) 48				
B. II. Change in inventory subtotal line 50 through 53	49	0	0	0	0
4 Change in work-in-progress	(611) 50				
5 Change in semi-finished product inventory	(612) 51				
6 Change in finished product inventory	(613) 52				
7 Change in livestock	(614) 53				
B. III. Capitalization subtotal line 55 through 58	54	0	0	0	0
8 Capitalization of material & merchandise	(621) 55				
9 Capitalization of intercompany services	(622) 56				
10 Capitalization of intangible fixed assets	(623) 57				
11 Capitalization of tangible fixed assets	(624) 58				
B. IV. Other revenues subtotal line 60 through 66	59	8,277,303	10,924	0	8,288,227
12 Contractual penalties & late interest	(641) 60				
13 Other fines & penalties	(642) 61				
14 Payments for written-off receivables	(643) 62				
15 Interest	(644) 63	34,686			34,686
16 Exchange rate gains	(645) 64	97,300			97,300
17 Accounting for funds	(648) 65	8,117,605	10,801		8,128,406
18 Other revenues	(649) 66	27,712	123		27,835
B. V. Revenues from assets sold, accounting for reserves & adjustm. line 68 through 74	67	9,412	0	0	9,412
19 Sale of intang. & tang. fixed assets	(652) 68	6,851			6,851
20 Revenues from securities sold	(653) 69				
21 Revenues from material sold	(654) 70	2,561			2,561
22 Revenues from short-term financial assets	(655) 71				
23 Accounting for mandatory reserves	(656) 72				
24 Revenues from long-term financial assets	(657) 73				
25 Accounting for mandatory adjustments	(659) 74				
B. VI. Contributions received subtotal line 76 through 78	75	80,327	0	0	80,327
26 Intercompany contributions received	(681) 76				
27 Contributions received	(682) 77	80,327			80,327
28 Membership contributions received	(684) 78				
B. VII. Operating subsidy line 80	79	0	0	0	0
29 Operating subsidy	(691) 80				
TOTAL REVENUES line 45 + 49 + 54 + 59 + 67 + 75 + 79	81	11,389,014	85,110	0	11,474,124
C. Profit/loss before tax line 81 minus 43	82	-102,916	741	-24,194	-126,369
Income tax	(591) 83				
D. Profit/loss after tax line 82 minus 83	84	-102,916	741	-24,194	-126,369

NOTES TO FINANCIAL STATEMENTS / AS OF 31 DECEMBER 2003

1. GENERAL DATA

Accounting entity: Člověk v tísni – společnost při České televizi, o. p. s. (People in Need)
Registered office: Sokolská 1869/18, 120 00 Praha 2
ID number: 25755277

Legal status: Benevolent Society

The scope of provided services:

- organizing humanitarian and development aid both abroad and in the Czech Republic
- providing assistance to politically, racially or otherwise persecuted persons both abroad and in the Czech Republic
- providing assistance to young journalists and independent press both abroad and in the Czech Republic
- providing assistance to local governments and other local organizations
- organizing assistance to minorities both abroad and in the Czech Republic
- social consultancy
- public education
- organization of workshops and training
- organization of cultural and sports events

Supplementary activity:

Apart from the basic scope of activities specified above, for the purpose of which the Organization has been founded, the Organization pursues also additional activities that are provided on principle as a paid service. These supplementary activities include:

- creation and distribution of audio-visual programmes
- advertising activities
- brokerage in the field of advertising and promotion

The Organization pursues the supplementary activities exclusively with the aim to make a more efficient use of the property. At the same time these activities must not affect the quality, scope and availability of benevolent services. Any profit made on these supplementary activities may be used only for the improvement and extension of benevolent services.

Date of the foundation of the Benevolent Society: 16 April 1999

Registration: The Organization has been entered in the Register of Benevolent Societies kept with the Municipal Court in Prague, section 0., insert 119

Statutory bodies of the Organization as of the date of drawing up of the financial statements are the following:

Executive Board:

Kristína Taberyová – Chairwoman, Jaromír Štětina, Jan Urban (since 22 January 2003)

Supervisory Board: Vlasta Lajčáková, Marek Žák, Jan Vlačíha (since 22 January 2003)

Managing Director: Tomáš Pojar

Funders: Česká televize (Czech Television), Ing. Jaromír Štětina, Šimon Pánek

Accounting period: 1 January till 31 December 2003

Number of employees, Personnel costs:

Year	2003	2002
Average number of employees	82 (+106 mission in Russia)	65 (+99 mission in Russia)
of this: management	3	2
Personnel costs, total	907,174 EUR	775,032 EUR
of this: wage costs	692,609 EUR	598,165 EUR

Members of the statutory bodies of the Organization, i.e. Executive Board and Supervisory Board did not get any remuneration for their activity in the respective bodies. Family members of the members of statutory bodies do not have any employment or similar relationships with regard to the accounting entity. Neither members of the statutory bodies nor their family members are part of a legal entity with which the accounting entity concluded a business contract in the respective period.

2. INFORMATION ON THE USED ACCOUNTING METHODS, GENERAL ACCOUNTING PRINCIPLES

The accounting entity processes its accounting records by means of computer technology using the software of ČÍGLER SOFTWARE, a. s. – MONEY S3 economic system.

Accounting documents are archived in the form of hard copies (the place of their archiving is the registered office of the Organization the address Sokolská 1869/18, 120 00 Prague 2). Accounting records are also filed in the electronic form on a separate computer and simultaneously on an external storage medium deposited outside the Organization's business premises.

2. 1. TANGIBLE AND INTANGIBLE FIXED ASSETS

Tangible and intangible fixed assets are assets with a useable life exceeding one year and starting from the following valuation limit:

Tangible fixed assets	309 EUR
Intangible fixed assets	1,234 EUR
Technical upgrade of tangible fixed assets	309 EUR
Technical upgrade of intangible fixed assets	1,234 EUR

The above mentioned rule does not apply to computers and computer technology and mobile telephones and telecommunications technology where the valuation limit has not been set.

Fixed assets are valued on the basis of the purchase cost, i.e. including secondary acquisition costs (cost of transport, installation, etc.), or replacement cost (assets acquired free of charge).

Depreciation of the tangible and intangible fixed assets is regulated by the depreciation plan. Organization applies the method of depreciation evenly. Unless stipulated otherwise in individual cases, the period of depreciation of fixed assets is based on the table below:

description of assets	period of depreciation (months)
software	36
office technology	36
office furniture and other equipment	48
passenger cars	48
mobile telephones	24

Small intangible and tangible fixed assets acquired by 31 December 2002 have been recorded in the Organization's assets and are valued at the purchase cost. These assets are registered on asset accounts until their retirement.

The assets acquired in the course of 2003 that are below the above given valuation limit or with the usable life less than 1 year are reflected in the Organization's expenses at the time of acquisition. However, these assets are during the whole period of use registered in the operational inventory records.

2. 2. INVENTORY

The purchased inventory is valued at the purchase cost that includes the cost of the purchase of inventory and the costs relating to the purchase.

Inventory received free of charge and intended for the core activity of the Organization are registered in the operational records specifying the person and place of their handing over to other entities.

2. 3. CASH AND VALUABLES

Cash and valuables are valued at their respective nominal values.

2. 4. RECEIVABLES

Receivables are valued at their initial nominal value. Organization does not have receivables transferred from other entities.

2. 5. PAYABLES

Payables are valued at their initial nominal value. Organization has not assumed payables of other entities.

2. 6. USE OF FOREIGN CURRENCY IN ACCOUNTING

2. 6. 1. Use of foreign currency in the course of the accounting period

During the accounting period, receivables and payables registered in foreign currencies declared by ČNB (Czech national Bank) are converted to the Czech currency at the ČNB current exchange rate. Receivables and payables registered in other currencies were converted to the Czech currency according to the current exchange rate declared on the Allia Web s. r. o. information portal (www.fin.cz) with the exception of the cases listed below where the current exchange rate is deemed to be:

- the current exchange rate of the Byelorussian rouble (BRB) in relation to CZK, declared by the Byelorussian National Bank,
- the current exchange rate of the Armenian dram (AMD) in relation to CZK declared by the Armenian National Bank,
- the rate of the Asian currencies (Afghani /Afghanistan/, Somun /Tajikistan/ and Sum /Uzbekistan/, IQD the Iraqi dinar /Iraq/) which is set on the basis of the exchange rate in relation to USD and the rules specified below (as a rule, only movements on cash are accounted for):
- Cash receipt in case of exchange is accounted for at the exchange rate in relation to USD in which the exchange is carried out. Conversion of USD to CZK is based on the ČNB monthly exchange rate valid as of the first working day of the respective month.

- Weighted average is calculated on the basis of cash balance and cash receipt and the resulting average exchange rate is used for further posting until the time of the next exchange.
- Change of monthly USD rate in relation to CZK in the period between individual exchanges is not reflected.

2. 6. 2. Use of foreign currency at the end of the balance sheet day

Exchange differences identified at the end of the balance sheet day or at another moment of closing books, with the exception of interim balancing of books, are included:

- according to their nature in the Profit and Loss Account in the item "A. V. 21 Currency exchange losses" or "B. IV. 16. Exchange rate gains" if these exchange differences relate to accounts of groups of accounts 21, 22 and 26
- according to their nature in the Balance Sheet in assets under "B. IV. 3. Unrealised exchange rate losses" or in liabilities under "B. IV. 3. Unrealised exchange rate gains" if these exchange differences relate to accounts of the group of accounts 06 and to the accounts of receivables, payables, loans and financial assistance.

The value of financial means, payables and receivables reported as of 31 December 2003 and recorded in a foreign currency declared by ČNB is converted by the ČNB exchange rate valid as of 31 December 2003. If the foreign currency is not declared by ČNB, the exchange rate declared on the Allia Web s. r. o. information portal (www.fin.cz) as of 31 December 2003 will be used instead, with the exception of the cases when the rate as of 31 December 2003 is deemed to be:

- the exchange rate of the Byelorussian rouble (BRB) in relation to CZK, declared by the Byelorussian National Bank as of 31 December 2003,
- the exchange rate of the Armenian dram (AMD) in relation to CZK declared by the Armenian National Bank as of 31 December 2003,
- the rate of the Asian currencies (Afghani and Karzai – Afghanistan, Somun – Tajikistan, Sum – Uzbekistan, IQD Iraqi dinar – Iraq) that has been set in the given accounting period as the latest for conversion to CZK.

For the purpose of the presentation of the organization abroad, we have prepared documents, which are the component part of the financial statement (e.g. balance sheet, income statement, and annex to the financial statement) and which were created according to provisions valid in the Czech Republic in the Euro currency. The conclusion of the auditor was based on the audit conducted in CZK. To determine the value of CZK in EURO we have used the official exchange course of Czech National Bank valid on the first and the last day of the accounting period. The figures that include the influence of the changes in the rate of exchange on January 1, 2003 and December 31, 2003 are marked with an asterisk.

3. ADDITIONAL INFORMATION TO BALANCE SHEET AND PROFIT AND LOSS STATEMENT

The Organization's assets are not encumbered with any lien. Organization does not register any payables except those included in the financial statements.

3.1. BALANCE SHEET

3.1.1. Fixed assets (EUR)

Intangible fixed assets – purchase cost	
state as of 31 Dec. 2002	10,822
additions, total - software	10,163
state as of 31 Dec. 2003	20,985
of this: software*	14,319
small intangible fixed assets	6,666
Tangible fixed assets – purchase cost	
state as of 31 Dec. 2002	443,165
additions, total	160,634
of this: technical improvement of buildings	9,591
cars	70,113
other property and equipment*	80,930
decrease, total	-44,657
of this: sale of cars	-18,053
retirement of prop. and equipment	-14,442
sale of animals	-348
retirement of small tangible fixed assets*	-11,197
sale of small tangible fixed assets	-278
donation of small tangible fixed assets	-339
state as of 31 Dec. 2003	559,142
of this: structures	5,092
technical improvement of buildings	9,721
cars	148,804
other property and equipment	210,060
small tangible fixed assets	185,465
Accumulated depreciation – fixed assets	
state as of 31 Dec. 2002	169,747
state as of 31 Dec. 2003	280,760
of this: software	6,419
small intangible fixed assets	6,666
structures	556
technical improvement of buildings	617
cars	52,893
other property and equipment	117,760
small tangible fixed assets	95,849
Net book value of fixed assets	
state as of 31 Dec. 2002	284,240
state as of 31 Dec. 2003	299,367
of this: software	7,900
small intangible fixed assets	0
structures	4,536
technical improvement of buildings	9,104
cars	95,911
other property and equipment	92,300
small tangible fixed assets	89,616

Organization has on its off-balance sheet account the Siemens telephone branch exchange in value of 8,783 EUR which it has leased for the period of 4 years. které má pronajato na dobu 4 let.

3.1.2. Receivables (EUR)

Receivables, total	1,669,403
Trade receivables, total	262,398
of this: receivables from customers	195,927
receivables overdue more than 365 days	0
receivables overdue 181 up to 364 days	4,876
receivables overdue 0 up to 180 days	113,347
receivables prior to maturity	77,704
The amount of outstanding receivables as of the current date	4,968
advance payments for operational expenditures	45,764
of this: long-term advance payments:*	25,486
telephones (Eurotel, T-Mobile, Globtel, Telekom Namibie)	89
water (Keetmanshoop Municipality)	31
el. power (SELCo)	185
CCS	1,142
partners (Multikulturní centrum, Nová škola, Poryv)*	15,892
a deposit on rent (Municipal Authority Prague 2)	5,339
lease of a branch exchange (Siemens)	2,808
short term other advance payments	20,278
advance payments for services to MA Prague 2	12,961
other receivables	20,707
Receivables from employees – advance operating payments	18,114
Income tax	9,134
of this: income tax – advance payment for corporate income tax	463
income tax – withholding tax on interest on time accounts	4,906
value added tax – NROS	3,765
Other different receivables – receivables-grants (concluded contracts)	1,379,664
of this: other receivables – grants	381,700
of this: - receivables – UNHCR grant	101,250
receivables – OSF grants	90,912
receivables - NROS grants	48,573
receivables - IRC grant	39,593
receivables - NED grants	39,222
receivables – other providers	62,150
other receivables – tax revenues	994,693
of this: receivables from CPA (reconst. of schools)	808,826
receivables from UNICEF	72,798
receivables from MRRD (roads)	45,178
receivables from other entities	67,891
other receivables – others	3,271
Estimated receivables (insurance claims)	93
3.1.3. Financial assets (EUR)	
Short-term financial assets, total	921,586
Cash	126,277
Bank accounts	890,295
Cash in transit	-94,986

On 30 December 2003 the Organization's employees withdrew from the bank account cash in the amount of 120 ths USD (94,986 EUR)

and transferred it to the Organization's funds. This withdrawal was charged to the account by the bank only on 2 January 2004.

3.1.4. Other assets (EUR)

Other assets, total	702,052
Prepaid expenses	523,469
of this: Iraq – contracts for reconstruction of schools	491,560
air tickets	11,603
rent	8,301
CDHRF	5,000
insurance	3,302
CPWC	2,314
other	1,389
Accrued revenues	95,016
of this: UNICEF (humanitarian aid Afghanistan, the Chechnya projects)	84,030
WFP (Afghanistan – biscuits)	3,765
EQUAL revenue	6,727
other (revenue from fare, rental/ lending charge)	494

Unrealised exchange rate losses 83,567

They are unrealized exchange rate losses that will be in compliance with the principles accounted for within the payment of liabilities or collection of receivables in the following accounting period.

3.1.5. Short-term liabilities (EUR)

Short-term liabilities, total	1,267,705
Trade payables, total	223,145
of this: payables to suppliers	162,506
payables overdue more than 12 months	33,081
payables overdue more than 6 months	101,003
payables prior to maturity	28,422
Payables overdue more than 12 months relate to the pending complaints procedure with suppliers.	
prepayments received	679
other payables	59,960
Payables to employees	30,211
Other payables to employees	4,845
Payables to social security and health insurance institutions	13,146
Other direct taxes – employment income tax	4,907
Other payables	991,112
of this: financial gifts provided to natural persons	2,469
financial gifts provided to legal entities	205,369
<i>They are payables to municipalities and other persons arising from the concluded contracts for the removal of consequences and damage caused by floods in 2002.</i>	
payable from UNHCR grant	8,394
payable from IOM grant 29,903	
contract for cooperation – CDRHF Pristina	2,592
contract for cooperation – CPWC Pristina	2,068
contracts for cooperation (companies – Iraq)	733,837
<i>They are payables arising from the concluded contracts for the work done with suppliers in Iraq relating to repair and reconstruction of schools in Iraq.</i>	
contracts for author's work	247
foreign lease contracts	4,135
other payables	2,098
Estimated payables (water rate and sewage charges, other services)	339

3.1.6. Other liabilities (EUR)

Other liabilities, total	941,151
Accrued expenses – uninvoiced supplies	50,147
of this: travel expenses	18,454
services-expenses of EQUAL partners	13,146
water rate and sewage charges, gas, el. power	12,128
FF 2003 library	3,672
other (insurance, translations, telephone, internet, etc.)	2,747
Deffered revenues	855,207
<i>Received and unexpended funds for projects that will be implemented in the following period</i>	
of this: CPA	595,803
Ministry of Foreign Affairs CR	79,648
UNICEF	80,605
MRRD	70,668
IOM	20,737
other	7,746

Unrealised exchange rate gains 35,797

They are unrealized exchange rate gains that will be in compliance with the principles accounted for within the payment of liabilities or collection of receivables in the following accounting period.

	Equity from previous years	Profit/loss	Acquisitions from grants for own production	Material gifts	TOTAL
As of 1. 1. 2003	454,114	0	209,589	0	663,703
Economic balance 2002 – loss	0	-39,399	0	0	-39,399
Increase – acquisition of fixed assets and material gifts accepted	0	0	101,951	10,060	112,011
Decrease – dispose of fixed assets, depreciation, material gifts to other parties	0	0	-115,198	-9,977	-125,175
AS OF 31. 12. 2003	454,114	-39,399	196,342	83	611,140

SOS Collections	As of 1. 1. 2003	Increase – donations accepted	Decrease – donations to other parties*	As of 31. 12. 2003
SOS Floods	5,371,172	616,893	5,819,804	168,261
SOS Afghanistan	78,860	12,858	31,877	59,841
SOS Iraq	0	12,959	7,112	5,847
SOS Nepal	0	9,687	0	9,687
SOS Cuba	0	10,742	7,813	2,929
SOS Iran	0	1,723	52	1,671
SOS Chechnya	0	5,292	5,292	0
SOS Kosovo	0	1,629	1,629	0
TOTAL SOS COLLECTIONS	5,450,032	671,783	5,873,579	248,236

Funds – grants	Transfer of balance from 2002 (account 384)	Increase – donations accepted	Decrease – donations to other parties*	As of 31. 12. 2003
Readers Digest mediated by United Way	97,892	0	33,291	64,601
OSI – Open Society Institute	0	29,826	15,638	14,188
Fund for Education	0	8,641	4,797	3,844
UNDP – United Nations Development Programme	0	49,319	8,389	40,930
EU – Media plus	0	14,826	0	14,826
IRC – International Rescue Committee	41,711	109,376	112,101	38,986
Charles Stewart Mott Foundation	165,405	0	152,150	13,255
NED – National Endowment for Democracy	16,948	171,505	112,336	76,117
NROS	157,038	30,049	159,786	27,301
Open Society Fund	56,396	198,170	134,916	119,650
UNHCR – United Nations High Commissioner for Refugees	0	698,043	610,061	87,982
IOM – International Organization for Migration	0	294,831	281,065	13,766
Other means from 2003	47,786	567,729	615,515	0
EQUAL	189,384	0	189,384	0
Ford	97,651	0	97,651	0
TOTAL FUNDS (GRANTS)	870,211	2,172,315	2,527,080	515,446

Other funds	Transfer of balance from 2002 (account 384)	Increase – donations accepted	Decrease – donations to other parties*	As of 31. 12. 2003
FORD Foundation	0	126,351	7,728	118,623
Club of Friends	0	19,656	145	19,511
Other donations	0	5,516	3,613	1,903
Total of Other funds	0	151,523	11,486	140,037
TOTAL FUNDS		2,995,621	8,412,145	903,719

3. 1. 7. Equity (EUR)

Approval of the financial statements for 2002

The Executive Board at its meeting on 29 September 2003 approved the financial statements of the Organization for the 2002 accounting period showing a loss in the amount of 39,399 EUR that was in compliance with the decision of the Executive Board carried to the account of own equity.

3. 1. 8. Funds – account 911 (EUR)

In compliance with the valid accounting principles, the following items are accounted for in the funds:

- public collections announced pursuant to Act no. 117/2001 Coll.,
- funds received by Organization from other persons for the purpose of the implementation of the Organization's main mission (balances of these funds were in the previous financial statements posted to account 384).

3. 2. PROFIT AND LOSS STATEMENT

In 2003, Organization showed a loss in the amount of 126,369 EUR which was significantly influenced by foreign currency exchange losses recorded on line no. 27 of the Profit and Loss Account.

The Profit and Loss Account includes among other items the revenues and expenses relating to:

- pursuing activities complying with the Organization's mission – col. – main activity,
- implementation of additional activities – col. – economic activity,
- administrative activity – col. – administrative activity .

Tax liability for 2003 taxation period relating to corporate income tax does not apply to Organization. Organization used the possibility of tax exemption pursuant to § 20 para 7 of Income Tax Act no. 586/1992 Coll.

Tax calculation (EUR):

Revenues, total	11,474,124.00
Costs, total	11,600,493.00
Profit/ loss	-126,369.00
Taxable income (revenue)	85,108.00
Costs relating to taxable income (revenue)	84,380.00
Tax base before adjustments	728.00
Tax base adjustment pursuant to §20 of Income Tax Act	-728.00
Tax base	0.00
Income (revenue) that is not subject to tax pursuant to § 18 para 4 and 13 of Income Tax Act	11,389,016.00
Costs relating to income that is not subject to tax	11,516,113.00
Difference	-127,097.00

Overview of tax abatement pursuant to § 20 in the previous years:

2001	9,258 EUR,
2002	6,593 EUR.

The means obtained in this way were used for covering the expenses of Organization relating to activities that are not subject to income tax.

4. SIGNIFICANT SUBSEQUENT EVENTS

In April 2004, due to the aggravation of the situation in the southern part of Iraq, Organization decided similarly as other international non-governmental organizations to evacuate its experts from the territory of Iraq. Evacuation was accomplished under dramatic circumstances in the second half of April 2004.

Potential impact on the subsequent activities of the mission:

- loss of important documents (contracts, accounting documents) during the rushed evacuation,
- discontinuation of projects – due to impossibility of implementation the CEE Mentors project in Iraq (donor- NED) was suspended. Other projects were finalized, although most of them with a delay (extension of the implementation schedule).
- damage to property – after evacuation we are not able to ensure that the equipment of our offices (PC, air-condition, generator etc.) is in a usable condition or not stolen after our return, as the case may be.

After the date of closing of books no events occurred that would significantly influence the valuation of the Organization and indicators recorded in the financial statements.

Date: 12 August 2004
Prepared by: Ing. Jan Kamenický, Financial Manager

Kristína Taberyová

Kristína Taberyová, Chairwoman, Executive Board
Člověk v tísni – společnosti při České televizi, o.p.s.

ČLOVĚK V TÍSNI
společnost při České televizi, o.p.s.
IČO: 25 78 88 77
Sokolská 18, 120 00, Praha 2

PEOPLE IN NEED STAFF / 1 JANUARY 2003–30 JUNE 2004, BLACK TEXT INDICATES STAFF AS OF 30 JUNE 2004

FOUNDERS

Czech Television, Jaromír Štětina, Šimon Pánek

BOARD OF DIRECTORS*

Kristína Taberyová, Jaromír Štětina, Jan Urban

SUPERVISORY BOARD*

Vlasta Lajčaková, Jan Vlačičha, Marek Žák
*as of 31. December 2003

PIN MANAGEMENT

Director: **Tomáš Pojar**

Financial Director: **Jan Kamenický**

Relief & Development Dept.: **Šimon Pánek**

One World: **Igor Blažević**

Administrative Director: **Robert Basch**

Infoservice: **Marie Peřinová**

Variants Project: **Zuzana Ramajzlová**

Field Social Work Program: **Jan Černý**

One World in Schools: **Karel Strachota**

STAFF

Office Manager: **Monika Janovská**

Fundraising: **Megan King**

Public Relations: **Marta Lamperová,**

Marie Wichterlová

Club of Friends: **Bohumila Ranglová**

Financial Dept.: **Helena Balajková, Ondřej**

Blažek, Klára Boučková, Jana Cvachová, Julie

Hrůzová, Dagmar Majnušová, Hana Měřinská,

Markéta Novotná, Jana Rydvalová, Dana

Řeháková, Anna Spružinová, Martina Sýkorová,

Eva Bartóková na mateřské dovolené

Legal Dept.: **Kristina Kabelová,**

Jaroslav Marek, Pavel Uhl

IT & DTP: **Josef Homolka, Zdeněk Slunečko**

AFGHANISTAN

Vladimír de Abreu e Lima, Jan Fedič, Jan Mrkvička, David Ševčík, Lenka Vítková, Martina Goldová, Jiří Knítl, Pavel Veselý

ARMENIA

Eduard Sarkisjan

CHECHNYA, INGUSHETIA

Tomáš Butkai, Petr Hulec, Silvie Kotulánová, Lívía Kusá, Marek Vozka, Andrea Volfová, Natálie Bellušová, Radek Červínka, Adriana Dergam, Petr Kostohryz, Dagmar Kuzmová

ETHIOPIA

Josef Pazderka, Jiří Plecítý, Jiří Škvor

IRAQ

Filip Holba, Igor Klimeš, Iveta Melišková, Jaroslav Müller, Jiří Velenský, Václav Pecha, Marek Štys

IRAN

Pavel Ježek, Markéta Kutilová, Ester Lauferová, Petr Baše

NAMIBIA

Jakub Dvořáček, Kateřina Kašová, Martin Konečný

ROMANIA

Martin Šindler, Lukáš Melnický

SLOVAKIA

Karel Novák

SERBIA

Tomáš Kocian

DEVELOPMENT COOPERATION

Věra Exnerová, Kristina Prunerová

INTERNATIONAL RELATIONS

Jan Plešinger

SOS FLOODS CAMPAIGN

Tomáš Vyhnálek, Štěpán Bolf, Zdeněk Brabec, Lenka Budilová, Matěj Dlak, Veronika Dvořáčková, Antonín Frel, Emil Fučík, Markéta Hajská, Kristina Hasoňová, Jakub Hradílek, Kateřina Jedličková, Klára Kalibová, Pavel Kouřim, Ondřej Lachman, Milan Machalíček, Pavel Mandula, Adam Navrátil, Miroslav Parvonič, Bronislav Podlaha, Martin Přidal, Petra Sedláčková, Michal Tošner, Marek Šmídl, Milana Šnajdrová

ONE WORLD

Matěj Černý, Ludmila Janovská, Michal Křivohlávek, Jan Lengyel, Ondřej Matyáš, Tereza Porybná, Marian Rupert, Filip Šebek, Hana Třeštíková, Radka Vokounová, Kateřina Vrbová, David Vrzal, Jeffrey Young, Helena Zajícová, Libor Zajíček, Denisa Haubertová, Michaela Hudecová, Klára Kalibová, Kateřina Lišková, Radka Peťovská, Jitka Prokščíková na mateřské dovolené, Martin Svoboda, Jirí Turek

INFOSERVICE

Karla Štěpánková, Tomáš Vlach, Filip Hrubý

VARIANTS PROJECT

Lenka Budilová, Jan Buryánek, Lucie Erazimová, Radim Habartík, Tomáš Hirt, Tomáš Jacko, Iva Janská, Michaela Kitzbergerová, Claudie Lavičková, Ondřej Nádvorník, Ondřej Poduška

FIELD SODIAL WORK PROGRAM

Ján Balog, Markéta Bodrinová, Jozef Cicko, Ján Čonka, Kálmán Daňo, Štefan Gabčo, Roman Grajcar, Viliam Hangurbadžo, Zdeňka Hauková, Eva Hilčerová, Emilie Horáčková,

Renáta Irová, Michal Karala, Alexander Karička, Markéta Kavalíková, Alena Kleinerová, Michal Kojan, Adriana Kontinová, Michal Kováčik, Vít Kučera, Jarmila Kuchárová, Ilona Labuťová, Martin Makula, Barbora Marešová, Štěpán Moravec, Tatiana Pálová, Terezie Pemová, Radek Ptáček, Jan Sipos, Matěj Šarkozi, Petra Sedláčková, Martina Uramová, Kateřina Vaněčková, Lenka Vochocová, Dušan Badi, Milan Demeter, Vladimír Demeter, Petr Dobrovodský, Kristián Drapák, Dana Glacová, Marta Hudečková, Jan Husák, Michal Kročil, Leona Svobodová, Zdeněk Telvák, Lenka Zikmundová

ODŠKODNĚNÍ

Milena Alinčová, Jana Kramářová

HUMAN RIGHTS & DEMOCRACY

Dana Baschová, Carlos Gonzalez, Ilya Hlybouski, Ondřej Soukup, Luboš Veselý, Pavel Hroch, Tomáš Janeba

ALTERNATE MILITARY SERVICE

Zoran Bonuš, Michal Marek, Roman Pekař, David Šimon, David Valouch, Jaroslav Valůch, Jan Vaňura, Bohuslav Beneš, David Čálek, Jiří Hamhalter, Milan Mašek, Tomáš Matějčík, Ondřej Mathé, Matěj Novák, Vladimír Pohl, Pavel Sláma, Robert Spálavský, Petr Uhlík, Ondřej Urban, Marek Vyžvalda

THANKS TO THE FOLLOWING

Hana Lamblová, Jindra Heinzová, Libuše Škopková & Obchodní kancelář – Ekonomia, s. r. o.
Květoslava Vyleťalová, Auditor Josef Ježek, Tax Advisor
Members of the Club of Friends,
The Czech Centers



**WE ARE
HELPING,
JOIN US
NOW!**



People in Need would like to thank the members of the Club of Friends, both individuals and companies, for their support, and offer a special thanks to the firms TNT, Nemo Selecta and Atlas.



**PEOPLE IN NEED
CLUB OF FRIENDS**

www.peopleinneed.cz/club

