

Company No: 1735872

AMNESTY INTERNATIONAL UNITED KINGDOM SECTION

Financial statements for the year ended 31 December 2016

AMNESTY INTERNATIONAL UNITED KINGDOM SECTION
Financial statements for the year ended 31 December 2016

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Amnesty International United Kingdom Section - a company limited by guarantee

Company registration number 1735872

Date of incorporation 30 June 1983

Board members

Ruth Breddal *- Chair (from 14 May 2016)	Cris Burson-Thomas
Hannah Perry -Vice Chair (from 14 May 2016)	Harrison Littler
Sarah O'Grady (resigned 7 May 2016)*	Lucy Blake (appointed 23 September 2016)
Meredith Coombs - Treasurer *	Tom Sparks
Jeremy Allen	Eilidh Douglas
Adrian Couper (resigned 09 October 2016)	
Stuart Hathaway (resigned 14 January 2016)	
Tracy Newton-Blows	
Tom Hedley *	
James Lovatt (appointed 3 December 2016)	

* Trustee of Amnesty International UK Section Charitable Trust

Chief executive and senior staff

Kate Allen	Chief Executive
Tim Hancock	Director of Chief Executive's Office
Rosalyn Parker	Director of Corporate Services
Kerry Moscogiuri	Director of Supporter Campaigning and Communications
Rosie Chinchin	Director of Fundraising

Secretary and registered office

Michelle O'Keeffe, The Human Rights Action Centre, 17-25 New Inn Yard, London EC2A 3EA

Bankers

Co-operative Bank plc, 9 Prescott Street, London, E1 8BE

External auditors

BDO LLP, 2 City Place, Beehive Ring Road, Gatwick, RH6 0PA

Solicitors

Bates Wells & Braithwaite London LLP, 2-6 Cannon St, London EC4M 6YH

AMNESTY INTERNATIONAL UNITED KINGDOM SECTION
Directors' report for the year ended 31 December 2016

Directors' Report

1. Overview of our structure in relation to the worldwide Amnesty International movement

Amnesty International is a worldwide movement which has as its objective the securing throughout the world of the observance of the Universal Declaration of Human Rights.

The movement consists of independent entities (known as "sections") throughout the world and an International Secretariat ("the IS") in London which coordinates the worldwide movement and provides support for global governance structures. The IS consists of two companies – Amnesty International Limited and Amnesty International Charity Limited.

Amnesty International United Kingdom section is part of the worldwide Amnesty International movement. There are two active legal entities which form the United Kingdom section, together referred to as "AIUK":

Amnesty International United Kingdom Section ("the UK Section") - a company limited by guarantee, a membership organisation whose policy and priorities are set, within the context of decisions of the International Council of Amnesty International, by the members at the Annual General Meeting. The UK Section pursues the objective of the movement in the United Kingdom by campaigning for observance, and opposing violations, of human rights. The UK section has a licence to use the Amnesty name and logo in the United Kingdom.

Amnesty International UK Section Charitable Trust ("the Trust") - a company limited by guarantee and a registered charity. The Trust pursues its charitable objectives by funding a range of activities aimed at promoting the rights set out in the Universal Declaration of Human Rights. This includes funding Amnesty International Limited, and other organisations, to conduct worldwide research into the observance and abuses of human rights.

2. Governance and management

The UK Section is a membership based company limited by guarantee, with a Board of up to 15 individual members, up to 12 of whom are elected by the membership. The Board has the power to co-opt three places based on a skills audit of the existing Board members to ensure the most appropriate Board qualities are obtained. It has permission from the Registrar of Companies to omit 'Limited' from its title. Individual voting membership of the UK Section stood at 109,885 at 31 December 2016.

The Constitution of the UK Section gives the Board specific powers and responsibilities for:

- according membership to individuals, families, affiliates, local, student and youth groups and, subject to procedures provided in the Articles of Association, removing such membership rights
- recognising outreach networks according to guidelines produced by the Board
- reporting to general meetings on the work of the UK Section and presenting audited accounts and budgetary estimates
- reviewing the position and interpreting the policy of the UK Section as decided by general meetings and arranging for the AIUK Chief Executive to implement
- appointing and dismissing the AIUK Chief Executive
- appointing the Trustees of Amnesty International UK Section Charitable Trust

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Directors' report for the year ended 31 December 2016

Certain duties and responsibilities are formally delegated to the Chief Executive by the Board; these are reviewed regularly.

The UK Section is governed by its Memorandum and Articles of Association. Induction training is provided for new Directors, which covers their responsibilities and statutory duties. All members of the Board give their time voluntarily and receive no benefits.

To ensure our independence, we do not seek or accept money from governments or political parties other than for our human rights education work. In no way do any monies received influence or affect our impartiality or independence.

The Board is assisted in its work by several sub-committees, namely:

The **Finance, Audit and Risk Sub-Committee**, a joint committee of the UK Section and the Trust. It deals with areas primarily relating to risk and risk management, the effectiveness of internal controls, stewardship of assets, and financial performance. The sub-committee includes independent members who have specialist skills. It is chaired by the Treasurer.

The **Human Resources Sub-Committee**, a joint committee of the UK Section and the Trust. It actively initiates, helps develop, monitors and evaluates strategic human resources actions and policies that will enhance and embed our reputation as an employer, and enable us to recruit, develop, engage and retain the best staff, volunteers and Board members.

The **Joint Consultative Committee**, the aim of which is to provide a forum in which the UK Section Board, Trustees, Senior Management Team and Trades Union can work together to ensure staff are managed in accordance with best practice, that they can work effectively for the benefit of the organisation, and that they maximise their own potential.

The **Activism Sub-Committee**, which serves to support the Board of Directors in monitoring and supporting the growth and impact of our activism in the UK.

The **Nominations Sub-Committee**, which assists the Board and Members in making decisions on governance appointments including seeking out appropriately qualified candidates for elected and appointed positions on the Board, its sub-committees and other appointments as required.

A full list of members of the sub-committees can be found on our website

<http://www.amnesty.org.uk/subcommittees>

3. Statement of Directors' responsibilities

The Directors are responsible for preparing the strategic report, the Directors' report and the financial statements in accordance with applicable law and regulations.

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

In preparing these financial statements, the Directors are required to:

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Directors' report for the year ended 31 December 2016

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

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

Financial statements are published on the company's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the company's website is the responsibility of the Directors. The Directors' responsibility also extends to the ongoing integrity of the financial statements contained therein.

All of the current Directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the company's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The Directors are not aware of any relevant audit information of which the auditors are unaware.

4. Policy on pay for employees including senior staff

AIUK operates a pay and reward policy that aims to attract and retain the best talent needed to take forward our ambitious human rights work within the UK. We aim to pay all roles at the median salary level for the sector and ensure that all elements of pay are fair and transparent and easily understood by our employees. When required we undertake benchmarking exercises using established salary surveys.

The UK Section is a Living Wage accredited employer, meaning all our staff and contractors are paid at least the Living Wage.

5. Thank you

Volunteers are involved in a lot of different roles across the UK Section, in campaigning, fundraising, media and general support. The members, volunteers and activists of the UK Section are warmly thanked for their continuing commitment to the aims of the UK Section and for their exceptional generosity.

This report is now approved by the Board and signed on its behalf by

Meredith Coombs, Treasurer

Date: 30 MARCH 2017

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Strategic Report for the year ended 31 December 2016

Strategic Report

1. Key objectives and statement of benefits

The UK Section is part of the worldwide Amnesty International movement, which campaigns for internationally recognised human rights to be respected and protected.

The vision and mission of the UK Section, therefore, are those of the international movement. Amnesty International's vision is for every person to enjoy all the human rights enshrined in the Universal Declaration of Human Rights and other international human rights standards. Our mission is to conduct research and act to prevent, and end, grave abuses of all human rights: civil, political, social, cultural and economic.

Amnesty's guiding principles are the universality and indivisibility of human rights, effective action for the individual victim, impartiality and independence, democracy and mutual respect, international solidarity and global presence.

The UK Section contributes to this by identifying and working towards change in support of the objectives developed within the framework of the Strategic Goals of the worldwide Amnesty movement.

Although the UK Section is not recognised in UK law as a charity, we have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our objectives and in planning our future activities. The Board considers how planned activities will contribute to the objectives they have set.

Our objectives or purposes, and the activities that flow from them, are broadly aligned to those summarised in the Charity Commission's guidance publication RR12 – The Promotion of Human Rights.

Our main activities and those we help are described below. All our activities focus on delivering human rights benefits both to specific individuals and to the public in general.

Some of the benefits described in our activities and achievements below are direct, such as protecting individuals at risk of human rights abuse or securing the release from custody of human rights defenders. We also campaign more generally to prevent or end human rights abuses, by promoting general awareness of human rights, creating cultural support in favour of human rights, and encouraging supporters to take action.

2. Key activities

In 2016 the UK Section employed 126 full-time equivalent salaried staff based in offices in London, Belfast, and Edinburgh. This is a relatively small part of the Amnesty movement in the United Kingdom, as many activities are undertaken by unpaid activists and volunteers.

Our main activities rely upon the volunteer and activist supporters who make a considerable contribution around the UK in many ways towards Amnesty's global objectives.

The Board is extremely grateful to the huge contribution made by our activists, volunteers and staff.

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3. Achievements and performance

During 2016 the UK Section campaigned to increase safe and legal routes for refugees at a time of Europe's worse refugee crisis since World War Two, and asked local councils around the country to take a stand against hate crime. We prioritised campaigns to prevent the repeal of the Human Rights Act, individuals at risk and crisis response.

Our Human Rights Priorities

a. I Welcome Campaign

What we said we would do in 2016: *We will work with the Amnesty International Secretariat to develop a new global campaign to launch in September 2016 building on our long-term programme of work in this area including the extensive work undertaken by Amnesty supporters across the UK.*

The I Welcome global campaign was launched in September 2016 at a time of a hostile domestic political and media context for refugees and an ever-worsening and complex situation internationally. As part of the launch we helped to plan and organise a 'Refugees Welcome' march which drew an estimated 30,000 people to the streets of London. This, and further events in Edinburgh, Glasgow and Belfast, were organised to send a strong message to the UK government ahead of two major international community meetings on the global refugee crisis.

The UK Section will work on this campaign until the end of 2018, calling on the UK to share responsibility for both hosting and assisting refugees, whilst ensuring that the UK does not reduce standards in the current domestic asylum system. Through the campaign we will build the UK Section's long term capacity, and that of the wider sector, to be better able to support refugees and their rights.

The I Welcome campaign strategy was influenced by the discussions that took place during a two-day Refugee Summit that took place at the Human Rights Action Centre. This brought together over 100 partners, activists, refugees and people seeking asylum. The summit has led to new partnerships and collaborations, including providing a platform for a Welcome Cinema initiative.

A joint exhibition on the South Bank with Magnum photo agency, which helped build awareness for the campaign, reached nearly 400,000 people as well as an estimated one million views through associated media coverage.

b. Human Rights Defenders

What we said we would do in 2016: *We will work with the Amnesty International Secretariat to develop a new global campaign to launch in late 2016.*

During autumn 2016, the IS reviewed the timeline for the development and the delivery of the global Human Rights Defenders (HRD) campaign, delaying the launch date for the campaign until May 2017. The delay in the campaign launch allowed the UK Section to focus on developing goals around active participation for the HRD campaign, as well as planning clear campaign operational objectives for 2017.

The UK Section has worked closely with the IS and represented Amnesty International at the global Association for Women's Rights in Development (AWID) conference. We have contributed to the development of the global HRD campaign strategy and objectives, including stakeholder mapping, gender, sexuality, diversity, and regional analysis of issues facing human rights defenders.

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c. Human Rights in the UK

What we said we would do in 2016: *We will advocate the retention of the Human Rights Act. We will undertake research in the UK to better understand attitudes to human rights and develop a communications strategy accordingly. We will develop the longer-term strategy for this work including a focus for the UK campaign and a continuing focus on UK government policy at home and overseas.*

The UK Government is committed to repeal of the Human Rights Act (HRA), and in December 2016 stated that they are looking to remove the UK from the European Convention of Human Rights in their next manifesto and bring in a British Bill of Rights to replace the HRA at the same time, potentially putting at risk key human rights protections for people under the UK's jurisdiction.

Throughout 2016 we worked on highlighting cases where ordinary people have used the HRA, including lesbian, gay, bisexual, trans and/or intersex (LGBTI) stories, Women's Rights, the families of victims of the Hillsborough disaster, a couple who lost their son because of hospital mistakes, and the Good Friday Agreement in Northern Ireland. We have been running our petition to the Justice Secretary all year and currently have over 170,000 signatories on the petition

In June, we launched our Against Hate campaign in response to the reported rise in hate crimes after the vote to leave the European Union. We launched with an online action for councils to pass a motion condemning hate crimes. Over 16,000 people took action, and 64 councils passed motions condemning hate crimes.

We commissioned research by YouGov to develop key campaign messages. A long term strategy to campaign for the protection of the HRA has been developed and is being delivered.

d. Crisis and tactical

What we said we would do in 2016: *We will deliver timely and effective crisis responses including on Syria and Yemen.*

Syria: The UK Government responded to pressure from the UK Section, through political advocacy and an online action that was supported by more than 45,000 people, by supporting the UN resolution for an independent justice mechanism (which was passed) and on new targeted sanctions against regime officials which the UK government has enforced. We also campaigned successfully for the mass evacuations of civilians from East Aleppo. As these evacuations were being conducted, the UN Security Council agreed to one of our campaign asks, to deploy monitors on the ground in Aleppo.

We engaged with Syrian activists and groups, communicating our human rights messages, providing training and empowering individuals and groups to be better enabled to protect their own and others' human rights.

We effectively highlighted the plight of Ghina Ahmad Wadi, a young Syrian child denied access to medical treatment after being shot in the besieged town of Madaya. Within hours of being contacted by Ghina's aunt, the UK Section had developed and launched an online action that connected with more than 33,000 supporters on the first day. Ghina was successfully evacuated on the night following the launch of this campaign action, received surgery and is now recovering with her family.

Rio de Janeiro 2016: In the run-up to the Rio Olympics in the summer, the UK Section worked alongside the Brazil Section of Amnesty International (AI Brazil) to highlight human rights abuses perpetrated by Brazilian authorities. We provided media support to AI Brazil and participated in a global online action, contributing almost 21,000 signatures to the petition calling for an end to police killings in Rio. To coincide with the Olympic Opening Ceremony, we organised an event at Marble Arch to raise awareness of these issues.

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Response to coup in Turkey: We responded quickly and effectively to the many human rights abuses that took place in Turkey following the attempted coup. An online action was developed and we had more than 32,000 responses within a month.

e. Individuals at Risk

What we said we would do in 2016: *We will distribute 300 urgent action notifications to members and supporters. We will further develop our policies and processes around working with Individuals at Risk. We will run an effective Write for Rights campaign in the final quarter of 2016 increasing integration with the global campaign and increasing UK actions taken.*

In 2016, the 15,000 supporters in our Urgent Action Network in the UK took action on a total of 679 cases, including 395 new cases. These included people in danger of torture and ill-treatment, those wrongly detained, needing medical treatment or legal advice. We had some significant successes including people being released from prison in Myanmar, Russia, Mexico and Argentina. We expanded work on several urgent action cases, to include events and vigils outside embassies, additional press and advocacy work and solidarity actions.

Supporters in the UK took action on approximately 80 long-term cases in 2016 which covered human rights abuses such as unfair trials, torture, arbitrary detention and the repression of individuals' freedoms of expression, association and assembly. We saw many successes in 2016 including the release of Phyo Phyo Aung in Burma, and Khadija Ismayilova in Azerbaijan.

We conducted two staff and three activist workshops on our ethical responsibilities in our individuals at risk work. We have also contracted a consultant to help us develop guidelines and principles to ensure that AIUK practices the highest standards in safeguarding the security of the people we work with and for.

Our annual Write for Rights campaign featured 12 cases. We selected cases linked to the I Welcome campaign, and several human rights defenders, which we will continue to work on as part of the Human Rights Defenders campaign launching in 2017. This year we generated an unprecedented amount of solidarity messages thanks to a purpose built website, which helped us collect 95,000 messages, an increase of 28% from 2015, including many from people who have not previously taken part in Write for Rights.

f. Human rights education (HRE)

What we said we would do in 2016: *We will increase the number of schools using our materials and the number of school education sessions delivered by our volunteers.*

In 2016, 5,547 schools received our materials and education sessions were delivered by our volunteers at 185 schools. Both figures are slightly below those achieved in 2015. By educating people of any age about human rights we build both their knowledge and understanding and give them the skills to stand up for their own rights and those of others, and share what they have learned.

At the heart of our education work are our volunteer educators. In 2016, we trained 191 new volunteer educators; bringing the number of active school speakers to 142 and active teacher trainers to 92. Through the delivery of talks, workshops and other activities, HRE staff and volunteer educators engaged with over 21,000 children and young people, and almost 3,000 adults in 2016. Our volunteer educators have spoken on a wide range of human rights issues in 2016, from a general introduction to human rights to more specific issues, such as women's human rights, LGBTI rights, children's rights, torture, and refugee, asylum seeker and migrant rights.

106 teachers received face to face training in 2016 as part of our teacher training programme, through these trained teachers, another 547 teachers were engaged in the programme. The teacher training programme

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involves teachers participating in a one-year training course, after which they go on to train their colleagues to teach about human rights.

We have a wide range of free resources for use with children and young people. In 2016, over 14,000 people accessed or ordered our HRE resources; materials were distributed to 5,547 schools across the country.

g. Women's human rights

With the new Women's Human Rights Programme Manager in post since September 2016, the UK Section co-organised a successful 400-people solidarity vigil with Polish women on a so-called 'black protest' against the Polish government's attempt to introduce a near total-ban on abortion. The UK Section has also strengthened its cooperation with Gender Action for Peace and Security (GAPS) which resulted in a joint project consultation with Syrian women human rights defenders, that will inform the development of the new UK National Action Plan on Women, Peace and Security. Plans for collaborative work on new research on violence against women on-line, with a specific focus on the UK and USA, have been agreed with the IS Technology and Human Rights Team, with a report expected in mid-2017.

h. Refugee and migrant rights

Our work in early 2016 was dominated by the EU-Turkey deal which took effect in March 2016. The referendum campaign and June referendum result in favour of Brexit, and subsequent spike in xenophobia and hate crime, then cast a long shadow over both refugee and migrant rights in the UK. The US election campaign and result cast a similar shadow. The government's resettlement commitments were, however, retained following the change of prime minister; and Syrian resettlement and relocation of unaccompanied children from France to the UK did become more real – if still modest by comparison to need – in practice over the course of the year.

2016 saw appalling landmarks and developments. More than 5,000 people drowned in the Mediterranean as a record 181,000 people made the central crossing from north Africa to Italy; South Sudan became the fifth territory from which more than one million people have been forced to flee as refugees (after Palestine, Syria, Afghanistan and Somalia); hundreds of thousands of refugees faced the threat or reality of expulsion from Kenya, Pakistan and Iran; tens of thousands of refugees remained displaced and abandoned in appalling and in some cases life-threatening conditions across Europe, including thousands of children; and xenophobia and hate crime saw rises across Europe including, as stated above, in the UK.

i. Business and human rights

In February 2016, the UK Section launched a report on the handling of human rights complaints against UK companies by the UK National Contact Point (NCP) under the OECD Guidelines for Multinational Enterprises. The report's findings and recommendations were the subject of a meeting chaired by Supreme Court Judge, Lord Mance. Continuing pressure from the UK Section and several Parliamentary Questions has led to an internal government review of the NCP Steering Board, which has an oversight function to ensure the NCP fulfils its remit.

During 2016, UK Section gave oral evidence to the Joint Committee on Human Rights; has assisted MP Harriet Harman in framing a proposed Parliamentary Bill on supply chain liability for child labour; and has generated media coverage around a range of business and human rights issues.

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j. Military, security and policing

2016 saw the successful conclusion of the EU review of its laws regulating the export of equipment that can be used for torture. That review accepted two of the UK Section's main recommendations around the marketing of torture equipment as well as a new mechanism to control new technologies.

We successfully lobbied to establish the Committee on Arms Export controls and gave written and oral evidence to two enquires last year relating to the development of the Arms Trade Treaty and the role of UK weaponry in the Yemen conflict. The Yemen enquiry backed our view that the UK breached arms export laws and called on further exports to Saudi Arabia to be suspended pending independent international investigations into alleged war crimes. The UK Government also acknowledged research by the IS that UK-supplied cluster bombs were used during the conflict.

k. Activities in Scotland and Northern Ireland

Scotland

In Scotland, the UK Section used the opportunity of the devolved election campaign to highlight a range of priority issues and secured engagement from activists and with candidates from all main political parties, including Nicola Sturgeon. This included a successful Scotland conference, the first for several years.

The team continued to provide human rights information to the Scottish Government and Scottish Parliament, particularly engaging on the devolved implications of a potential repeal of the Human Rights Act (HRA), the priorities and delivery of the Scottish National Action Plan on Human Rights, and Scotland's international relations. In November, an investment pact between Scotland and China collapsed after the Scottish Parliament picked up on concerns raised by the UK Section regarding the human rights record of one of the Chinese companies involved and whether due diligence had been conducted.

We took over the direction of (and provided a home for) the Human Rights Consortium, a network of civil society groups in Scotland, to enhance our work on defending human rights domestically, including the HRA. We continued to lead a high-profile presence at the Edinburgh festival, with volunteer teams drawing attention to individual cases on the streets and through the "Imprisoned Writers" series of events.

Northern Ireland (NI)

In February 2016, 40 (against 59) Members of the Legislative Assembly (MLAs) voted for a limited reform of NI abortion law; although a defeat for legislative reform, this was a high water mark for such change in NI political history. In March 2016, one of the aims of the My Body My Rights campaign was achieved when the NI Department of Health published legal guidance for health professionals on the provision of abortion, after more than a decade of delay. We made a significant written intervention to the Northern Ireland Court of Appeal in a judicial review case heard in June 2016 regarding the human rights breaches involved in the denial of abortions to women in certain circumstances; a judgment is expected in early 2017.

In April, we launched a new campaign coalition for equal marriage in NI, alongside LGBTI groups, trade unions and students. In June, the NI First Minister pledged to block equal marriage legislation for the next five years; the announcement was met with widespread public disquiet and political opposition. We worked with politicians from other parties to draft an equal marriage Private Members Bill, which was due to be launched in the NI Assembly at the end of January 2017 (now on hold due to fresh elections being called).

The Northern Ireland Historic Institutional child abuse inquiry reported in January 2017. The UK Section welcomed its finding of widespread and systemic failings by the state in protecting the rights of children in

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care and we continue to work alongside victims to ensure redress. Three expert reports were produced during 2016 and used as a basis for meetings with political leaders.

Fundraising and Foundations Strategies

Fundraising

At the end of December 2016, regular givers to the UK section stood at around 115,000. In comparison at December 2015, there were around 121,000 – a decrease of 5.2%. We retained 91% of those 2015 supporters and recruited around 3,000 new supporters.

The UK Section undertook little active recruitment in 2016. Fundraising from individuals remained challenging during 2016, with increased regulation, including the establishment of the Fundraising Regulator, and guidance restricting our ability to contact supporters.

Amnesty International's strength lies in the fact that we are a global movement of people who stand up for humanity and human rights. Central to everything we believe is the principle that people are the instruments of change. We value and respect the supporters engaged in our movement, and we strive to give them the best experience we can, so that together we can do more to promote and protect human rights for everyone.

In 2016, AIUK developed a set of six fundraising principles, which we use to guide our fundraising policy, strategy and the behaviour of our fundraisers and partner agencies. It forms our commitment to our supporters:

- Our fundraising respects and protects our independence, impartiality 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

AIUK complies with all relevant legislation, regulation and fundraising guidance including the Data Protection Act 1998, the Privacy and Electronic Communications Regulations 2003, the Code of Fundraising Practice and the Telephone Preference Service. In addition, we always strive for best practice while balancing our duty to our beneficiaries. The combined entities of AIUK are voluntary members of the Institute of Fundraising, voluntarily registered with the Fundraising Regulator, and provisional members of the Direct Marketing Association.

Most of our fundraising is carried out by our in-house fundraising teams. This allows us to ensure the quality of our fundraisers. Where we engage external fundraising agencies, we provide training to staff and monitor their fundraising practice through regular mystery shopping or tele-fundraising call listening and monitoring feedback from the public.

These procedures are being formalised and documented in 2017 as part of a wider project on our fundraising compliance. This project will ensure that our fundraising policy, procedures and practice are fully compliant with external legislation, regulation, and our own internal standards.

Our supporter care team received a total of 84 complaints in relation to fundraising activities in 2016. We respond to all complaints, and ensure corrective action is taken as required. Those corrective actions might include retraining fundraisers and updating monitoring processes.

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We recognise the need to protect vulnerable people and in 2016 continued to provide comprehensive training to fundraisers to ensure AIUK demonstrates respect and empathy towards people in vulnerable circumstances and that no donation is sought or gained from someone who may not have the capacity to make an informed and considered decision.

We respect our supporters' privacy and right to decide how and if AIUK contacts them. We make it easy for supporters to choose how they want to hear from us, and if they ask us not to contact them we won't, unless it is a legal or administrative requirement.

The objectives set out in the 2015 Strategic Report relate to the two active legal entities which form the United Kingdom section, together referred to as AIUK. The achievements set out below are those of AIUK.

What we said we would do in 2016	Achievement	Detail
Impact of the movement		
We will increase the "intention to support" Amnesty	Achieved	Between January 2016 and January 2017, AIUK achieved a 4.9% increase in "intention to support"
We will improve the parliamentary coverage of local groups	Not monitored	We have not systematically monitored progress on this during 2016
We will improve the depth and "health" of our active supporter base	Not monitored	We have not systematically monitored progress on this during 2016
Growing our financial resources		
AIUK will grow fundraised income to £26m	Achieved	AIUK grew income to £26.2m.
AIUK will invest £2.5m in supporter acquisition	Achieved	AIUK invested £3.2m in recruiting new supporters.
AIUK will have a level of free reserves of £6.6m	Achieved	AIUK currently have free reserves of £9.0m. The UK Section holds £5.7m of those and the Trust £3.3m.
Connecting more people to human rights		
AIUK will connect with 0.9% of the UK population	Achieved	We have connected with (actively engaged) 0.9% of the population
AIUK will recruit 253k new activist supporters and end the year with 360k activist supporters overall	Partially achieved	We recruited 183,000 new activist supporters and ended the year with 398,000 activist supporters
AIUK will achieve a net gain in financial supporters of 0.6%	Achieved	We have achieved a 1.4% net gain of financial supporters
Ensuring political analysis informs our work		
We will develop a political strategy for AIUK	Not achieved	Lack of capacity and a fast-changing political environment caused delays to the development of a political strategy. This will be prioritised in the first half of 2017.
We will ensure that campaigns are informed by political analysis	Partially achieved	We are providing political analysis for the development and delivery of strategies for the HRA, I Welcome and HRD campaigns
We will inform Government and Parliament of our observations, concerns and recommendations.	Achieved	In 2016, we achieved this by making several submissions to Parliamentary Select Committees, briefings and suggested

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		questions for Parliamentarians, political actions taken by Amnesty members and supporters at a local level, events in Parliament, Ministerial correspondence and meetings
Playing a full role in the international movement		
AIUK will contribute £9.5m in grant support towards human rights change delivered by the Amnesty International movement worldwide.	Achieved	An overall contribution of £9.5m was made in 2016. Anticipated institutional funding for projects in Kenya, Sierra Leone, Cameroon and Burkina Faso will now be received in 2017.
We will develop further our understanding of, and measurement of, how we contribute more widely to the international movement.	Partially achieved	Performance was monitored through standard financial and action reporting. However, work to further develop our understanding and measurement has been limited by capacity constraints and will not commence until late 2017 or early 2018.

Building our Capacity

Objectives were set out in 2015 for AIUK to build the internal skills and practices required to better effect human rights change.

What we said we would do in 2016	Achievement	Detail
Enhancing our campaign and project management		
We will ensure that our new approach to campaign management is deployed successfully.	Partially achieved	We have rolled out elements of the approach –including the creation of steering groups for each campaign- and integrating the AIUK project management approach.
We will develop an approach to project management and implement it.	Partially achieved	An approach to project management has been developed and is being piloted in several new projects.
Assessing our impact, evaluating and learning		
We will develop and roll out our impact, evaluation and learning approach to projects and campaigns	Not achieved	Work will start in 2017 on developing AIUK's approach to monitoring, evaluation and learning
We will ensure that all agreed recommendations for future improvement are implemented.		
Developing our people and culture		
We will develop a people and culture strategy.	Achieved	The People and Culture strategy was developed with involvement of key stakeholders and approved by the Boards in Q3 2016
We will ensure that overall staff costs are well controlled to budget.	Achieved	
Enhancing our governance		
We will improve member participation in the AIUK democratic process	Partially Achieved	More than a doubling of the number of AGM voters in 2016. However, insufficient

AMNESTY INTERNATIONAL UNITED KINGDOM SECTION
Strategic Report for the year ended 31 December 2016

		nominations were received for Board Elections to take place.
We will develop a strategy for governance development	Not achieved	Whilst the development of a governance strategy has been subject to delay, a number of improvements took place. Most notably, these included the conclusion of a review of the Section's Articles of Association, the drafting of a body of supplementary rules and the establishment of Nominations Sub-Committee as a sub-committee of the Board.
We will enhance AIUK's performance against core governance standards for the AIUK movement	Achieved	AIUK Section completed its second self-assessment of performance against the global movement's core standards in December 2016. Improved performance was recorded across several standards and a provisional action plan for further improvements was set out.
Deploying technology effectively		
We will develop a technology strategy	Not achieved	This will be prioritised in 2017
Being innovative in what we do		
We will roll-out innovation workshops amongst teams at AIUK	Partially achieved	Specific training and ad hoc support has been given to selected teams and project groups, but this has not been systematic. A training programme has been developed to embed innovation tools, techniques and methodology in the context of wider capacity building priorities and will be rolled out in Q1 2017

4. Plans for future periods

AIUK is one year into the 2016-2020 strategic period. The table below details how AIUK will make progress toward strategic goals in 2017.

Our Human Rights Priorities	What we will do in 2017
Protecting the rights of refugees	<ul style="list-style-type: none"> • We will engage different audiences to support and welcome refugee rights • We will partner with other organisations to campaign on one issue that will protect the rights of refugees • We will increase political support for child family reunion • We will support and promote national and local initiatives to welcome refugees
Protecting the space for civil society and Human Rights Defenders	<ul style="list-style-type: none"> • AIUK will develop a Human Rights Defender (HRD) campaign strategy relevant to the UK context and priorities

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	<ul style="list-style-type: none"> We will deploy the AIUK approach to campaign and project management to develop and implement the HRD campaign strategy
Ensuring that human rights are respected, protected and promoted in the UK	<ul style="list-style-type: none"> We will develop an overarching Human Rights in the UK strategy We will implement a campaign strategy that will pressure UK authorities to tackle failings on hate crime We will continue to advocate for the retention of the Human Rights Act (HRA) We will continue to highlight positive case studies for the HRA
Responding to human rights crises	<ul style="list-style-type: none"> We will deliver timely and effective crisis responses
Protecting individuals at risk	<ul style="list-style-type: none"> We will support the new Priority Campaigns by providing casework when strategic and relevant We will develop the Urgent Action Network to ensure that it continues to remain responsive and impactful We will continue to develop and improve our policies on ethical responsibilities and roll out training across all key staff. We will run a successful Write for Rights campaign in November and December 2017.
Educating people about their human rights	<ul style="list-style-type: none"> We will reach 31,500 children and young people through HRE activities led by AIUK We will reach 3,300 adults through HRE activities led by AIUK
The Foundations of this Strategic Plan	
Increasing the impact of the Amnesty movement in the UK	<ul style="list-style-type: none"> We will develop an evidence-based model and strategy for empowering and engaging members of the Amnesty movement to be effective advocates for human rights change
Growing our financial resources	<ul style="list-style-type: none"> We will grow fundraised income to £26.6m We will have a level of free reserves within our target range of £6.0m - £8.0m. UK Section £2.75m- £3.75m and the Trust £3.25m - £4.25m. We will acquire or reactivate 32,200 financial supporters
Connecting more people to human rights	<ul style="list-style-type: none"> We will achieve a net gain in financial supporters of 2.1% We will connect with 725,000 supporters
Ensuring political analysis informs our work	<ul style="list-style-type: none"> We will engage with more politicians to increase our impact in parliament and ensure that human rights concerns are amplified and addressed
Playing a full role in the international movement	<ul style="list-style-type: none"> We will contribute £8.7m in grant support towards human rights change delivered by the Amnesty International movement worldwide

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Building our capacity	
Enhancing out campaign and project management	<ul style="list-style-type: none"> • We will deploy the AIUK approach to project management successfully in all new projects
Assessing our impact, evaluating and learning	<ul style="list-style-type: none"> • We will develop our approach to impact, evaluation and learning for projects and campaigns
Developing our people and culture	<ul style="list-style-type: none"> • We will identify, develop and agree a set of core competencies and associated behaviours for all staff
Enhancing our governance	<ul style="list-style-type: none"> • We will improve member participation in the AIUK democratic process • We will be at the highest level of compliance with an increased number of core governance standards for the AIUK movement
Deploying technology effectively	<ul style="list-style-type: none"> • We will develop a technology strategy
Being innovative in what we do	<ul style="list-style-type: none"> • We will embed innovation into new and existing AIUK processes

5. Financial review

The Directors have voluntarily adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in 2015 in preparing the annual report and financial statements of the company as they consider this to be the most appropriate format for the organisations activities.

The accounts show a deficit for the year of £1.4m which is £0.9m more than the deficit of £0.5m in 2015.

Income has decreased by £0.9m on 2015 levels to £10.4m in 2016. This is mainly due to £0.5m lower income from subscriptions, donations and grants, a consequence of little active recruitment of new financial supporters to the UK Section, and resulting fall in the number of financial supporters.

There was also a reduction in income from other trading activities of £0.4m from 2015. £0.3m of this was because fundraising undertaken by community groups raised money for the Trust in 2016, whereas groups had raised funds on behalf of the Section in 2015. £0.1m of the reduction was because there was no UK Section appeal in 2016, all cash appeals were undertaken by the Trust.

6. Risk and assurance

Risk management is an integral part of the governance of the company. 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 the UK Section 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 an operational risk framework which underpins the strategic risk framework, dealing with a greater number of potential risks at a more detailed level.

The Directors consider aspects of risk and assurance and are supported in this by the work of the Finance Audit and Risk Sub-Committee.

AMNESTY INTERNATIONAL UNITED KINGDOM SECTION
Strategic Report for the year ended 31 December 2016

The major strategic risks for both the UK Section and the Trust, together with plans and strategies in managing these risks, are shown in the table below.

Risk	Plans and strategies to manage risks
Strategy and Impact – are we delivering the strategy and impact in order to meet our vision?	<ul style="list-style-type: none"> • We have a clear strategy for the period 2016 to 2020. • We report quarterly against strategic objectives through a suite of Key Performance Indicators. • Monitoring, evaluation and impact assessment systems are being developed.
Financial sustainability – are we delivering the strategy in a way that safeguards our financial sustainability?	<ul style="list-style-type: none"> • We have a fundraising strategy which supports the overall strategy. • We have reviewed the reserves policy which is linked to risks and is reviewed annually. • A sustainable international funding framework in place. • Robust budgeting, forecasting and long-term financial planning processes.
Reputation – are we delivering the strategy in a way which safeguards our reputation?	<ul style="list-style-type: none"> • We have a suite of policies designed to manage this risk including: donor acceptance, corporate donations, procurement, investment, data protection and social media. • We have an established crisis communications group with significant experience of effectively managing response to reputational risk. • We have an established on-call media team. • We have a Content Approval Process to approve content of mass communications.
Governance – do our governance arrangements support our strategic delivery whilst ensuring that they are fit-for-purpose?	<ul style="list-style-type: none"> • International movement core standards reporting ensures our compliance with movement core standards. • We have an on-going programme of work, to ensure that the most effective relationship exists between the UK Section and the Trust to support human rights change. • The UK Section constitution sets out member rights and the AGM provides an annual opportunity for formal member participation.
Statutory and Regulatory Compliance – do we meet all compliance obligations relevant to the delivery of our strategy?	<ul style="list-style-type: none"> • We monitor and manage all compliance aspects relevant to the delivery of our strategy. • We have undertaken pieces of internal audit work to ensure compliance in certain areas. • We have project groups and significant workstreams around ensuring data protection and fundraising compliance. • There is a grant assurance process in place which ensures that grants from the Trust to the International Secretariat are used in furtherance of the Trust's charitable objects. • There is an annual external audit.

AMNESTY INTERNATIONAL UNITED KINGDOM SECTION
Strategic Report for the year ended 31 December 2016

<p>People – are we acting as a responsible employer and are we exercising the right level of duty of care to the people who we work with and for?</p>	<ul style="list-style-type: none"> • We work closely with staff and have a number of formal forums within which staffing issues are discussed. • We have a HR strategy and suite of HR policies that ensure we are exercising our duty of care. • The Individuals at Risk and Human Rights Defenders strategy addresses informed consent as part of the strategy. We discuss risks with human rights defenders and the consent status of each case is recorded and reviewed regularly.
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7. Reserves policy

As at 31 December 2016 unrestricted funds totalled £10.1m (2015: £11.5m). This comprises:

- £4.4m (2015: £4.5m) of designated funds, representing the net book value of fixed assets, which are not readily realisable and are hence excluded from free reserves.
- £5.7m (2015: £6.9m) of funds which represent free reserves.

A level of free reserves is necessary to ensure that the UK Section's activities can continue on a day-to-day basis, and in particular, can continue in the event of a major unforeseen reduction of income or increase in expenditure. These reserves provide a contingency to enable the Directors to take the necessary actions to bring income and expenditure into line.

The Directors have adopted a reserves policy which is in line with recommendations of the Charity Commission. This policy is reviewed annually.

The target range of free reserves is arrived at by considering the key strategic and operational risks facing the UK Section, as well as the strategic plans and current financial position.

Taking into account these factors, the Directors have determined that free reserves should be within the range of £2.75m to £3.75m, and this is reflected in the financial strategy.

At 31 December 2016 the level of free reserves was £5.7m. The UK Section plans to bring reserves in line with the policy gradually over a period of up to 4 years by increasing the spend on human rights campaigning activity in line with the strategy.

AMNESTY INTERNATIONAL UNITED KINGDOM SECTION
Strategic Report for the year ended 31 December 2016

8. Investments

In making any financial investment, the UK Section's policy requires consideration of:

- Minimisation of risk: No speculative investments shall be made
- Liquidity: Invested funds shall be kept liquid to allow them to be called upon as necessary
- Reputational Risks: No investment shall be made if the Directors are aware that the investment vehicle may present a compromise (or a perception of one by its supporters) to the UK Section's commitment to human rights, and thus result in reputational risk.

At 31 December 2016 the only form of investment held by the UK Section was cash held on interest-bearing deposit, included in the accounts within cash balances.

This report is now approved by the Board and signed on its behalf by

Meredith Coombs, Treasurer

Date: 30 MARCH 2017

AMNESTY INTERNATIONAL UNITED KINGDOM SECTION
Auditors report for the year ended 31 December 2016

Independent Auditors Report to the members of Amnesty International United Kingdom Section

We have audited the financial statements of Amnesty International United Kingdom Section for the year ended 31 December 2016 which comprise the statement of financial activities, the balance sheet, the cash flow statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the statement of directors' responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's (FRC's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the FRC's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2016 and of its deficit 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.

Opinion 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 strategic report and directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and directors' report have been prepared in accordance with applicable legal requirements.

AMNESTY INTERNATIONAL UNITED KINGDOM SECTION
Auditors report for the year ended 31 December 2016

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Fiona Condron (senior statutory auditor)
For and on behalf of BDO LLP, statutory auditor
Gatwick, West Sussex
Date 30 MARCH 2017

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

AMNESTY INTERNATIONAL UNITED KINGDOM SECTION
Statement of financial activities (including income and expenditure account)
for the year ended 31 December 2016

	Note	Unrestricted Funds	Restricted Funds	Total Funds	Total Funds
		2016 £000's	2016 £000's	2016 £000's	2015 £000's
Income from:					
Subscriptions, donations and grants	3	8,758	256	9,014	9,507
Publications and materials	4	198	-	198	254
Other trading activities	5	1,141	-	1,141	1,497
Investment and other income	6	69	-	69	74
Total income		10,166	256	10,422	11,332
Expenditure on:					
Raising funds	3	2,378	-	2,378	2,188
Other trading activities	5	1,260	-	1,260	1,314
		3,638	-	3,638	3,502
Pursuit of objectives					
Human rights campaigning	7	7,031	264	7,295	7,534
Investment in activist recruitment	7	853	-	853	775
Total expenditure in pursuit of objectives		7,884	264	8,148	8,309
Total expenditure		11,522	264	11,786	11,811
Net expenditure		(1,356)	(8)	(1,364)	(479)
Reconciliation of funds					
Total funds brought forward	14,15	11,447	8	11,455	11,934
Total funds carried forward	14,15	10,091	-	10,091	11,455

All amounts relate to continuing activities. There are no recognised gains or losses other than the deficit for the year. The notes on pages 24 to 36 form part of these financial statements. Analysis by fund of the 2015 comparatives is shown in notes 3 and 7.

AMNESTY INTERNATIONAL UNITED KINGDOM SECTION
Balance sheet at 31 December 2016

	Note	2016 £000's	2015 £000's
Fixed assets			
Tangible fixed assets	11	4,402	4,534
Current assets			
Debtors	12	849	2,338
Stock		36	36
Cash at bank and in hand		6,007	5,402
		<u>6,892</u>	<u>7,776</u>
Creditors: amounts falling due within one year	13	<u>(1,203)</u>	<u>(855)</u>
Net current assets		5,689	6,921
Total net assets		<u>10,091</u>	<u>11,455</u>
Funds			
Restricted	14	-	8
Unrestricted			
Undesignated	15	5,689	6,913
Designated	15	4,402	4,534
Total funds		<u>10,091</u>	<u>11,455</u>

Approved by the Board and signed on its behalf by:

Meredith Coombs, Treasurer

30 March 2017

The notes on pages 24 to 36 form part of these financial statements.

AMNESTY INTERNATIONAL UNITED KINGDOM SECTION
Cash flow statement for the year ended 31 December 2016

	Note	2016 £000's	2016 £000's	2015 £000's	2015 £000's
Cash flows from operating activities:					
Net cash provided by/ (used in) operating activities	16		690		(1,331)
Cash flows from investing activities					
Interest received	6	24		29	
Payments to acquire tangible fixed assets	11	(109)		(66)	
Net cash used in investing activities			(85)		(37)
Change in cash and cash equivalents in the year	16		605		(1,368)
Cash and cash equivalents at the beginning of the year	16		5,402		6,770
Cash and cash equivalents at the end of the year	16		6,007		5,402

The notes on pages 24 to 36 form part of these financial statements.

AMNESTY INTERNATIONAL UNITED KINGDOM SECTION
Notes forming part of the financial statements for the year ended 31 December 2016

1 Overview of our structure in relation to the worldwide Amnesty International movement

Amnesty International is a worldwide movement which has as its objective the securing throughout the world of the observance of the Universal Declaration of Human Rights.

The movement consists of independent entities (known as "sections") throughout the world and an International Secretariat in London which coordinates the worldwide movement and provides support for global governance structures. The International Secretariat ("IS") consists of two companies – Amnesty International Limited and Amnesty International Charity Limited.

Amnesty International United Kingdom section is part of the worldwide Amnesty International movement. There are two active legal entities which form the United Kingdom section, together referred to as "AIUK":

Amnesty International United Kingdom Section ("the UK Section") - a company limited by guarantee, a membership organisation whose policy and priorities are set, within the context of decisions of the International Council of Amnesty International, by the members at the Annual General Meeting. The UK Section pursues the objective of the movement in the United Kingdom by campaigning for observance, and opposing violations, of

Amnesty International UK Section Charitable Trust ("the Trust") - a company limited by guarantee and a registered charity. The Trust pursues its charitable objectives by funding a range of activities aimed at promoting the rights set out in the Universal Declaration of Human Rights. This includes funding Amnesty International Limited, and other organisations, to conduct worldwide research into the observance and abuses of human rights. The Trust is also registered in Scotland, where it raises funds and conducts some of its charitable activities.

The UK Section exists to further the aims of the international Amnesty movement as contained in the Mission and Vision of Amnesty International and in the decisions made by the International Council Meetings. A large number of individuals and groups in the UK are members of, or are affiliated to, the UK Section. These accounts only reflect cash received by the UK Section from the individual groups, and do not reflect their activities, since the company is not responsible for their finances.

2 Accounting Policies

Basis of accounting

The financial statements have been prepared under the historical cost convention as modified by the revaluation of investments. The report and financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2015) - (Charities SORP (FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006.

The UK Section constitutes a public benefit entity as defined by FRS102.

The Directors consider that there are no material uncertainties about the UK Section's ability to continue as a going concern.

All accounting judgements and estimates included in these accounts are in line with the stated accounting policies.

There are no assumptions or estimates included in these accounts that have a significant risk of causing a material adjustment to the carrying value of assets and liabilities within the next financial year.

AMNESTY INTERNATIONAL UNITED KINGDOM SECTION
Notes forming part of the financial statements for the year ended 31 December 2016

2 Accounting Policies - continued

Income and Expenditure

- Income from royalties, events and interest receivable is accounted for on an accruals basis. Grant income is recognised when any conditions for receipt have been met, or when received if no such conditions apply
- Income from all other activities including subscriptions and other contributions from members and turnover generated by the UK Section's shops is accounted for when received
- Expenditure is charged to the statement of financial activities on an accruals basis. Where expenditure relates to more than one classification within the statement of financial activities, it is attributed on the basis of staff time spent on the relevant activity
- Grants awarded are recognised as expenditure when the recipient is notified of the award of the grant
- Rentals payable under operating leases, where substantially all the risks and rewards of ownership remain with the lessor, are charged to the statement of financial activities on a straight line basis over the lease duration
- Irrecoverable VAT is charged to the relevant expenditure account when it is incurred

Fixed assets

Fixed assets are recorded at cost less accumulated depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of fixed assets on a straight-line basis over their estimated useful lives as follows:

Leasehold buildings	2% per annum	Plant and machinery	5% per annum
Computer infrastructure	20% per annum	Computer equipment	33% per annum
Office equipment	20% per annum	Office furniture	10% per annum
Leasehold improvements	10% - 20% per annum		

A de minimis value of £5k is used for the capitalisation of fixed assets, items of a lower value are charged to Expenditure.

Stock

Stock held, which comprises goods purchased for resale, is stated at the lower of cost and net realisable value and excludes donated goods.

Holiday pay

All employees of the Trust and the UK Section are contractually entitled to annual leave in accordance with relevant legislation and organisational policies. The total cost of untaken staff holiday entitlement at the year end is provided for.

AMNESTY INTERNATIONAL UNITED KINGDOM SECTION
Notes forming part of the financial statements for the year ended 31 December 2016

2 Accounting Policies - continued

Pensions

The UK Section contributes to two pension schemes:

- A multi-employer scheme with The Pensions Trust. This is accounted for as a defined contribution scheme as there are no deficit recovery payments due from the employer.
- A defined contribution scheme with Scottish Widows.

Contributions are charged to the income and expenditure account in the year to which they relate. The pension schemes are independently administered and the assets of the schemes are held separately from the UK Section

Reserves

Reserves are distinguished between restricted and unrestricted reserves. Income, expenditure, assets and liabilities for each classification of reserve are accounted for separately.

Redundancy Policy

Redundancy costs are recognised on an accruals basis.

3 Subscriptions, donations and grants

	Unrestricted 2016 £000s	Restricted 2016 £000s	Total 2016 £000s	Total 2015 £000s
Subscriptions and donations from supporters and members	8,758	-	8,758	9,191
Grants received (see note 3.1)	-	256	256	316
	8,758	256	9,014	9,507
Expenditure on raising funds				
Supporter recruitment	1,280	-	1,280	1,162
Supporter care	566	-	566	570
General fundraising	532	-	532	456
	2,378	-	2,378	2,188
Net fundraised income generated	6,380	256	6,636	7,319

Investment in recruiting new supporters not only contributes to investing in future income streams but is also an investment to increase the number of human rights activists campaigning as part of the Amnesty International movement thereby giving a direct boost to our campaigning effectiveness.

Included within the expenditure on raising funds is £447k (2015: £473k) of apportioned support costs, as described in note 8.

In 2015 Grants received included £316k of restricted income and Subscriptions and donations from supporters and members included £36k of restricted income. All other 2015 income and expenditure shown above was unrestricted.

AMNESTY INTERNATIONAL UNITED KINGDOM SECTION
Notes forming part of the financial statements for the year ended 31 December 2016

3.1 Analysis of restricted funds received	2016	2015
Restricted grants received from the Trust	£000's	£000s
"Still Human Still Here" Coalition	105	48
Human Rights Education	119	169
Youth Awards 2016	5	-
Refugee Programme	10	3
Stop Torture	17	13
Other	-	83
Total restricted funds received	256	316

4 Publications and materials	2016	2015
	£000s	£000s
Income from human rights publications and campaigning materials	198	254

5 Other trading activities

	Income	Expenditure	Net income/ (expenditure)	Income	Expenditure	Net income/ (expenditure)
	2016	2016	2016	2015	2015	2015
	£000s	£000s	£000s	£000s	£000s	£000s
Shops	706	766	(60)	612	659	(47)
Sales	105	85	20	126	92	34
Conferencing	235	169	66	196	216	(20)
Corporate relationships	33	1	32	81	-	81
Royalties	10	5	5	48	4	44
Community fundraising	32	123	(91)	285	147	138
Events	20	111	(91)	17	173	(156)
Appeals	-	-	-	132	23	109
	1,141	1,260	(119)	1,497	1,314	183

Included in expenditure on other trading activities is £355k (2015: £383k) of apportioned support costs (see note 8). Many events are carried out primarily to raise public awareness of the UK Section and its activities, with income generation often being a by-product. Such events make a significant contribution to the furtherance of our fundraising programmes.

AMNESTY INTERNATIONAL UNITED KINGDOM SECTION
Notes forming part of the financial statements for the year ended 31 December 2016

6 Investment and other income	2016	2015
	£000s	£000s
Investment income - interest receivable	24	29
Other income - rental income	45	45
Total investment and other income	69	74

7 Expenditure in pursuit of objectives

	2016	2016	2016	2015
	Unrestricted	Restricted	Total	Total
	£000s	£000s	£000s	£000s
Human rights campaigning				
Production and distribution of human rights publications and campaigning materials	1,430	-	1,430	1,412
Media	761	-	761	824
Individuals at risk	385	-	385	654
Human rights education	342	132	474	485
Policy	695	-	695	525
Amnesty in the community	320	-	320	380
Nations and regions	466	-	466	397
Refugees and asylum	378	115	493	302
Women's Human Rights	72	-	72	102
Grants to AI Sections	272	-	272	351
Youth activism	203	-	203	200
Country campaigning	124	-	124	148
Corporate and social responsibility	121	-	121	115
Security and human rights	91	-	91	102
Human Rights Act	127	-	127	120
Stop Torture	10	17	27	135
My Body, My Rights	107	-	107	130
Human Rights Defenders	84	-	84	-
Campaigns and activism support	1,043	-	1,043	1,152
Total human rights campaigning	7,031	264	7,295	7,534
Activist recruitment				
Direct costs of activist recruitment	711	-	711	621
Support costs apportioned (see note 8)	142	-	142	154
Total investment in activist recruitment	853	-	853	775
Total expenditure in pursuit of objectives	7,884	264	8,148	8,309

Included in human rights campaigning is £2,172k (2015: £2,461k) of apportioned support costs (see note 8).

2015 expenditure on human rights campaigning included a total of £361k of restricted expenditure. This was expended on the following activities: Individuals at risk - £51k; Human rights education - £168k; Refugees and asylum - £68k; Country campaigning - £28k; Human Rights Act - £28k; Stop Torture - £13k; My Body, My Rights - £5k. All other 2015 comparative expenditure in this note was unrestricted.

AMNESTY INTERNATIONAL UNITED KINGDOM SECTION
Notes forming part of the financial statements for the year ended 31 December 2016

8 Support costs

	2016	2015
	£000s	£000s
Staff costs	1,082	1,117
Staff and volunteer training and welfare	237	253
Premises costs	909	854
Recoverable VAT	(49)	(19)
Depreciation	240	297
Auditors - Audit fees	16	25
- Other services	6	6
Other support costs	406	696
Governance	269	242
Total support costs	3,116	3,471

	2016	2015
	£000s	£000s
Apportionment of support costs		
Raising funds	447	473
Other trading activities	355	383
Human rights campaigning	2,172	2,461
Investment in activist recruitment	142	154
Total support costs apportioned	3,116	3,471

Staff costs cover employees in Finance, Information Technology, Human Resources and Facilities Management departments. Included within support costs are operating lease costs of £470k (2015: £430k).

Support costs are apportioned across the company's activities based on relative amount of staff time spent.

Governance costs

None of the Directors received any remuneration during the year. The total of expenses reimbursed to Directors was £6,656 (2015: £14,381). There were 8 (2015: 14) directors who received reimbursement during the year.

All expenses related to travel, accommodation and subsistence costs incurred in respect of training, attendance at Board meetings, other governance meetings and Amnesty events.

AMNESTY INTERNATIONAL UNITED KINGDOM SECTION
Notes forming part of the financial statements for the year ended 31 December 2016

9 Staff costs

All staff are employed on joint contracts of employment with both the UK Section and the Trust.

Apportioned staff costs

Costs shown here are those apportioned to the UK Section only. The amount charged for an employee to each entity is based on time spent in undertaking work for that entity.

	2016 £000s	2015 £000s
Wages and salaries	5,193	4,999
Social security costs	557	539
Pension costs	357	352
Redundancy costs	30	-
	6,137	5,890

The amount shown above against redundancies is in respect of a redundancy payment made to a single member of staff.

The UK Section contributes to a defined contribution pension scheme.

Full time equivalent analysis

The number and cost of apportioned full-time equivalent staff engaged on the UK Section's various activities was as follows:

	Full-time equivalents	Cost £000s
Cost of generating voluntary income	20	938
Activities for generating funds	12	489
Human rights campaigning	75	3,756
Support	19	945
Governance	-	9
	126	6,137

There were 198 staff employed during 2016 including part-time and job-share posts. This number includes those who joined and left during the year. Overall, this is the equivalent of 126 full-time posts. The average number of employees for 2016 was 173 (2015: 173).

AMNESTY INTERNATIONAL UNITED KINGDOM SECTION
Notes forming part of the financial statements for the year ended 31 December 2016

9 Staff costs (continued)

Emoluments of employees

The number of employees of the UK Section whose emoluments fell within the following bands were:

£ 000s	£000s Total numbers	£000s Total numbers
0 - 60	194	200
60-70	-	3
70-80	3	-
80-90	-	-
90-100	-	1
100 - 110	1	-
	198	204

The banding above is based on the full employee benefits (excluding employer pension costs) of those staff working for the UK Section irrespective of the apportionment of those costs between the Trust and the UK Section.

Senior Management Team remuneration

Emoluments for all permanent Senior Management Team members for the year ended 31 December 2016 are shown below. These figures show the total salary of which 79% in total is apportioned to the UK Section:

	Total emoluments £
Director	110,082
Director of Chief Executive's Office	76,187
Director of Corporate Services (Appointed 3 May 2016)	54,727
Director of Fundraising	74,458
Director of Supporter Campaigning and Communications	76,917

Total emoluments include employer pension contributions.

AMNESTY INTERNATIONAL UNITED KINGDOM SECTION
Notes forming part of the financial statements for the year ended 31 December 2016

10 Taxation

No tax charge arose in respect of 2016 or 2015 as the the UK Section incurred a loss for tax purposes in each of those years. At the balance sheet date the UK Section had tax losses available to carry forward to offset against future taxable profits, but this was not recognised as an asset.

Reconciliation

	2016 £000s	2015 £000s
Loss on ordinary activities before tax	(1,364)	(479)
Loss on ordinary activities at the standard rate of corporation tax in the UK of 20.00% (prior year 20.25%)	(273)	(97)
Effects of:		
Net non-taxable income	232	102
Deferred tax not recognised	41	(5)
Total tax charge	-	-

Net non-taxable income includes expenses not deductible for tax purposes and income not taxable for tax purposes.

Provision for deferred tax - not recognised in the accounts	£000s	£000s
Deferred tax at 20%		
Balance at 1 January 2016	(86)	(100)
Movement	(41)	14
Balance at 31 December 2016	(127)	(86)

The year end unprovided deferred tax asset comprises	£000s	£000s
Accelerated capital allowances	127	213
Losses available to carry forward	(253)	(298)
Other timing differences	(1)	(1)
	(127)	(86)

AMNESTY INTERNATIONAL UNITED KINGDOM SECTION
Notes forming part of the financial statements for the year ended 31 December 2016

11 Tangible fixed assets

	Leasehold land and buildings	Plant & machinery	Computer equipment & infrastructure	Office equipment	Leasehold improve	Total
	£000s	£000s	£000s	£000s	£000s	£000s
Cost						
At 1 January 2016	4,637	1,691	803	859	20	8,010
Additions	-	-	65	44	-	109
At 31 December 2016	4,637	1,691	868	903	20	8,119
Depreciation						
At 1 January 2016	1,012	921	756	768	19	3,476
Charge for the year	93	85	25	38	-	241
At 31 December 2016	1,105	1,006	781	806	19	3,717
Net book value						
At 31 December 2016	3,532	685	87	97	1	4,402
At 31 December 2015	3,625	770	47	91	1	4,534

12 Debtors

	2016 £000s	2015 £000s
Amounts owed by related entities	176	1,617
Trade debtors	38	87
Other debtors, prepayments and accrued income	485	496
Value Added Tax recoverable	150	138
	849	2,338

All amounts are due within 12 months of the balance sheet date.

13 Creditors - amounts falling due within one year

	2016 £000s	2015 £000s
Trade creditors	683	374
Accruals and deferred income	194	290
Payroll taxes and other creditors	204	49
Provisions	122	142
	1,203	855

Included in the above figures is £1k of deferred income (2015: £94k), relating to refundable deposits received for conference sales after the balance sheet date.

All income deferred at 31 December 2015 was recognised as income in 2016, and all deferred income included above relates to receipts in 2016.

Provisions include £35k for shop dilapidation remedial work and £87k for a tax liability.

AMNESTY INTERNATIONAL UNITED KINGDOM SECTION
Notes forming part of the financial statements for the year ended 31 December 2016

14 Restricted Funds

	Total 2016 £000s	Total 2015 £000s
At 1 January	8	17
Income (see note 3.1)	256	352
Expenditure (see note 7)	(264)	(361)
At 31 December	-	8

Restricted reserve

Restricted funds represents grants received for restricted purposes (analysed below).

	2016 £000s	2015 £000s
Israel - Human Rights	-	8

15 Unrestricted Funds

	2016 Fixed asset designated funds £000s	2016 Total undesignated funds £000s	2016 Total unrestricted funds £000s	2015 Fixed asset designated funds £000s	2015 Total undesignated funds £000s	2015 Total unrestricted funds £000s
At 1 January	4,534	6,913	11,447	4,763	7,154	11,917
Total incoming resources	-	10,166	10,166	-	10,980	10,980
Total resources expended	-	(11,522)	(11,522)	-	(11,450)	(11,450)
Movement between funds	(132)	132	-	(229)	229	-
At 31 December	4,402	5,689	10,091	4,534	6,913	11,447
Represented by						
Tangible fixed assets	4,402	-	4,402	4,534	-	4,534
Cash at bank and in hand	-	6,007	6,007	-	5,394	5,394
Other net current assets	-	(318)	(318)	-	1,519	1,519
	4,402	5,689	10,091	4,534	6,913	11,447

Fixed asset designated funds

The fixed asset designated funds comprise funds invested in tangible fixed assets to enable the company to carry out its work effectively. Such funds are not available for other use.

The movement between funds shown above which reduces the fixed asset designated fund is a reflection of the reduction in the net book value of the fixed assets at the year end.

AMNESTY INTERNATIONAL UNITED KINGDOM SECTION
Notes forming part of the financial statements for the year ended 31 December 2016

16 Notes to the cash flow statement

Reconciliation of net expenditure to net cash flow from operating activities

	2016 £000s	2015 £000s
Net expenditure for the year	(1,364)	(479)
Adjustments for:		
Depreciation	241	251
Fixed asset write-off	-	44
Interest received	(24)	(29)
Increase in stock	-	3
Decrease / (increase) in debtors	1,489	(1,452)
Decrease in creditors	348	331
Net cash provided by / (used in) operating activities	690	(1,331)

Analysis of cash and cash equivalents

	1 Jan 2016 £000s	Cash flows £000s	31 Dec 2016 £000s
Cash in hand and at bank	<u>5,402</u>	<u>605</u>	<u>6,007</u>

The difference of £85k (2015: £37k) between the net cash provided by operating activities and the change in cash in the year represents the net cash used in investing activities as shown in the cash flow statement.

AMNESTY INTERNATIONAL UNITED KINGDOM SECTION
Notes forming part of the financial statements for the year ended 31 December 2016

17 Related party transactions

The UK Section and the Trust are considered to be related entities due to the alignment of their objectives and close collaborative and operational working.

The UK Section and the two companies which comprise the International Secretariat are considered to be related entities due to the alignment of objectives and close relationships that exist within the Amnesty movement.

Amnesty International European Institution Office is considered to be a related entity due to the the alignment of objectives and close relationships that exist within the Amnesty movement.

Related entity balances

	2016	2015
	£000s	£000s
Due from the Trust	176	1,617

Related entity transactions

During the year the following transactions took place between the related entities:

	2016	2015
	£000s	£000s
Restricted grants from the Trust	255	316
Charges made by the Trust for Human Rights Action Centre occupancy	(245)	(245)
Charges made to the Trust under the terms of a licence to use the Human Rights Action Centre	45	45
Charges made to the Trust for the Amnesty magazine	102	95
Charges made to the Trust for campaigning work in support of the Human Rights Act	30	40
Contribution made to Amnesty International European Institutions Office	(291)	(351)
Donation of trading profits to the Trust under a Deed of Covenant	(100)	(100)

In addition during the year donations totalling £140 were made to the UK Section by 3 Directors (2015: £nil).

18 Commitments under operating leases

The following payments are committed to be paid in the future in respect of operating leases:

	2016	2015
	£000s	£000s
Minimum lease payments due		
No later than one year	458	453
Between 1 and 5 years	1,474	1,517
More than 5 years	4,390	4,635
	6,322	6,605
Analysed between:		
Hire of office equipment	312	154
Other operating leases:		
Human Rights Action Centre	5,615	6,105
Shops	295	265
Offices (Belfast and Edinburgh)	100	81
	6,322	6,605