

**Company No: 03139939**

**AMNESTY INTERNATIONAL UK SECTION CHARITABLE TRUST**

Financial statements for the year ended 31 December 2017

**AMNESTY INTERNATIONAL UK SECTION CHARITABLE TRUST**  
**Financial Statements for the year ended 31 December 2017**

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**Legal and administrative information**

**Full name and registered address of the charity**

Amnesty International UK Section Charitable Trust  
The Human Rights Action Centre, 17-25 New Inn Yard, London EC2A 3EA

**Status of the charity**

The charity was incorporated on 16 December 1995 as a company limited by guarantee and is governed by its Memorandum and Articles of Association. It took over at that date all the assets and liabilities of the Amnesty International British Section Charitable Trust.

**Charity registration number - England & Wales** 1051681  
**Charity registration number - Scotland** SC039534  
**Company registration number** 03139939

**Charity correspondent**

Michelle O'Keeffe, The Human Rights Action Centre, 17-25 New Inn Yard, London EC2A 3EA  
Tel: 020-7033-1500; e-mail [amnestycompany.secretary@amnesty.org.uk](mailto:amnestycompany.secretary@amnesty.org.uk)

**Trustees**

Gareth Davies	- Chair	Livia Aliberti <sup>(A)</sup>
Meredith Coombs <sup>(*,A,B,C)</sup>	- Treasurer	Emma France
Amie Ibrahim Brown	- appointed 25 March 2017	Nicholas Vogelpoel <sup>(A)</sup>
Nicolas Patrick <sup>(B)</sup>	- appointed 15 July 2017	Thomas Hedley <sup>(*,C)</sup>
Sarah O'Grady <sup>(A)</sup>	- resigned 10 June 2017	Ruth Breddal <sup>(*,A,C)</sup>

\* member of the Board of Amnesty International United Kingdom Section

Sub-Committee membership

- A - member of the Finance Audit and Risk Sub-Committee
- B - member of the Human Resources Sub-Committee
- C - member of the Joint Consultative Committee

**Chief executive and other key management personnel**

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 Chinchon	Director of Fundraising

**Bankers** Co-operative Bank plc, 9 Prescott Street, London, E1 8BE  
Lloyds Bank plc, 25 Gresham Street, London, EC2V 7HN

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

**Solicitors** Bates Wells & Braithwaite London LLP, 10 Queen Street Place, London EC4R 1BE

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**Trustees' report for the year ended 31 December 2017**

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## **Trustees' 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 which coordinates the worldwide movement and provides support for global governance structures. The International Secretariat ("the IS") consists of two companies – Amnesty International Limited and Amnesty International Charity Limited.

Amnesty International in the United Kingdom is part of the worldwide Amnesty International movement. There are two active legal entities:

**Amnesty International United Kingdom Section ("the UK Section")** - a company limited by guarantee, a membership organisation whose policies 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. The Trust is also registered in Scotland, where it raises funds and conducts some of its charitable activities. The Trust has a licence to use the Amnesty name and logo in the United Kingdom.

### **2. Governance and management**

The Trust is a registered charity and a company limited by guarantee and is governed by its Trustees (who are the Directors and Members). The Trust is considered to be independent of the UK Section, by virtue of the fact that although the Trustees are appointed by the Board of the UK Section, they cannot be removed by that Board and there is a majority of independent members, who are not Board members of the UK Section.

The Trust is governed by its Memorandum and Articles of Association. Trustees are appointed for a three-year term, and under the Articles of Association can serve for a maximum of two consecutive terms. They are then eligible for re-appointment after an interlude of one year. The Trustees meet at least four times each year.

The Trustees are generally very familiar with human rights and the work of Amnesty International. Induction training is provided for new Trustees, which covers their responsibilities and statutory duties. All the Trustees give their time voluntarily and receive no benefits.

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To ensure our independence, we do not seek or accept money from governments or political parties other than for our human rights education work. During 2017, the Trust received funds from the Department for International Development for a human rights education project focussed on female genital mutilation and early and forced marriage in Burkina Faso, Sierra Leone and Senegal. This project is expected to continue to 2020. In no way do any monies received influence or affect our impartiality or independence.

The Trustees are assisted in their work by a number of 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**, whose aim is to provide a forum in which the Trustees, the UK Section Board, 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.

A full list of members of the sub-committees can be found on our website - <https://www.amnesty.org.uk/subcommittees>

### **3. Statement of Trustees' responsibilities**

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

Company law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Trustees 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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period.

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

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

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The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Financial statements are published on the charity'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 charity's website is the responsibility of the Trustees. The Trustees' responsibility also extends to the ongoing integrity of the financial statements contained therein.

All of the current Trustees 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 Trustees are not aware of any relevant audit information of which the auditors are unaware.

#### **4. Policy on pay for employees including senior staff**

The Trust 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. We periodically undertake benchmarking exercises using established salary surveys.

The Trust 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 Trust. The donors, supporters, volunteers and staff of the Trust are warmly thanked for their continuing commitment to the aims of the Trust and for their exceptional generosity.

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

**Gareth Davies, Chair**

**29 March 2018**

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**Strategic report for the year ended 31 December 2017**

## **Strategic Report**

### **1. Key objectives and statement of benefits**

All of the Trust's activities focus on delivering human rights benefit both to specific individuals and to the public in general. The Trustees believe that promoting general awareness of human rights, creating cultural support in favour of human rights, campaigning to prevent or end human rights abuses and encouraging supporters to take action, provides universal benefits.

In addition, a key objective of the Trust is to maximise the long-term funds available for grant making activities in support of such human rights benefits.

The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing objectives and in planning future activities. In particular, the Trustees consider how planned activities will contribute to the objectives they have set.

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

### **2. Key activities**

The Trustees recognise the importance of the Amnesty International 'brand' in securing the Trust's income, mainly from contributions from individual supporters, whose donations are solicited on the basis of the impact they will have on Amnesty International's worldwide promotion of human rights.

The Trustees therefore allocate the significant majority of the resources available for charitable purposes to Amnesty's international research, as well as (in some years) activity carried out by the UK Section. All of these activities are in line with the Trust's charitable objectives.

Small grants may also be given to organisations whose work meets the Trust's charitable objectives and complements the work of the Trust in areas outside the Trust's capabilities.

### **3. Achievements and performance**

#### **a) Human Rights Priorities**

Through its grants, the Trust supports charitable work falling under the global strategic priorities of the international Amnesty movement (set out below). The Trust provides annual grants to support projects (mostly of longer than one year duration) that pursue human rights objectives established under the four-year strategic goals (2016-2019) and accompanying theories of change.

**Reclaiming Freedoms:** *Ensuring safety and support for people who defend human rights; ensuring that people know their rights and are empowered to claim them; ensuring that people can claim their rights to speak out, organise and challenge injustice.*

During 2017, grants from the Trust continued to support ongoing research into the administration of law and raising human rights awareness amongst judicial officials and law societies in southern Africa; research into limitations of freedom of expression, association and assembly and curbs on human rights defenders, continuation of the Human Rights Friendly Schools programme; and activities to support wider fulfilment of international human rights education obligations in a number of world

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regions. A grant was provided for innovative research into the impact of online threats, harassment and violence directed at women human rights defenders

**Securing Equal Rights for All:** *Seeking progress towards equality based on gender, gender identity and sexuality; Reducing discrimination, including violent discrimination; enabling more people to enjoy their economic social and cultural rights.*

During 2017, grants from the Trust contributed to a range of projects on equality and economic social and cultural rights. These included: research into discrimination against LGBT people in Africa, the USA and Eurasia, discrimination against refugees and hate crime in southern Africa and Europe and the impact of austerity measures on human rights. The Trust grant funded a project researching discrimination against the Rohingya in Myanmar. The research and contacts developed as part of the latter project supported Amnesty International's response to the Rohingya crisis that escalated during 2017 and, at year end, Amnesty International Ltd staff were working with partners in Bangladesh to build awareness of the needs and wishes identified by displaced communities.

**Responding to Crises:** *Ensuring civilians are better protected through effective action by national, regional and international institutions and mechanisms; ensuring that those responsible for human rights abuses are held accountable and victims have access to justice, truth and reparation; people affected by conflict, crisis, torture or persecution have access to adequate protection and assistance.*

During 2017, grants from the Trust contributed to international projects that include monitoring and raising awareness of human rights abuses, violations of international humanitarian law and the use and circulation of weapons (particularly indiscriminate weapons) in conflict zones in the Middle East and Africa; monitoring the human rights implications of peace negotiations in Colombia; providing expert advice to the International Law Commission and the UN Peacekeeping Review; monitoring and raising awareness of the refugee crises in the Middle East and Africa and encouraging states to implement their own laws more effectively.

**Ensuring accountability:** *Ensuring that regional and global human rights mechanisms are reinforced where national rights protection is failing; strengthening human rights governance and accountability at the national level.*

During 2017, grants from the Trust supported international projects focussing on: raising awareness of the human rights impacts of gun-crime and policing in the Americas and the Caribbean, raising awareness of the importance of accountability and redress for individual victims in conflict and post-conflict societies in Europe, south and southeast Asia.

In addition to funding research projects, the Trust also furthered its charitable aims by providing grants in support of a number of projects to build good practice within Amnesty's International Secretariat and the wider Amnesty movement. These included policy development training and embedding

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research standards and practice. The Trust believes that such projects will strengthen the quality, accountability, and therefore the efficacy of Amnesty International's work.

In addition to its support of projects led by other parts of the Amnesty International movement, the Trust also supported the work of the UK Section through grants of restricted funds. This included human rights education work, contributing to the training of 191 volunteer educators and developing awareness of a youth award to celebrate the use of poetry to explore human rights issues.

## **b) Fundraising and Foundations Strategies**

### **Fundraising**

The impact of increased regulation has continued to form a challenging environment to raise funds from individuals, with around 99,000 financial supporters of the Trust at the year end, which represent a small decrease of around 1,000 compared to around 100,000 financial supporters in 2016. This decrease has contributed to a £0.3m decrease in donations from supporters compared to 2016, at £7.8m in 2017.

Whilst raising funds from individuals continues to be our main source of funds to invest in human rights work, we have made progress in further diversifying our income in 2017. A major fundraising achievement in 2017 was securing a partnership with the People's Postcode Lottery. This partnership contributed an additional £2.6m in 2017, and is expected to generate similar revenue each year in 2018 and beyond.

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.

The Trust follow 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

The Trust complies with all relevant legislation, regulation and fundraising guidance including the Data Protection Act 1998, the Privacy and Electronic Communications Regulations 2003 and during 2017, we prepared for compliance with the General Data Protection Regulation (comes into force in May 2018), including updating our Privacy Policy. The Trust complies with the Code of Fundraising Practice

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and the Trust is registered with the Fundraising Regulator. The Trust is a provisional member of the Direct Marketing Association.

Most of our activity to reach new supporters is carried out by our in-house fundraising teams who have an in-depth understanding of our work. Where we engage external professional fundraising agencies, we provide training to staff and monitor their compliance with the Code of Fundraising Practice. In addition to a new, clearer fundraising policy, our focus in 2017 was to develop procedures to enable our staff, volunteers and suppliers to carry out fundraising activity aligned with our policy and current UK regulation and legislation.

Our supporter care team received a total of 188 complaints in relation to fundraising activities in 2017. We respond to all complaints, and ensure corrective action is taken as required. Those corrective actions might include retraining fundraisers and updating monitoring processes.

We recognise the need to ensure we respond appropriately when our fundraisers engage with people who may be in vulnerable circumstances and work is ongoing in developing documented procedures and processes to support this. The Trust commit to show respect and empathy towards people in vulnerable circumstances and that no donation is sought from someone who may not have the capacity to make an informed and considered decision.

### **c) Capacity-Building Strategies**

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

**Project management:** During 2017, the Trust approach to project management continued through its pilot phase. Although the approach had not been finalised by the end of 2017 (as envisaged at the start of the year), the pilots had been evaluated and the findings will be used to roll out the approach across the organisation. A Professional Development Programme, which aims to provide all current Project Managers and Sponsors, with project management skills has been developed and will be delivered from January 2018.

**Developing our people and culture:** As envisaged in our 2017 plans a framework of core competencies and associated behaviours for staff was developed and agreed after a thorough process of consultation. Known as “commitments” these will be progressively rolled out to our staff in 2018.

**Governance:** operational work included strengthening the induction and training of trustees, including building awareness of the new Charity Governance Code. Fewer resources than envisaged were available for development projects during 2017, and plans to agree a governance development strategy were deferred.

A project to review the relationships between the Trust and the UK Section proceeded with the agreement of an outline schedule of activities. At year end consultants had been engaged following a competitive tendering process to provide external insight. Their work began at the start of 2018, with a report due in the second quarter of the year. The Trustees commenced a review of grant-making and this work will continue into 2018, informed by the results of the above work.

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**4. Plans for future periods**

The table below details how the Trust will make progress toward strategic goals in 2018.

<b>Our Human Rights Priorities</b>	<b>What we will do in 2018</b>
Grant-making	<p>The Trust will continue to prioritise grants in support of international work, in particular human rights research, in support of the international strategic goals:</p> <ul style="list-style-type: none"> <li>Reclaiming freedoms</li> <li>Securing equal rights for all</li> <li>Responding to crisis</li> <li>Ensuring accountability</li> <li>Growth (including capacity-building activities)</li> </ul> <p>The Trust will also increase its grant-making activity for UK-focussed work, primarily through grants to Amnesty International UK Section.</p> <p>During 2018, the Trust expects to expand its support for Human Rights Education work and may consider directly taking on its delivery.</p>
Growing our financial resources*	<p>We will achieve fundraised income of £28.3m</p> <p>We will reduce the level of free reserves towards our target range of £6.5m - £8.5m. UK Section £2.8m-£3.8m and the Trust £3.7m - £4.7m.</p> <p>We will acquire or reactivate 41,000 financial supporters</p>
Connecting more people to human rights*	<p>We will achieve a net gain in financial supporters of 1.0%</p> <p>We will connect with 890,000 supporters</p>
Enhancing out campaign and project management*	<p>During 2018, the Trust will roll out an approach to project management to all projects. This will be accompanied by work to further develop approaches to monitoring, evaluation and learning.</p>
Developing our people and culture*	<p>The Trust will work with the UK Section to identify ways to improve equality, diversity and inclusion across both entities.</p> <p>The “Commitments” (core competencies and behaviours) will be rolled out and embedded across the organisation.</p>

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Enhancing our governance	<p>We will complete the work with external consultants to review the relationship between the UK Section and the Trust and agree any actions to take forward.</p> <p>We will complete a review of the Trust’s approach to grant-making and institute any changes that are thought to be necessary.</p>
Deploying technology effectively*	The Trust will work with the UK Section to develop a vision for the use of technology in both entities.

\* Footnote: Combined objective of the UK Section and the Trust

## 5. Financial review

The Trustees have 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 charity. The financial statements also comply with the charity's governing documents.

The accounts show a surplus for the year of £2.8m which is £1.1m above the surplus achieved in 2016 of £1.7m. Income was £3.7m more than last year, due to an increase in legacies, and a new partnership with the People’s Postcode Lottery.

Expenditure has increased by £2.4m. The main reasons are an increase in expenditure on research into human rights violations of £1.2m, and an increase in expenditure on raising funds of £1.2m.

Free reserves at 31 December 2017 were £6.2m, which is above the target range of £3.7m to £4.7m. This is addressed further in section 7 below.

The bulk of our expenditure (60%) continues to support global research into human rights violations. The corresponding figure in 2016 was 62%.

## 6. Risk and assurance

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

Our strategic risk approach is designed to identify the key risks which could prevent the Trust 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 Trustees consider aspects of risk and assurance and are supported in this by the work of the Finance Audit and Risk Sub-Committee.

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

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	<ul style="list-style-type: none"> <li>• 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.</li> </ul>
<p><b>People</b> – 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"> <li>• We work closely with staff and have a number of formal fora within which staffing issues are discussed.</li> <li>• We have a HR strategy and suite of HR policies that ensure we are exercising our duty of care.</li> <li>• 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.</li> </ul>

Our risk management framework complies with recommended practice as outlined by the Charity Commission for England and Wales.

## 7. Reserves policy

As at 31 December 2017, unrestricted funds totalled £10.9m (2016: £8.0m). This comprises:

- £4.7m (2016: £4.7m) of designated funds, representing the net book value of fixed assets, which are not readily realisable and are hence excluded from free reserves.
- £6.2m (2016: £3.3m) of funds which represent free reserves.

A level of free reserves is necessary to ensure that the Trust’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 Trustees to take the necessary actions to bring income and expenditure into line.

In line with recommendations of the Charity Commission, the Trustees have adopted a risk based reserves policy which is reviewed annually.

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

Considering these factors, the Trustees have determined that free reserves should be within the range of £3.7m to £4.7m, and this is reflected in the Trust’s financial strategy. At 31 December 2017, the level of free reserves was £6.2m. This was a result of additional income from Legacies and the People’s Postcode Lottery in the latter part of 2017, which was not anticipated in the Trust’s plans. These higher reserves will allow additional investment in 2018, and a deficit budget is expected to bring free reserves down toward the target range.

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**8. Investments policy**

In making any financial investment, the Trust'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 Trustees are aware that the investment vehicle may present a compromise (or a perception of one by its supporters) to the charity's commitment to human rights, and thus result in reputational risk.

At 31 December 2017 the Trust held US Federal Government coupon bonds which were donated to the Trust as part of a restricted permanent endowment. The only other form of investment held by the Trust was cash held in a pooled fund of interest-bearing deposits, included in the accounts within cash balances.

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

**Gareth Davies, Chair**

**29 March 2018**

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**Auditor's report for the year ended 31 December 2017**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF AMNESTY INTERNATIONAL  
UK SECTION CHARITABLE TRUST**

**Opinion**

We have audited the financial statements of Amnesty International UK Section Charitable Trust ("the Charitable Company") for the year ended 31 December 2017 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Charitable Company's affairs as at 31 December 2017 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006, as amended in 2010.

**Basis for opinion**

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

**Conclusions related to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Charitable Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**AMNESTY INTERNATIONAL UK SECTION  
CHARITABLE TRUST**  
**Auditor's report for the year ended 31 December 2017**

**Other information**

The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. The other information comprises: Trustees' Annual Report and the Strategic Report. The Trustees are responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the Trustees' Report, which includes the Directors' Report and the Strategic report prepared for the purposes of Company Law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' Report, which are included in the Trustees' Report, have been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the Charitable Company and its environment obtained in the course of the audit, we have not identified material misstatement in the Strategic report or the Trustee's report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities and Trustee Investment (Scotland) Act 2005 requires us to report to you if, in our opinion;

- proper and 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.

**AMNESTY INTERNATIONAL UK SECTION  
CHARITABLE TRUST**  
**Auditor's report for the year ended 31 December 2017**

**Responsibilities of Trustees**

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Charitable Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Charitable Company or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

This report is made solely to the Charitable Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the Charitable Company's trustees, as a body, in accordance with the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the Charitable Company's members and trustees 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 Charitable Company, the Charitable Company's members as a body and the Charitable Company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

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

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at:  
<https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Fiona Condron (Senior Statutory Auditor)  
For and on behalf of BDO LLP, statutory auditor  
Gatwick, West Sussex  
29 March 2018

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

**AMNESTY INTERNATIONAL UK SECTION CHARITABLE TRUST**  
**Statement of financial activities for the year ended 31 December 2017**

	Note	Unrestricted funds	Restricted funds	Endowment funds	Total funds	Total funds
		2017 £000s	2017 £000s	2017 £000s	2017 £000s	2016 £000s
<b>Income from:</b>						
Donations and grants	4/5	15,236	287	-	15,523	14,171
Other trading activities	6	4,448	-	-	4,448	2,128
Investments and other income	7	248	-	14	262	266
<b>Total income</b>		<b>19,932</b>	<b>287</b>	<b>14</b>	<b>20,233</b>	<b>16,565</b>
<b>Expenditure on:</b>						
<b>Raising Funds</b>						
Raising funds	4	3,797	20	-	3,817	2,752
Other trading activities	6	709	-	-	709	664
<b>Total expenditure on raising funds</b>		<b>4,506</b>	<b>20</b>	<b>-</b>	<b>4,526</b>	<b>3,416</b>
<b>Charitable activities</b>						
Promotion of human rights	8	803	122	-	925	1,126
Research: human rights violations	8	10,291	126	-	10,417	9,244
Investment in activist recruitment	8	1,505	-	-	1,505	1,222
<b>Total expenditure on charitable activities</b>		<b>12,599</b>	<b>248</b>	<b>-</b>	<b>12,847</b>	<b>11,592</b>
<b>Total expenditure</b>		<b>17,105</b>	<b>268</b>	<b>-</b>	<b>17,373</b>	<b>15,008</b>
Net (losses) / gains on investments		-	-	(32)	(32)	104
Other recognised losses		-	-	(25)	(25)	-
Transfers between funds	17	(6)	-	6	-	-
<b>Net income / (expenditure)</b>		<b>2,821</b>	<b>19</b>	<b>(37)</b>	<b>2,803</b>	<b>1,661</b>
<b>Reconciliation of funds:</b>						
<b>Total funds brought forward</b>		<b>8,037</b>	<b>150</b>	<b>579</b>	<b>8,766</b>	<b>7,105</b>
<b>Total funds carried forward</b>		<b>10,858</b>	<b>169</b>	<b>542</b>	<b>11,569</b>	<b>8,766</b>

All amounts relate to continuing activities. The notes on pages 19 to 32 form part of these financial statements. Analysis by fund of the 2016 income and expenditure comparatives is shown in notes 4 to 8.

**AMNESTY INTERNATIONAL UK SECTION CHARITABLE TRUST**  
**Balance sheet at 31 December 2017**

	Note	2017 £000s	2017 £000s	2016 £000s	2016 £000s
<b>Fixed assets</b>					
Tangible fixed assets	13	4,682		4,714	
Investments	14	<u>237</u>		<u>269</u>	
			4,919		4,983
<b>Current assets</b>					
Debtors	15	4,378		2,062	
Cash at bank and in hand		<u>5,240</u>		<u>2,526</u>	
		9,618		4,588	
<b>Creditors: amounts falling due within one year</b>	16	<u>(2,968)</u>		<u>(805)</u>	
<b>Net current assets</b>			6,650		3,783
<b>Total net assets</b>			<u>11,569</u>		<u>8,766</u>
<b>Funds</b>					
<b>Unrestricted</b>					
Undesignated	17		6,176		3,323
Designated	17		4,682		4,714
<b>Restricted</b>	17		169		150
<b>Endowment</b>	17		542		579
<b>Total funds</b>			<u>11,569</u>		<u>8,766</u>

Approved by the Board of Trustees and signed on its behalf by

Meredith Coombs, Treasurer  
29 March 2018

The notes on pages 19 to 32 form part of these financial statements.

**AMNESTY INTERNATIONAL UK SECTION CHARITABLE TRUST**  
**Cash flow statement for the year ended 31 December 2017**

	Note	2017 £000s	2017 £000s	2016 £000s	2016 £000s
<b>Cash flows from operating activities</b>					
Net cash provided by operating activities	18		2,697		1,172
<b>Cash flows from investing activities</b>					
Interest received	7	17		21	
Interest paid	10	-		(19)	
<b>Net cash provided by investing activities</b>			17		2
<b>Cash flows from financing activities:</b>					
Repayments of borrowing		-		(1,902)	
<b>Net cash used in financing activities</b>			-		(1,902)
<b>Change in cash and cash equivalents in the year</b>	18		<u>2,714</u>		<u>(728)</u>
Cash and cash equivalents at the beginning of the year	18		2,526		3,254
<b>Cash and cash equivalents at the end of the year</b>	18		<u><u>5,240</u></u>		<u><u>2,526</u></u>

The notes on pages 19 to 32 form part of these financial statements.

**AMNESTY INTERNATIONAL UK SECTION CHARITABLE TRUST**  
**Notes forming part of the financial statements for the year ended 31 December 2017**

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

**Amnesty International UK Section Charitable Trust ("the Trust")** is 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.

An overview of the place of the Trust in relation to the worldwide Amnesty International Movement is provided in the Trustees Report.

**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 Trust constitutes a public benefit entity as defined by FRS102.

The Trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern, following a regular review of strategic risk.

**Income and expenditure**

- Income from appeals and charitable donations is accounted for when received
- Tax recoverable on Gift Aid income is accounted for on a receivable basis
- Interest income is accounted for on an accruals basis
- Grant income is recognised when the conditions for receipt have been complied with
- Expenditure is charged to the Statement of Financial Activities on an accruals basis
- Expenditure with the main purpose of attracting new committed supporters is allocated between the cost of raising funds (gaining financial supporters) and campaigning expenditure (gaining activists).
- Where other 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 made in furtherance of the charity's objects are recognised as expenditure when confirmation of an award is made to the receiving organisation
- Irrecoverable VAT is charged to the relevant expenditure account when it is incurred

## **2 Accounting Policies - Continued**

### **Estimates and Judgements**

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.

- For external lotteries benefiting the Trust where there is no ability to alter the ticket price, prizes or management charges, the Trust is not treated as the principal and income is recognised net of associated costs
- Both pecuniary and residuary legacies are accounted for when there is sufficient evidence as to entitlement, measurability and probability of receipt. Legacies with a life interest are recognised at the termination of the intervening trust and when legal title passes to the charity.

### **Fixed assets – freehold land and buildings**

Freehold buildings are included at cost and are depreciated over 50 years on a straight-line basis from the point at which they are brought into use. Freehold land is included at cost and is not depreciated.

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

### **Debtors**

Debtors are recognised at the settlement amount due to the Trust at the end of the period.

### **Creditors and Provisions**

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount.

### **Financial Instruments**

The Trust only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

### **Investments**

Investments, currently comprising US Government Bonds, are included at market value at the year-end. Gains and losses on revaluation of investments are included in the statement of financial activities.

### **Pensions**

The Trust contributes to two defined contribution pension schemes:

- A multi-employer scheme with The Pensions Trust.
- A separate 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 Trust.

**AMNESTY INTERNATIONAL UK SECTION CHARITABLE TRUST**  
**Notes forming part of the financial statements for the year ended 31 December 2017**

## 2 Accounting Policies - Continued

### Reserves

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

### 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.

## 3 Taxation

The Trust is a registered charity within the meaning of paragraph 1 schedule 6 of the Finance Act 2010. Accordingly the Trust is potentially exempt from taxation in respect of income or capital gains within categories covered by chapter 3 part 11 of the Corporation Tax Act 2010 or section 256 of The Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes. No tax charge arose in the year.

## 4 Donations and grants

	Unrestricted 2017 £000s	Restricted 2017 £000s	Endowment 2017 £000s	Total 2017 £000s	Total 2016 £000s
Donations from supporters (see note 5)	7,863	7	-	7,870	8,131
Legacies	5,792	-	-	5,792	4,148
Gift Aid	1,570	-	-	1,570	1,505
Grants received (see note 5)	11	280	-	291	387
	<b>15,236</b>	<b>287</b>	<b>-</b>	<b>15,523</b>	<b>14,171</b>
<b>Expenditure on raising funds</b>					
Supporter recruitment	2,256	-	-	2,256	1,927
Supporter care	406	-	-	406	234
General fundraising	999	-	-	999	433
Legacies	136	20	-	156	158
	<b>3,797</b>	<b>20</b>	<b>-</b>	<b>3,817</b>	<b>2,752</b>
<b>Net fundraised income generated</b>	<b>11,439</b>	<b>267</b>	<b>-</b>	<b>11,706</b>	<b>11,419</b>

Included in the expenditure in raising funds is £576k (2016: £229k) of apportioned support costs. (See note 9 for further information).

Donations from supporters in 2016 included £48k restricted income. Legacies received in 2016 included £93k restricted income. Gift Aid received in 2016 included £3k restricted income. £318k of grants received in 2016 were restricted.

Expenditure on supporter recruitment in 2016 included £93k restricted expenditure. Expenditure on general fundraising in 2016 included £20k restricted expenditure. Expenditure on raising funds from Legacies in 2016 included £20k restricted expenditure. All other 2016 comparative income and expenditure in this note was unrestricted.

**AMNESTY INTERNATIONAL UK SECTION CHARITABLE TRUST**  
**Notes forming part of the financial statements for the year ended 31 December 2017**

**5 Analysis of restricted funds received**

The Trustees express their gratitude to the funders for their generous grants: **£000s**

**Donations:**

From individuals in support of:

Womens Human Rights	2
International Justice	2
I Welcome (Refugee Programme)	3
	<b>7</b>

**Grants:**

Allan and Nesta Ferguson Charitable Trust	Human Rights Education	25
Josephine Hart Poetry Foundation	Human Rights Education	12
Eleanor Rathbone Charitable Trust	Refugee Programme	3
The Arts Council England	Human Rights Education	15
Legal Education Foundation	Human Rights Consortium Scotland	105
Thomas Paine Initiative (Global Dialogue)	Human Rights Education	10
The W.F. Southall Trust	AI Israel - Human Rights Education	2
The Ridgeback Charitable Trust	South Africa - Refugee and Migrants	5
Department for International Development	Human Rights Education - West Africa	103
		<b>280</b>

**Total restricted funds received**

**287**

**6 Other trading activities**

	Income	Expenditure	Net funds	Income	Expenditure	Net funds
	2017	2017	2017	2016	2016	2016
	£000s	£000s	£000s	£000s	£000s	£000s
Corporate relationships	249	2	247	227	-	227
Community fundraising	506	275	231	543	228	315
Appeals	536	174	362	746	194	552
Lotteries	2,906	149	2,757	349	140	209
Raffles	251	109	142	263	102	161
	<b>4,448</b>	<b>709</b>	<b>3,739</b>	<b>2,128</b>	<b>664</b>	<b>1,464</b>

Included in income from Lotteries in 2017 is £2,577k of income from a Lottery run by the People's Postcode Lottery (PPL). The Trust has no ability to alter the ticket price, prizes or management charges and therefore does not act as the principal for these draws. Proceeds have been recognised in the Statement of Financial Activities as net of prizes and other expenditure. 2017 was the first year of this PPL arrangement.

The Lottery run by PPL had gross ticket proceeds of £8,312k, paid out prizes of £3,325k, and had operating costs of £2,410k. This left the £2,577k above to The Trust as the charity beneficiary of the draws.

Included in expenditure on other trading activities is £62k (2016: £46k) of apportioned support costs. (See note 9 for further information). All income from other trading activities was unrestricted.

**AMNESTY INTERNATIONAL UK SECTION CHARITABLE TRUST**  
**Notes forming part of the financial statements for the year ended 31 December 2017**

<b>7 Investment and other income</b>	<b>2017</b>	<b>2016</b>
	<b>£000s</b>	<b>£000s</b>
Interest receivable on bank deposits	3	6
Interest receivable on fixed asset investments	14	15
<b>Investment income</b>	<b>17</b>	<b>21</b>
<b>Other income - rental income</b>	<b>245</b>	<b>245</b>
<b>Total investment and other income</b>	<b>262</b>	<b>266</b>

The rental income arises under a lease granted to a related entity, the UK Section, to occupy the Human Rights Action Centre. See note 20 for income under operating leases.

<b>8 Expenditure on charitable activities</b>	<b>2017</b>	<b>2016</b>
	<b>£000s</b>	<b>£000s</b>
<b>Promotion of human rights</b>		
<b>Restricted grants to the UK Section:</b>		
Human rights defenders	3	-
Human rights education	69	123
Individuals at risk	5	-
Human Rights Consortium Scotland	26	-
Refugee programme	3	10
Still Human Still Here	-	105
Stop Torture	-	17
Women's human rights	9	-
<b>Total restricted grants to the UK Section:</b>	<b>115</b>	<b>255</b>
<b>Production and distribution of human rights publications</b>	<b>637</b>	<b>662</b>
Support costs apportioned (see note 9)	173	209
<b>Total expenditure on promotion of human rights</b>	<b>925</b>	<b>1,126</b>

Grants to the UK Section represent the passing on of restricted funds received for human rights activities to be carried out by the UK Section.

**AMNESTY INTERNATIONAL UK SECTION CHARITABLE TRUST**  
**Notes forming part of the financial statements for the year ended 31 December 2017**

<b>8 Expenditure on charitable activities - Continued</b>	<b>2017</b>	<b>2016</b>
	<b>£000s</b>	<b>£000s</b>
<b>Research into and relief of human rights violations</b>		
Grant to Amnesty International Limited	10,291	9,104
Direct International Funding (Restricted)	126	140
<b>Total research into and relief of human rights violations</b>	<b>10,417</b>	<b>9,244</b>
<b>Investment in activist recruitment</b>		
Investment in activist recruitment	1,354	1,162
Support costs apportioned (see note 9)	151	60
<b>Total investment in activist recruitment</b>	<b>1,505</b>	<b>1,222</b>
<b>Total expenditure on charitable activities</b>	<b>12,847</b>	<b>11,592</b>
<b>Total Restricted Grants included in the above</b>		
For the promotion of human rights	122	285
Research into human rights violations	126	140
	<b>248</b>	<b>425</b>

**9 Support Costs**

	<b>2017</b>	<b>2016</b>
	<b>£000s</b>	<b>£000s</b>
Staff costs	693	304
Interest payable (see note 10)	-	19
Depreciation	32	32
Auditors - audit fees	36	29
Auditors - other services	-	11
Governance (excluding staff)	1	3
Other support costs	200	146
<b>Total support costs</b>	<b>962</b>	<b>544</b>
	<b>2017</b>	<b>2016</b>
	<b>£000s</b>	<b>£000s</b>
Raising funds	576	229
Other trading activities	62	46
Human rights campaigning	173	209
Investment in activist recruitment	151	60
<b>Total support costs apportioned</b>	<b>962</b>	<b>544</b>

Staff costs include employees in the Finance, Information Technology, Human Resources and Facilities departments.

These support costs are apportioned across the organisation's activities based on the amount of staff time spent on each activity.

**AMNESTY INTERNATIONAL UK SECTION CHARITABLE TRUST**  
**Notes forming part of the financial statements for the year ended 31 December 2017**

**10 Interest Payable**

	2017	2016
	£000s	£000s
Interest payable on mortgage loan	-	19
	-	19

A mortgage loan was secured on the Human Rights Action Centre and was repaid in May 2016.

**11 Staff costs**

All staff are employed on joint contracts of employment with both the UK Section and the Trust. A total of 232 staff were employed during 2017 (2016: 211).

This number includes part-time and job-share posts and those who joined and left during the year. The average headcount was 195 in 2017 (2016: 181). The full time equivalent number of staff employed in 2017 was 177 (2016: 162).

**Apportioned staff costs**

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

	2017	2016
	£000s	£000s
Wages and salaries	2,664	1,396
Social security costs	292	146
Pension costs	175	83
	3,131	1,625

The Trust contributes to defined contribution pension schemes.

**Full time equivalent analysis**

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

	Average number of staff	Full-time equivalents	Cost £000s
Cost of generating voluntary income	62	39	1,776
Activities for generating funds	18	4	188
Human rights campaigning	31	9	474
Support	28	13	693
	139	65	3,131

Of the 232 staff employed during 2017, there were 164 staff who had a part of their time apportioned to the Trust. The full time equivalent number of staff apportioned to the Trust was 65 (2016: 36). The average number of employees apportioned to the Trust for 2017 was 139 (2016: 98).

**AMNESTY INTERNATIONAL UK SECTION CHARITABLE TRUST**  
**Notes forming part of the financial statements for the year ended 31 December 2017**

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**11 Staff costs (continued)**

**Emoluments of employees**

The number of employees who had part of their time apportioned to the Trust whose emoluments fell within the following bands were:

<b>£ 000s</b>	<b>2017 Total numbers</b>	<b>2016 Total numbers</b>
0 - 60	158	123
60-70	1	-
70-80	3	3
80-90	1	-
90-100	-	-
100 - 110	1	1
	<b>164</b>	<b>127</b>

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

**Key management personnel remuneration**

Aggregate emoluments for the key management personnel of both the UK Section and the Trust for the year ended 31 December 2017 total £480,815 (2016: £437,459). These emoluments include employer's pension and National Insurance contributions. This figure represents the total costs, of which 46% in total are apportioned to the Trust.

**12 Directors' remuneration**

The Trust is a company limited by guarantee and a charity, and so the Directors are also Trustees. No Trustee received emoluments during the year (2016: £nil). During 2017, out of pocket expenses totalling £1,242 were reimbursed to 4 Trustees (2016: £1,264 to 4 Trustees).

Directors and Officers Liability Insurance cover was in place at an annual premium of £2k (2016: £2k).

**AMNESTY INTERNATIONAL UK SECTION CHARITABLE TRUST**  
**Notes forming part of the financial statements for the year ended 31 December 2017**

**13 Tangible fixed assets**

	<b>Land and buildings £000s</b>
<b>Cost at 1 January 2016 and 31 December 2017</b>	<b>5,094</b>
Depreciation at 1 January 2017	380
Charge for the year	32
<b>Depreciation at 31 December 2017</b>	<b>412</b>
<b>Net book value at 31 December 2017</b>	<b>4,682</b>
<b>Net book value at 31 December 2016</b>	<b>4,714</b>

The land and building asset is the freehold of the Human Rights Action Centre in New Inn Yard, London. The Trust has granted a 35-year lease to the UK Section, a condition of which is that the tenant had to carry out the programme of refurbishments to the building. The capital costs of these refurbishments are shown in the accounts of that company. The UK Section has granted a licence allowing the Trust to use the building for its own activities. The cost of the asset shown above includes the purchase price and associated expenses together with capitalised costs incurred in beginning the refurbishment works before the tenant took over the responsibility for the works. The original cost of the land included above is £3.5 million.

**14 Listed investments**

The listed investments represent unmatured US Federal Government Bonds gifted under a declaration of Trust dated September 1999. Further details are set out in note 17.

	<b>2017 £000s</b>	<b>2016 £000s</b>
<b>Opening market value at 1 January</b>	269	228
Realised (loss) for the year	(10)	-
Unrealised (loss) / gain for the year	(22)	41
<b>Closing market value at 31 December</b>	<b>237</b>	<b>269</b>
<b>Historical cost at 31 December</b>	<b>231</b>	<b>231</b>

Realised losses relate to exchange rate losses during the year.

**AMNESTY INTERNATIONAL UK SECTION CHARITABLE TRUST**  
**Notes forming part of the financial statements for the year ended 31 December 2017**

**15 Debtors**

	<b>2017</b>	<b>2016</b>
	<b>£000s</b>	<b>£000s</b>
Tax recoverable on Gift Aid	645	366
Accrued legacy income	3,397	1,407
Other accrued income	259	215
Other debtors and prepayments	77	74
	<b>4,378</b>	<b>2,062</b>

**16 Creditors: amounts falling due within one year**

	<b>2017</b>	<b>2016</b>
	<b>£000s</b>	<b>£000s</b>
Trade creditors	210	141
Amounts due to related entities	386	176
Accrued charges and deferred income	2,372	488
	<b>2,968</b>	<b>805</b>

Included in the above figures is £49k of deferred income (2016: £45k). £36k of this deferral relates to Amnesty Lottery receipts, where players paid in advance for draws which have not yet taken place. The remaining £13k was deferred in respect of sponsorship raised in 2017 for events which will take place in 2018.

All income deferred at 31 December 2016 was recognised as income in 2017, and all deferred income included above relates to receipts in 2017.

**AMNESTY INTERNATIONAL UK SECTION CHARITABLE TRUST**  
**Notes forming part of the financial statements for the year ended 31 December 2017**

**17 Funds**

	Undesignated funds £000s	Designated funds £000s	Restricted funds £000s	Endowment funds £000s	Total £000s
<b>At 1 January 2017</b>	<b>3,323</b>	<b>4,714</b>	<b>150</b>	<b>579</b>	<b>8,766</b>
Total incoming resources	19,932	-	287	14	20,233
Total resources expended	(17,105)	-	(268)	-	(17,373)
Movement between reserves	26	(32)	-	6	-
Investment and other losses	-	-	-	(57)	(57)
<b>At 31 December 2017</b>	<b>6,176</b>	<b>4,682</b>	<b>169</b>	<b>542</b>	<b>11,569</b>
<b>Represented by</b>					
Land and buildings	-	4,682	-	-	4,682
Investments	-	-	-	237	237
Net current assets	6,176	-	169	305	6,650
	<b>6,176</b>	<b>4,682</b>	<b>169</b>	<b>542</b>	<b>11,569</b>

**Undesignated fund**

The undesignated fund represents the funds that the Trustees are free to use in accordance with the charitable objects.

**Designated fund**

The designated fund comprises investments in tangible fixed assets which enable the Trust to carry out its work effectively. As this fund comprises fixed assets, it is not possible to utilise them elsewhere within the Trust.

**Restricted fund**

The restricted fund represents grants received for restricted purposes (analysed below). Further details of restricted income and expenditure can be found in notes 5 and 8.

	2017 £000s	2016 £000s
Women's Human Rights	-	11
Human Rights Defenders	-	3
Individuals at Risk	1	3
Human Rights Education	-	10
People Trafficking	88	87
Human Rights in UK	78	15
Fundraising	-	20
Israel - Human Rights Education	2	1
	<b>169</b>	<b>150</b>

**Endowment funds**

By a declaration of Trust dated September 1999, the Trust was made the beneficiary of a gift from David T K Wong of:

- : US\$300k US Federal Government Zero Coupon Bonds which matured in November 2011, and
- : US\$50k US Federal Government Zero Coupon Bonds which matured in November 2015, and
- : US\$250k US Federal Government 7.625% Coupon Bonds which mature in January 2023

**AMNESTY INTERNATIONAL UK SECTION CHARITABLE TRUST**  
**Notes forming part of the financial statements for the year ended 31 December 2017**

**17 Funds - continued**

In October 2014 a gift was received of £25k, and in February 2016 a further gift of £20k was received, with both gifts to be invested in the endowment fund. The Trustees are obliged to hold this capital and any maturing bonds in perpetuity and apply the income of the fund in furtherance of the Trust's charitable objectives.

The endowment fund represents cash and bonds (stated at market value). The bonds must be held until their maturity dates.

**Transfers between Funds**

The movement between funds shown above which reduces the Designated Fund by £32k is a reflection of the reduction in the net book value of the fixed assets over the year.

The movement between funds shown above which increases the Endowment fund by £6k represents: £14k interest earned on listed investments to be applied to Unrestricted funds for the furtherance of the Trust's charitable objectives and a donation of £20k received into Unrestricted funds in 2016, which has now been applied to Endowment funds.

**Funds movements for 2016 are analysed below for comparison.**

	Undesignated funds £000s	Designated funds £000s	Restricted funds £000s	Endowment funds £000s	Total £000s
<b>At 1 January 2016</b>	<b>1,584</b>	<b>4,746</b>	<b>246</b>	<b>529</b>	<b>7,105</b>
Total incoming resources	16,088	-	462	15	16,565
Total resources expended	(14,450)	-	(558)	-	(15,008)
Movement between reserves	101	(32)	-	(69)	-
Unrealised investment gains	-	-	-	104	104
<b>At 31 December 2016</b>	<b>3,323</b>	<b>4,714</b>	<b>150</b>	<b>579</b>	<b>8,766</b>
<b>Represented by</b>					
Land and buildings	-	4,714	-	-	4,714
Investments	-	-	-	269	269
Net current assets	3,323	-	150	310	3,783
	<b>3,323</b>	<b>4,714</b>	<b>150</b>	<b>579</b>	<b>8,766</b>

**18 Notes to cash flow statement**

**Reconciliation of net income to net cash flow from operating activities**

	2017 £000s	2016 £000s
<b>Net income for the year as per the statement of financial activities</b>	<b>2,803</b>	<b>1,661</b>
<b>Adjustments for:</b>		
Depreciation charges	32	32
Interest received	(17)	(21)
Interest paid	-	19
Exchange loss / (gain) on foreign currency holdings	32	(41)
(Increase)/Decrease in debtors	(2,316)	681
Increase/(Decrease) in creditors	2,163	(1,159)
<b>Net cash provided by operating activities</b>	<b>2,697</b>	<b>1,172</b>

**Analysis of cash and cash equivalents**

	1 Jan 2017 £000s	Cash flows £000s	31 Dec 2017 £000s
Cash at bank and in hand	2,526	2,714	5,240

The difference of £17k between the net cash used in operating activities and the change in cash in the year represents the net cash provided by investing activities as shown in the cash flow statement.

**AMNESTY INTERNATIONAL UK SECTION CHARITABLE TRUST**  
**Notes forming part of the financial statements for the year ended 31 December 2017**

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**19 Related party transactions**

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

The Trust 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.

**Related entity balances**

At 31 December the Trust had the following balances with related entities:

	<b>2017</b>	<b>2016</b>
	<b>£000s</b>	<b>£000s</b>
Due to UK Section	386	176

**Related entity transactions**

During the year the following transactions took place with related entities reflecting monies flowing in/(out) of the charity:

	<b>2017</b>	<b>2016</b>
	<b>£000s</b>	<b>£000s</b>
Grant to Amnesty International Limited for research into human rights violations	(10,291)	(9,104)
Grants made from restricted funds to Amnesty International Limited for furtherance of charitable objectives	(126)	(140)
Grants made from restricted funds to the UK Section for furtherance of charitable objectives	(115)	(255)
Charges made to the UK Section under the terms of a lease for the occupancy of the Human Rights Action Centre	245	245
Charges made by the UK Section under the terms of a licence to use the Human Rights Action Centre	(45)	(45)
Payments made to the UK Section for campaigning work in support of the Human Rights Act	-	(30)
Payments made to the UK Section for Amnesty magazine	(100)	(102)
Donation from the UK Section under a Deed of Covenant	100	100

**AMNESTY INTERNATIONAL UK SECTION CHARITABLE TRUST**  
**Notes forming part of the financial statements for the year ended 31 December 2017**

**20 Income under operating leases**

The following income has been committed to the Trust in the future in respect of operating leases:

	<b>2017</b>	<b>2016</b>
	<b>£000s</b>	<b>£000s</b>
<b>Minimum lease income due</b>		
No later than one year	245	245
Between 1 and 5 years	980	980
More than 5 years	4,145	4,390
	<b>5,370</b>	<b>5,615</b>
<b>Analysed between:</b>		
Human Rights Action Centre	<b>5,370</b>	<b>5,615</b>

**21 Financial instruments**

	<b>2017</b>	<b>2016</b>
	<b>£000s</b>	<b>£000s</b>
<b>Financial assets</b>		
Financial assets that are debt instruments measured at settlement amount	9,618	4,588
Financial assets measured at fair value	237	269
	<b>9,855</b>	<b>4,857</b>

Financial assets measured at settlement amount comprise cash, trade debtors and other debtors. Financial assets measured at fair value comprise fixed asset investments in bonds.

**Financial liabilities**

Financial liabilities measured at settlement amount	2,968	805
	<b>2,968</b>	<b>805</b>

Financial liabilities measured at settlement amount comprise trade creditors, other creditors, accruals and amounts due to associated undertakings.