

AMNESTY INTERNATIONAL UK SECTION CHARITABLE TRUST

Financial statements for the year ended 31 December 2019

AMNESTY INTERNATIONAL UK SECTION CHARITABLE TRUST
Financial Statements for the year ended 31 December 2019

Contents

1	Legal and administrative information
2 - 4	Trustees' Report and statement of Trustees responsibilities
5 - 16	Strategic Report
17 - 19	Report of the independent auditors
20	Statement of financial activities
21	Balance sheet
22	Cash flow statement
23 - 37	Notes forming part of the financial statements

AMNESTY INTERNATIONAL UK SECTION CHARITABLE TRUST
Financial Statements for the year ended 31 December 2019

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

Trustees

Nicolas Patrick - Chair	Nicholas Vogelpoel ^(A)
Gareth Davies - Chair -resigned 1 February 2020	Ruth Breddal ^(*,A,B) - resigned 28 June 2019
Meredith Coombs ^(*,A,B)	Lisa Warren ^(*,A)
Amie Ibrahim Brown ^(B)	Livia Aliberti ^(A) - resigned 1 February 2020
Deborah Charnock - appointed 14 December 2019	Eilidh Douglas ^(*) - appointed 29 June 2019
Emma France - resigned 1 February 2020	Andrew Lines - appointed 14 December 2019
Frederica De Silva - appointed 11 July 2020	

* 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

Chief executive and other key management personnel

Kate Allen	Chief Executive
Tim Hancock	Director of Chief Executive's Office
Kerry Moscogiuri	Director of Supporter Campaigning and Communications
Rosie Chinchin	Director of Fundraising
Louise Harris	Director of Corporate Services - appointed 12 August 2019

Bankers

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

**AMNESTY INTERNATIONAL UK SECTION
CHARITABLE TRUST**
Trustees' Report for the year ended 31 December 2019

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 a registered charity in both England and Wales, and Scotland, and 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 independent of the UK Section, by virtue of the fact that although the Trustees are appointed by the Board of the UK Section, they are appointed as individuals not representatives, 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 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 three years. 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.

To ensure our independence, we do not seek or accept money from governments other than for our human rights education work. During 2019, the Trust received funds from the Department for International Development for a human rights education project focused on female genital mutilation

**AMNESTY INTERNATIONAL UK SECTION
CHARITABLE TRUST
Trustees' Report for the year ended 31 December 2019**

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.

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.

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

In the performance of their duties, the Trustees have regard to the Charity Governance Code for larger charities and relevant components of Amnesty International's own global Core Standards. The Trustees regularly reflect on their governance arrangements.

The agreed revisions to the Articles increase to three years the period when a retiring Director, after reaching their maximum term office, is ineligible for another term of appointment as a Trustee.

Trustees understand the importance of skills development and, in 2019, received training on risk and data protection.

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). 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.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and

**AMNESTY INTERNATIONAL UK SECTION
CHARITABLE TRUST
Trustees' Report for the year ended 31 December 2019**

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.

During 2019, following the review of all other staff posts in 2018, the pay of the Executive Director was reviewed, evaluated and benchmarked against not for profit and public sector market rates, and against an all sector index. This information was used to inform the pay rate which will enable us to recruit and retain the key Executive Director position, and deliver our strategic goals. The Trust is a Living Wage accredited employer, meaning all our staff and contractors are paid at least the Living Wage.

5. Covid-19

These annual accounts report on a period before we knew about Covid-19. The virus emerged as we were in the process of producing these accounts. Both the activities of the Trust in 2020, and the risks it faces have been impacted by the emergence of this virus. These risks have been assessed and the Trustees consider that the going concern basis of accounting is appropriate.

6. Thank you

Volunteers are involved in a lot of different roles across the Trust. The 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:

Nicolas Patrick, Chair
24 September 2020

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 the International Secretariat. The Trust also funds 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 Amnesty International movement and UK strategic priorities agreed with the UK Section.

Global Strategic Goals (2016-2020)

Goal 1: Reclaiming Freedoms

- People defending human rights are safe and supported
- People know their rights and are empowered to claim them
- People can claim their rights to speak out, organise and challenge injustice

Goal 2: Securing equal rights for all

- Discrimination, including violent discrimination is reduced
- Progress is made towards equality based on gender, gender identity and sexuality

AMNESTY INTERNATIONAL UK SECTION CHARITABLE TRUST

Strategic Report for the year ended 31 December 2019

- More people can enjoy their economic, social and cultural rights

Goal 3: Responding to crises

- Civilians are better protected through effective action by national, regional and international institutions and mechanisms
- People affected by conflict, crises, torture, have access to adequate protection and assistance
- Those responsible for human rights abuses are held accountable and victims have access to justice, truth and reparation.

Goal 4: Ensuring accountability

- Regional and global human rights mechanisms are reinforced where national rights protection is failing
- Human rights governance and accountability are strengthened at national level

Goal 5: Maximising our resources and engagement

- Amnesty International is a larger, stronger and more diverse movement with a greater capacity to achieve human rights impact
- Amnesty International is strengthened through active and diverse participation.

UK Strategic Human Rights Priorities (2016-2020)

- Protecting the rights of refugees
- Protecting the space for civil society
- Ensuring that human rights are respected, protected and promoted in the United Kingdom
- Responding to human rights crises
- Protecting individuals at risk
- Educating people about their human rights

The Trust typically provides annual grants to support projects that are mostly of longer than one year duration.

During 2019, grants to the International Secretariat covered the following areas.

Goal 1: Reclaiming Freedoms

During 2019, grants from the Trust supported documentation of violations against human rights defenders around the world, addressing negative narratives and raising awareness of the positive contribution of defenders in a number of countries. In the EU, Balkans and Turkey, Trust grants supported learning exchanges and the development of mutual support networks for defenders. In Gambia, Trust grants supported training for civil society organisations and technical advice on legislative reform.

Goal 2: Securing equal rights for all

The Trust's West Africa human rights education project, involving local Amnesty International Sections and civil society organisations in West Africa, as well as the International Secretariat, entered its second year of operation. Supported by UK Aid, the project aims to educate communities and empower women and girls in order to reduce the incidence of female genital mutilation and early

AMNESTY INTERNATIONAL UK SECTION CHARITABLE TRUST

Strategic Report for the year ended 31 December 2019

forced marriage in 71 communities in Burkina Faso, Senegal and Sierra Leone. A mid-term review found that the project was meeting expectations overall and that the establishment of “Alert Committees” and human rights clubs had contributed to higher than anticipated reporting in the target communities.

Trust grants also enabled the analysis of economic, social and cultural rights violations in Colombia and the Gulf states and in the context of large-scale economic projects in Latin America. The Trust supported research on indigenous peoples land rights in Kenya and the criminalization of homelessness in Brazil.

Goal 3: Responding to crises

During 2019, Trust grants provided support to the International Secretariat’s “Be There” project. This aims to increase the capacities of its Crisis Response team, including through the use of technology, open source tools, satellite imagery and 3D modelling. It also aims to increase the number of refugee sponsorship schemes in different countries and build the capacity of civil society organisations to seek justice and redress for human rights violations in situations of conflict.

Trust grants also supported work on Boko Haram affected areas of West Africa, including through capacity building of civil society organisations to document and report violations and through research on the economic, social and cultural rights impacts of the conflict.

Goal 4: Ensuring accountability

During 2019, the Trust supported research projects to document the scale of extrajudicial executions in Kenya, human rights violations in the context of The Philippines’ war on drugs and potential human rights abuses associated with extractive industries in southern Africa and Sierra Leone. The Trust also supported international justice projects, including monitoring the performance of international courts.

Goal 5: Maximising resources and engagement

Trust grants in 2019 supported projects to reach Chinese speaking audiences outside China and the development of a regional communications hub in South Asia.

In addition, the Trust supported a number of international capacity building and human rights monitoring projects that support all of the strategic goals. These included projects to support policy development and sharing, to build skills in intergovernmental organisations’ advocacy and engagement with standard-setting processes.

Protecting the rights of refugees

The Trust approved grants in support of the UK Section’s work on the rights of refugees. This aims to promote the rights of refugees and migrants through developing a more welcoming and supportive environment, sponsoring positive public discourse and ensuring adequate legal protection for those fleeing conflict, violence and persecution. In addition to general awareness-raising initiatives, the Trust-supported work included the *Football Welcomes* programme to raise community-level awareness, casework to support individual refugees and support positive outcomes in country guidance cases and to seek changes to UK legislation to support improved access to family reunion for children.

AMNESTY INTERNATIONAL UK SECTION CHARITABLE TRUST

Strategic Report for the year ended 31 December 2019

Participation in the 2019 iteration of *Football Welcomes* expanded once again, reaching all levels of the male and female game in the UK. This helps to get a 'Welcome Refugees' message beyond the audiences normally reached through Amnesty International's communications and is increasingly informing the community outreach work of professional clubs.

Protecting the space for civil society

During 2019, Trust grants supported the UK Section's *Brave* campaign. This seeks to build awareness of human rights defenders (HRDs), to provide UK-based support and solidarity for individual HRDs around the work and to contribute to improved protection and support for civil society organisation. The work supported by the Trust contributed to the UK government's publication of guidelines on human rights defenders, enabling human rights defenders to understand what support they could obtain from UK missions abroad and enabling more of them to access that support.

Protecting individuals at risk

Grant support for the UK Section's Individuals at Risk Programme aims to inspire and empower supporters to take action for individuals and communities whose rights are being denied. During 2019, activities included support for long-term casework and case monitoring and the issuing of Urgent Action requests. The Trust's grant also supported the UK Section's annual *Write for Rights* campaign, which engages supporters and the general public in acts of solidarity for human rights defenders and individuals at risk. This year's campaign included active engagement of the individuals featured in the five priority cases, contributing to an increase in public expressions of solidarity.

Educating people about their human rights

The Trust supported the UK Section's human rights education (HRE) programme throughout 2019, which aims to ensure that children, young people and adults in the UK know their rights, can claim them and take action to defend the rights of others around the world. The programme includes the development of HRE resources, the provision of continuing professional development training for teachers, maintenance of the *TeachRights* and school speakers networks and working with the International Secretariat to deliver Massive Open Online Courses (MOOCs). Trust support in 2019 enabled the UK Section's HRE programme to reach 34,000 children and young people, and more than 5,000 adults through a MOOC.

Human Rights Crises

The Trust grants support the UK Section's work on the Syria crisis, which focused on training support for four NGOs, enabling them to develop their strategies and operational plans. Work conducted by these organisations has contributed to the arrest of former officials of the Syrian government for human rights violations.

Raising awareness of human rights

Trust grants enabled the UK Section to undertake a number of activities to raise awareness of Amnesty International's research. This included support for submissions and the attendance of experts at a session of the UN Committee Against Torture and UN Committee on the Elimination of Discrimination

AMNESTY INTERNATIONAL UK SECTION CHARITABLE TRUST

Strategic Report for the year ended 31 December 2019

Against Women during their examination of the UK's record. Grants also supported relationship development with journalists and politicians to support the dissemination of research, individual briefings and submissions to parliamentarians and all-party groups. The Trust also supported research and consultation to assist the completion of a strategy on UK human rights and the commencement of strategic reviews of media and work and youth engagement.

b) Fundraising and Foundations Strategies

Fundraising

Increased fundraising regulation and the implementation of the European General Data Protection Regulation (GDPR) has created a challenging environment for fundraising in the UK. The Trust saw a small decrease in the number of individuals contributing to its work, ending 2019 with around 97,500 financial supporters down from around 98,500 financial supporters at end of 2018. This decrease has contributed to a £0.1m decrease in donations from supporters compared to 2018, at £7.5m in 2019.

While raising funds from individuals continues to be our main source of funding to invest in human rights work, income source diversification continues to be critical in the current climate. We plan to do this by focusing on building income from major gift sources and legacies. In 2019 our partnership with People's Postcode Lottery contributed £2.8m and we also experienced another strong performance from our legacy programme, raising £4.4m.

We launched the fundraising proposition project in 2019, to deliver a tangible and powerful case for support with proposition statements that demonstrate the impact of donations, enabling us to better articulate why we need our supporters to fund our human rights work. In 2019 we also launched an innovation project which seeks to embed a culture of innovation for fundraising, develop agile processes for developing and launching new products. Both projects will contribute towards diversifying our fundraising and growing income.

The Trust follows a set of six fundraising principles, which we use to guide our fundraising policy, strategy and the behaviour of our fundraisers and the professional fundraising agencies we work with. These principles lay out 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's fundraising activity complies with all relevant legislation and regulation. The Trust complies with the Code of Fundraising Practice and is registered with the Fundraising Regulator. The Trust is a member of the Direct Marketing Association and the Institute of Fundraising.

During 2019, a review of fundraising compliance was completed. Following this review, several recommendations for improvements were made and have been incorporated into our ongoing fundraising compliance framework. We have a documented policy, and a set of fundraising principles

AMNESTY INTERNATIONAL UK SECTION CHARITABLE TRUST

Strategic Report for the year ended 31 December 2019

that guide our fundraising. Training and procedures are provided to enable staff to put the fundraising policy and principles into practice and to carry out fundraising activities in compliance with relevant legislation, regulation and the standards set out in the Code of Fundraising Practice.

Our supporter care team received a total of 301 complaints in relation to the UK Section and the Trust's fundraising activities in 2019 (2018: 105). Of these 2019 complaints, we identified that 42 relate directly to the Trust, 217 to the UK Section and a further 42 general fundraising complaints which could not be attributed to either entity. Comparative information is not available for 2018.

We respond to all complaints, and ensure corrective action is taken as required. Those corrective actions might include retraining fundraisers and revising our fundraising activities.

We recognise the need to ensure we respond appropriately when our fundraisers engage with people who may be in vulnerable circumstances. We are committed to showing respect and empathy towards people in vulnerable circumstances and we ensure 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: Having concluded a pilot project management approach in 2018, this year saw rollout across the Trust and the establishment of a project managers forum. Work is continuing to embed the approach.

Developing our people and culture: The Trust and UK Section worked together to develop and execute a leadership development programme for senior managers and heads of team. Work on policy development on equality, diversity and inclusion did not proceed as planned due to the prioritization of work on safeguarding and wellbeing.

Governance: During 2019, consultants completed a review of the relationship between the Trust and the UK Section. This work had commenced in 2018 but was paused to await the publication of finalised Charity Commission guidance on working with connected organisations. Work to implement the recommendations will commence in 2020. At the end of 2019, the Trustees agreed to engage consultants to advise on the development of the Trust's grant management systems.

Technology: Planning work continued on the development of technology systems. However, work will commence in 2020 (rather than 2019, as planned). This follows the costing of different delivery streams, which led to a change of approach in a number of areas, including a decision to pursue intranet development using in-house resources.

Safeguarding: Work to review and improve the policies and procedures on child and vulnerable adult safeguarding commenced in 2017 and continued throughout 2019, including through the key appointment of a Head of Safeguarding. Activities during the year included risk mapping and planning, adoption of an overall safeguarding approach, provision of advice to staff and revision of the safeguarding governance structure.

AMNESTY INTERNATIONAL UK SECTION CHARITABLE TRUST
Strategic Report for the year ended 31 December 2019

4. Plans for future periods

The table below details how the Trust will make progress toward strategic goals in 2020.

Our priorities	What we will do in 2020
Grant making	<p>The Trust will offer grants in support of international work and human rights activity in the UK and will look to provide support across the spectrum of international and UK strategic goals.</p> <p>The Trust will continue to review and develop its grant-making procedures, commencing with the engagement of a consultant to provide external review.</p>
Growing our financial resources	<p>The Trust will achieve income of £19.9m</p> <p>We will reduce the level of free reserves towards our target range of £3.7m - £4.7m.</p> <p>The Trust will recruit or reactivate 20,000 financial supporters, and receive 11,000 SMS donations. The Trust will end 2020 with around 104,000 financial supporters, an increase of 5%.</p>
Connecting more people to human rights*	The Trust and UK Section will together work towards a long-term goal of engaging 2% of the UK population.
Enhancing Project management*	We will continue to support induction and training the AIUK approach to project management and provide project mentoring and support to project managers and sponsors.
Developing our people and culture*	<p>We will provide a management development programme and ongoing coaching.</p> <p>We will streamline HR processes by developing a more integrated IT system and training staff to use it.</p>
Enhancing our governance	We will plan and commence the implementation of recommendations arising from the review of the relationship between the Trust and the UK Section.
Deploying Technology Effectively*	<p>We will ensure network stability through network switch replacement and delivering a new Storage Area Network, as well as upgrading internal servers.</p> <p>We will develop a business case for the replacement of our contact database.</p>

AMNESTY INTERNATIONAL UK SECTION CHARITABLE TRUST

Strategic Report for the year ended 31 December 2019

Long-term plans	We will consider and, if thought necessary, contribute to the development of overarching strategic priorities for the global amnesty movement and identify the Trust's own strategic priorities for the years ahead.
Safeguarding*	We will continue to embed safeguarding across the Trust and develop our strategy; identify and train safeguarding leads; commence engagement with the wide on Amnesty International movement on safeguarding approaches.

* 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", second edition issued in October 2019, 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 deficit for the year of £0.5m which is £0.6m less than the £0.1m surplus achieved in 2018. Income was £1.3m less than last year, largely as a result of £1.2m lower income from legacies.

Expenditure has decreased by £0.7m. The main reasons are a reduction in expenditure on raising funds of £0.7m. A large part of our expenditure (48%) continues to support global research into human rights violations (2018: 49%). The proportion of expenditure on the promotion of human rights increased to 22% from 17% in 2018. This increase was a direct result of larger charitable grants from unrestricted funds made to the UK Section totaling £3.4m (2018: £2.5m).

The cash holdings of the Trust reduced by £3.6m during 2019, to £3.1m at 31 December 2019 (2018: £6.6m). This was a result of clearing a liability for contributions to the International Secretariat for research into human rights violations. This is reflected as part of a £4.2m reduction in creditors due within a year to £0.5m at 31 December 2019 (2018: £4.7m).

Free reserves at 31 December 2019 were £6.0m, which is a decrease of £0.4m on 2018 and is above the target range of £3.7m to £4.7m. The reserves policy is addressed further in Section 7 below.

AMNESTY INTERNATIONAL UK SECTION CHARITABLE TRUST

Strategic Report for the year ended 31 December 2019

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 Covid-19 global crisis has impacted the Trust in the period following the balance sheet date but before these accounts are signed. Planned activities have changed as the Trust reacts to human rights issues associated with the Covid-19 pandemic, and has begun funding work in this area. The fundraising environment has also been impacted, with more fundraising now happening online, and activities requiring face to face interaction curtailed. Our supporters have maintained their regular payments, with lower cancellation rates in comparison to the past 3 years in the period April to June. That highly valued support has helped limit the overall financial impact of Covid-19.

A degree of uncertainty remains. The Trust is not insulated from the health of the UK economy, and the longer term impact of Covid-19 on the economy is currently unclear. We are undertaking extensive scenario planning to ensure that we can adapt financially sustainable plans against a range of fundraising outcomes. We have applied the going concern basis of accounting for these accounts as we are confident that we can control costs and adapt to a broad range of challenging fundraising environments that could follow the Covid-19 pandemic.

The staff and volunteers have been largely able to carry on their work remotely, with a great effort made to update our IT infrastructure in early March, ahead of the offices closing for Covid-19 reasons later that month. Whilst some roles have been more impacted than others, through online collaboration tools our Board and governance committees, senior management, and most of our staff and volunteers have remained operational. Financial controls have been adapted to remote working, with regular review by a newly established finance and risk monitoring group.

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

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

AMNESTY INTERNATIONAL UK SECTION CHARITABLE TRUST
Strategic Report for the year ended 31 December 2019

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, and will be developing the next strategic plan throughout 2020. • We report quarterly against strategic objectives through a suite of key performance indicators. • Monitoring, evaluation and impact assessment systems are being continually 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 income growth, and have constrained fixed cost commitments while we assess returns on fundraising investments. • We have reviewed the reserves policy which is linked to these risks and is reviewed annually. • A more sustainable international funding framework has significantly improved our long-term financial sustainability. • Robust budgeting, forecasting and long-term financial planning processes are in place.
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 and procedures designed to manage this risk including those covering: acceptance of donations, unauthorised fundraising, creative approvals, 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.
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 relevant movement core standards. • We have an on-going programme of work to formalise operational and compliance aspects of both the UK Section and Trust. • Processes supporting Trust grants to the International Secretariat and UK Section have been improved.

AMNESTY INTERNATIONAL UK SECTION CHARITABLE TRUST

Strategic Report for the year ended 31 December 2019

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. • There is a programme of internal audit and we have undertaken pieces of work to ensure compliance in specific areas. • We have completed significant workstreams around ensuring data protection and fundraising compliance. • We identified and delivered on actions in order to meet the new beneficiary safeguarding requirements of our DfID Aid Match grant; our ability to meet the safeguarding requirements of funders will be assessed prior to solicitation of grants.
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?	<ul style="list-style-type: none"> • We work closely with staff and have a number of formal fora within which staffing issues are discussed. • We have a People and Culture strategy and suite of policies that ensure we are exercising our duty of care. • The Individuals at Risk and Human Rights Defenders strategy addresses informed consent. We discuss risks with human rights defenders and the consent status of each case is recorded and reviewed regularly. • A Head of Safeguarding has been recruited and has formed a safeguarding plan for the organization and is now leading on the implementation of key parts of this work. • We are developing a leadership/staff development programme, with all senior staff receiving leadership training in 2019, and all other people managers to undergo training in 2020.

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 2019, unrestricted funds totalled £10.6m (2018: £11.1m). This comprises:

- £4.6m (2018: £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.
- £6.0m (2018: £6.4m) 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 determined by considering the key strategic and operational risks facing the Trust, as well as the strategic plans and current financial position. Work to understand emerging risks associated with Covid-19, and any change in target reserves for future periods is underway.

AMNESTY INTERNATIONAL UK SECTION CHARITABLE TRUST

Strategic Report for the year ended 31 December 2019

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 2019, the level of free reserves was above this range, at £6.0m. The 2019 deficit was planned, and aimed to use free reserves to further the Trust's strategic objectives, and in doing so reduce them towards the target range. The target range of free reserves above is based on a set of pre-Covid-19 risks. The Trust's higher than target free reserves places it in a strong position to meet the emergent financial risks associated with the virus.

The Trust aims to gradually bring free reserves in line with the policy, by increasing expenditure on charitable activities and fundraising investments in 2020 and future years, in line with the financial strategy.

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 2019 the only 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, incorporating the Strategic Report, is now approved by the Board and signed on its behalf by:

Nicolas Patrick, Chair

24 September 2020

AMNESTY INTERNATIONAL UK SECTION CHARITABLE TRUST
Audit Report for the year ended 31 December 2019

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 2019 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 2019 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

Audit Report for the year ended 31 December 2019

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

Audit Report for the year ended 31 December 2019

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.

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.

Use of our report

This report is made solely to the Charitable Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, 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.

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

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 2019

	Note	Unrestricted funds	Restricted funds	Endowment funds	Total funds	Total funds
		2019 £000s	2019 £000s	2019 £000s	2019 £000s	2018 £000s
Income from:						
Donations and grants	4,5	13,406	702	-	14,108	15,497
Other trading activities	6	4,399	25	-	4,424	4,345
Investment and other income	7	285	-	4	289	280
Total income		18,090	727	4	18,821	20,122
Expenditure on:						
Raising Funds						
Raising funds	4	3,584	-	-	3,584	4,272
Other trading activities	6	781	-	-	781	780
Total expenditure on raising funds		4,365	-	-	4,365	5,052
Charitable activities						
Promotion of human rights	8	4,137	162	-	4,299	3,327
Research: human rights violations	8	8,706	543	-	9,249	9,886
Investment in activist recruitment	8	1,374	-	-	1,374	1,739
Total expenditure on charitable activities		14,217	705	-	14,922	14,952
Total expenditure		18,582	705	-	19,287	20,004
Net (losses) / gains on investments	13	-	-	(15)	(15)	2
Other recognised (losses) / gains	16	(7)	-	(6)	(13)	20
Transfers between funds	16	4	-	(4)	-	-
Net income / (expenditure)		(495)	22	(21)	(494)	140
Reconciliation of funds:						
Total funds brought forward		11,097	48	564	11,709	11,569
Total funds carried forward		10,602	70	543	11,215	11,709

All amounts relate to continuing activities. The notes on pages 23 to 37 form part of these financial statements. Analysis by fund of the 2018 income and expenditure comparatives is shown in notes 4 to 8.

AMNESTY INTERNATIONAL UK SECTION CHARITABLE TRUST
Balance sheet at 31 December 2019

	Note	2019 £000s	2019 £000s	2018 £000s	2018 £000s
Fixed assets					
Tangible fixed assets	12	4,640		4,686	
Investments	13	<u>-</u>		<u>239</u>	
			4,640		4,925
Current assets					
Debtors	14	4,019		4,845	
Cash at bank and in hand		<u>3,058</u>		<u>6,636</u>	
		7,077		11,481	
Creditors: amounts falling due within one year	15	<u>(502)</u>		<u>(4,697)</u>	
Net current assets			6,575		6,784
Total net assets			<u>11,215</u>		<u>11,709</u>
Funds					
Unrestricted					
Undesignated	16		5,962		6,411
Designated	16		4,640		4,686
Restricted	16		70		48
Endowment	16		543		564
Total funds			<u>11,215</u>		<u>11,709</u>

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

Nicholas Patrick, Chair
24 September 2020

Company number: 03139939

The notes on pages 23 to 37 form part of these financial statements.

AMNESTY INTERNATIONAL UK SECTION CHARITABLE TRUST
Cash flow statement for the year ended 31 December 2019

	Note	2019 £000s	2019 £000s	2018 £000s	2018 £000s
Cash flows from operating activities					
Net cash (used in) / provided by operating activities	17		(3,846)		1,402
Cash flows from investing activities					
Interest received	7	44		35	
Sale of fixed asset investments	13	224		-	
Payments to acquire tangible fixed assets	12	-		(41)	
Net cash provided by / (used in) investing activities			268		(6)
Change in cash and cash equivalents in the year	17		(3,578)		1,396
Cash and cash equivalents at the beginning of the year	17		6,636		5,240
Cash and cash equivalents at the end of the year	17		3,058		6,636

The notes on pages 23 to 37 form part of these financial statements.

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 Charities Statement of Recommended Practice (SORP), 'Accounting and Reporting by Charities' effective from 1 January 2019, the Companies Act 2006, the Charities Act 2011 and applicable UK accounting standards, including FRS 102. The principal accounting policies are set out below and have been applied consistently throughout the year.

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

Going Concern

The Covid-19 global crisis has impacted the Trust in 2020. Planned activities have been adapted and changed as the Trust reacts to human rights issues associated with the Covid-19 pandemic, and has begun funding work in this area. The fundraising environment has also been impacted, with more fundraising now happening online, and activities requiring face to face interaction curtailed, including face to face recruitment of supporters and sponsored events.

To date our supporters have maintained their regular payments, with lower cancellation rates in 2020 than in comparison to the past 3 years. That valued support has helped limit the overall financial impact of Covid-19. In 2020 we anticipate around 1% higher income than 2019.

The Trust is not insulated from the health of the UK economy, and the longer term impact of Covid-19 on the economy remains uncertain. We have undertaken extensive scenario planning to ensure that we can adapt financially sustainable plans, which outline how we would adapt our operations in a range of fundraising outcomes. These anticipate income in 2021 between 2% and 10% lower than 2019. We are also actively looking at possibilities to control costs and expect to make further changes to reduce our costs during the remainder of 2020 and into 2021.

The Trust has a strong balance sheet including significant cash holdings. The Trust also owns a valuable freehold office in London, which could be used as security on a loan, to secure additional liquidity if required.

Given the strength of the balance sheet, and the ability of the Trust to control its costs, the Trustees consider that there is no material uncertainty that would cast doubt on the Trust's ability to continue as a going concern, and therefore that it is appropriate to prepare the accounts on a going concern basis.

2 Accounting Policies - Continued

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.

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.

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.

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.

The comparatives in Note 4 have been adjusted to provide a more detailed and consistent presentation of those items in accordance with the SORP.

Estimates and Judgements

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

Whilst the emergence of the Covid-19 virus in the UK after the balance sheet date will have an impact on future operations, we do not consider it to be either an adjusting or non-adjusting event, as there has been no material loss in the value of assets or liabilities subsequent to the reporting date.

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.

2 Accounting Policies - Continued

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:

Freehold buildings 2% per annum; Computer equipment 33% per annum;

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 2019

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 2019 £000s	Restricted 2019 £000s	Endowment 2019 £000s	Total 2019 £000s	Total 2018 £000s
Donations from supporters (see note 5)	7,367	139	-	7,506	7,629
Legacies	4,437	-	-	4,437	5,624
Gift Aid	1,508	-	-	1,508	1,580
Grants received (see note 5)	94	563	-	657	664
	13,406	702	-	14,108	15,497
Expenditure on raising funds					
Supporter recruitment	2,060	-	-	2,060	2,610
Supporter care	497	-	-	497	477
General fundraising	896	-	-	896	1,016
Legacies	131	-	-	131	169
	3,584	-	-	3,584	4,272
Net fundraised income generated	9,822	702	-	10,524	11,225

Included in the expenditure in raising funds is £627k (2018: £676k) of apportioned support costs. (See note 9 for further information).

Donations from supporters in 2018 included £15k restricted income. £3k of gift aid received in 2018 was restricted. £476k of grants received in 2018 were restricted.

All other 2018 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 2019

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:

Human Rights Education - Scotland	24
Be There	115
	139

Grants:

The Legal Education Foundation	Human Rights Consortium Scotland	63
Comic Relief	Kenya - Forced evictions project	10
Department for International Development	Human Rights Education - West Africa	288
The British Red Cross	Refugee programme	72
TCC Foundation	Be There	130
		563

Corporate relationships:

DLA Piper	Be There	25
-----------	----------	----

Total restricted funds received

727

Grant income is recognised when the conditions for receipt have been complied with, therefore multi-year grants are recognised in the year the grant commitment is made where there are no conditions which would prevent receipt of funds in future years if not met. Restricted funds recognised in 2018 included £60,000 granted by the Joseph Rowntree Charitable Trust which is payable over 3 years.

6 Other trading activities

	Income	Expenditure	Net funds	Income	Expenditure	Net funds
	2019	2019	2019	2018	2018	2018
	£000s	£000s	£000s	£000s	£000s	£000s
Corporate relationships	161	2	159	151	1	150
Community fundraising	380	265	115	413	300	113
Appeals	442	170	272	503	182	321
Lotteries	3,192	230	2,962	3,034	183	2,851
Raffles	249	114	135	244	114	130
	4,424	781	3,643	4,345	780	3,565

Corporate relationships income includes £25k which is restricted to fund the Be There programme. There was no restricted income in Other trading activities in 2018.

Lottery income in 2019 of £3,192k (2018: £3,034k) is from the Trust's weekly lottery draws, and from a series of lottery draws 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 the PPL draws. Proceeds from the PPL draws have been recognised in the Statement of Financial Activities as net of prizes and other expenditure.

The lottery draws run by the PPL had gross ticket proceeds of £8,863k (2018: £8,458k), paid out prizes of £3,545k (2018: £3,383k), and had operating costs of £2,482k (2018: £2,368k). The residual balance of £2,836k (2018: £2,707k) fell to The Trust as the charity beneficiary of the draws.

Included in expenditure on other trading activities is £71k (2018: £75k) of apportioned support costs. (See note 9 for further information).

AMNESTY INTERNATIONAL UK SECTION CHARITABLE TRUST
Notes forming part of the financial statements for the year ended 31 December 2019

7 Investment and other income	2019	2018
	£000s	£000s
Interest receivable on bank deposits	37	20
Interest receivable on fixed asset investments	7	15
Investment income	44	35
Rental income	245	245
Total investment and other income	289	280

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.

8 Expenditure on charitable activities	2019	2018
	£000s	£000s
Promotion of human rights		
Grants from unrestricted funds to the UK Section:	3,410	2,453
Restricted grants to the UK Section:		
Human Rights Education - Scotland	24	-
Individuals at risk	-	1
Human Rights Consortium Scotland	57	111
Refugee programme	81	30
Women's human rights	-	13
Total restricted grants to the UK Section	162	155
Production and distribution of human rights publications	569	565
Support costs apportioned (see note 9)	158	154
Total expenditure on promotion of human rights	4,299	3,327

Restricted 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 2019

8 Expenditure on charitable activities - Continued	2019	2018
	£000s	£000s
Research into and relief of human rights violations		
Grant to Amnesty International Limited	8,706	9,455
Direct international funding	543	431
Total research into and relief of human rights violations	9,249	9,886
Investment in activist recruitment		
Investment in activist recruitment	1,201	1,560
Support costs apportioned (see note 9)	173	179
Total investment in activist recruitment	1,374	1,739
Total expenditure on charitable activities	14,922	14,952
Total restricted grants included in the above		
For the promotion of human rights	162	155
Research into and relief of human rights violations	543	460
	705	615
9 Support Costs		
	2019	2018
	£000s	£000s
Staff costs	758	801
Depreciation	45	37
Auditors - audit fees	35	33
Auditors - other services	-	4
Other support costs	191	209
Total support costs	1,029	1,084
	2019	2018
	£000s	£000s
Raising funds	627	676
Other trading activities	71	75
Promotion of human rights	158	154
Investment in activist recruitment	173	179
Total support costs apportioned	1,029	1,084

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 2019

10 Staff costs

All staff are employed on joint contracts of employment with both the UK Section and the Trust. A total of 259 staff were employed during 2019 (2018: 241).

This number includes part-time and job-share posts and those who joined and left during the year. The average headcount was 209 in 2019 (2018: 202). The full time equivalent number of staff employed in 2019 was 196 (2018: 183).

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.

	2019	2018
	£000s	£000s
Wages and salaries	2,647	2,637
Back-paid wages and salaries	12	113
Social security costs	296	305
Pension costs	199	188
Redundancy payments	56	-
Ex-gratia payments	-	16
	3,210	3,259

The amount shown above for back-paid wages and salaries in 2018 is in respect of a pay and grading review. A commitment was made at the start of the process to back-date the impact of any increase in rates of pay to May 2016, when the need for a pay and grading review was agreed. The review extended beyond the anticipated timeframe, and the backdated adjustment to pay covered a 28 month period from May 2016 to August 2018, and resulted in a one-off increase in staff costs in 2018. In 2019 the final one-off back dated payment in relation to this review was made to one member of staff.

Redundancy costs in 2019 are in respect of payments made to five staff members.

The amount shown above against Ex-gratia payments in 2018 is in respect of a settlement payment made to a member of staff, whose pay grade had been reduced through the pay and grading review, but who had pre-existing protected pay agreements.

The Trust contributes to defined contribution pension schemes.

AMNESTY INTERNATIONAL UK SECTION CHARITABLE TRUST
Notes forming part of the financial statements for the year ended 31 December 2019

10 Staff costs (continued)

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
Raising funds	67	36	1,868
Other trading activities	20	5	176
Promotion of human rights	25	7	406
Support	31	13	758
	143	61	3,208

Of the 259 staff employed during 2019, there were 173 staff who had a part of their time apportioned to the Trust (2018: 146). The full time equivalent number of staff apportioned to the Trust was 61 (2018: 61). The average number of employees apportioned to the Trust for 2019 was 143 (2018: 126).

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:

£ 000s	2019 Total numbers	2018 Total numbers
0 - 60	162	134
60 - 70	6	7
70 - 80	1	-
80 - 90	-	1
90 - 100	3	-
100 - 110	-	4
140 - 150	1	-
	173	146

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. One-off back-payments made to key management personnel in 2018 pushed 3 additional employees into the £100k - £110k emoluments range. A one-off back payment in 2019 pushed one employee into the £140k - £150k range.

Key management personnel remuneration

Aggregate emoluments for the five key management personnel of both the UK Section and the Trust for the year ended 31 December 2019 total £566,432 (2018: £610,715). Emoluments to key management personnel in this note include employer's pension and National Insurance contributions. This figure represents the total costs, of which 46% in total are apportioned to the Trust. In 2018 back-payments of £95k were made to four of the key management personnel. In 2019 a back-payment of £29k was made to one of the key management personnel.

11 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 (2018: £nil). During 2019, out of pocket travel expenses totalling £6 were reimbursed to one Trustee (2018: £502 to three Trustees).

Directors and Officers Liability Insurance cover was in place at an annual premium of £2k (2018: £2k).

AMNESTY INTERNATIONAL UK SECTION CHARITABLE TRUST
Notes forming part of the financial statements for the year ended 31 December 2019

12 Tangible fixed assets

	Computer equipment & infrastructure £000's	Land and buildings £000s	Total fixed assets £000s
Cost			
At 1 January 2019	41	5,094	5,135
At 31 December 2019	41	5,094	5,135
Depreciation			
At 1 January 2019	5	444	449
Charge for the year	14	32	46
At 31 December 2019	19	476	495
Net book value at 31 December 2019	22	4,618	4,640
Net book value at 31 December 2018	36	4,650	4,686

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 has 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.

13 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 16.

	2019 £000s	2018 £000s
Opening market value at 1 January	239	237
Sold during the year	(224)	-
Realised (losses) / gains for the year	(15)	13
Unrealised loss for the year	-	(11)
Closing market value at 31 December	-	239
Historical cost at 31 December	-	231

Realised gains / (losses) relate to exchange rate and revaluation losses in 2019, and to exchange rate gains in 2018.

AMNESTY INTERNATIONAL UK SECTION CHARITABLE TRUST
Notes forming part of the financial statements for the year ended 31 December 2019

14 Debtors

	2019	2018
	£000s	£000s
Tax recoverable on Gift Aid	881	589
Accrued legacy income	2,827	3,958
Other accrued income	256	217
Other debtors and prepayments	55	81
	4,019	4,845

15 Creditors: amounts falling due within one year

	2019	2018
	£000s	£000s
Trade creditors	71	147
Amounts due to related entities	7	964
Accrued charges and deferred income	424	3,586
	502	4,697

Included in the above figures is £45k of deferred income (2018: £45k). £41k of this deferral relates to Amnesty Lottery receipts, where players paid in advance for draws which have not yet taken place (2018: £35k). The remaining £4k was deferred in respect of sponsorship raised in 2019 for events which will take place in 2020 (2018: £10k).

All income deferred at 31 December 2018 was recognised as income in 2019, and all deferred income included above relates to receipts in 2019.

AMNESTY INTERNATIONAL UK SECTION CHARITABLE TRUST
Notes forming part of the financial statements for the year ended 31 December 2019

16 Funds

	Undesignated funds £000s	Designated funds £000s	Restricted funds £000s	Endowment fund £000s	Total £000s
At 1 January 2019	6,411	4,686	48	564	11,709
Total income	18,090	-	727	4	18,821
Total expenditure	(18,582)	-	(705)	-	(19,287)
Movement between reserves	50	(46)	-	(4)	-
Investment and other losses	(7)	-	-	(21)	(28)
At 31 December 2019	5,962	4,640	70	543	11,215
Represented by					
Fixed assets	-	4,640	-	-	4,640
Investments	-	-	-	-	-
Net current assets	5,962	-	70	543	6,575
Long term liabilities	-	-	-	-	-
	5,962	4,640	70	543	11,215

Undesignated funds

Undesignated funds represent the funds that the Trustees are free to use in accordance with the charitable objects.

Investment and other losses which reduce undesignated funds by £7k are exchange losses on cash held in US\$.

Designated funds

Designated funds comprise investments in tangible fixed assets which enable the Trust to carry out its work effectively. As these funds comprise fixed assets, it is not possible to utilise them elsewhere within the Trust.

The movement between funds shown above which reduces Designated Funds by £46k is a reflection of the decrease in the net book value of fixed assets over the year.

Restricted funds

Restricted funds represent grants received for restricted purposes (analysed below). Further details of restricted income and expenditure can be found in notes 5 and 8.

Restricted fund balances at 31 December comprised:

	2019 £000s	2018 £000s
Refugee programme	(9)	-
Human Rights Education - West Africa	(56)	(80)
People Trafficking	87	88
Human Rights Consortium Scotland	46	38
Human Rights Education - Israel	2	2
	70	48

The balance on the fund for Human Rights Education – West Africa is negative as income is only remitted by the Department for International Development, the funder, after project expenditure has been incurred. The balance on the fund for the refugee programme is negative as the Trust expended funds so this work could be carried out ahead of final funds being received from the British Red Cross, expected in 2020.

Endowment fund

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;
- : 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 2019

16 Funds - continued

In October 2014 a gift was received of £25k, and in February 2016 a further gift of £20k was received, with both 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. In January 2019, all bonds were liquidated at market value, and a transfer made to the UK where the endowment is now held in sterling as short term financial institution bonds in a managed fund. The bonds with a maturity date of 2023 were liquidated at market value of US\$294k. That full market value was protected as capital in the endowment. The endowment fund represents cash and bonds (stated at market value).

The movement between funds shown above which reduces the Endowment fund by £4k represents interest earned on listed investments to be applied to unrestricted funds for the furtherance of the Trust's charitable objectives.

Investment and other losses which reduce the endowment fund by £21k comprise £15k realised losses on liquidation of the bonds and £6k exchange losses on the cash.

Funds movements for 2018 are analysed below for comparison

	Undesignated funds £000s	Designated funds £000s	Restricted funds £000s	Endowment fund £000s	Total £000s
At 1 January 2018	6,176	4,682	169	542	11,569
Total income	19,613	-	494	15	20,122
Total expenditure	(19,389)	-	(615)	-	(20,004)
Movement between reserves	11	4	-	(15)	-
Investment and other gains	-	-	-	22	22
At 31 December 2018	6,411	4,686	48	564	11,709
Represented by					
Fixed assets	-	4,686	-	-	4,686
Investments	-	-	-	239	239
Net current assets	6,411	-	48	325	6,784
	6,411	4,686	48	564	11,709

17 Notes to cash flow statement

Reconciliation of net income to net cash flow from operating activities

	2019 £000s	2018 £000s
Net (expenditure) / income for the year as per the statement of financial activities	(494)	140
Adjustments for:		
Depreciation charges	46	37
Interest received	(44)	(35)
Losses/(gains) on investments	15	(2)
Decrease/(increase) in debtors	826	(467)
(Decrease)/increase in creditors	(4,195)	1,729
Net cash (used in) / provided by operating activities	(3,846)	1,402

Analysis of cash and cash equivalents

	1 Jan 2019 £000s	Cash flows £000s	31 Dec 2019 £000s
Cash at bank and in hand	6,636	(3,578)	3,058

The difference of £268k between the net cash provided by 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 2019

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:

	2019 £000s	2018 £000s
Due to UK Section	7	964

Related entity transactions

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

	2019 £000s	2018 £000s
Grant to Amnesty International Limited for research into human rights	(8,706)	(9,455)
Grants made from restricted funds to other Amnesty International sections for furtherance of charitable objectives	(543)	(431)
Grant from unrestricted funds to the UK Section for furtherance of charitable objectives	(3,410)	(2,453)
Grants made from restricted funds to the UK Section for furtherance of charitable objectives	(162)	(155)
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 Amnesty magazine	(91)	(96)
Donation from the UK Section under a Deed of Covenant	-	50

AMNESTY INTERNATIONAL UK SECTION CHARITABLE TRUST
Notes forming part of the financial statements for the year ended 31 December 2019

20 Income under operating leases

The following income has been committed to the Trust in the future in respect of the Human Rights Action Centre operating lease:

	2019	2018
	£000s	£000s
Minimum lease income due		
No later than one year	245	245
Between 1 and 5 years	980	980
More than 5 years	3,655	3,900
	4,880	5,125