



Amnesty International United Kingdom Section Financial Report to Members: 2019 – 3rd Quarter

Welcome

Welcome to the latest quarterly finance report for Amnesty International United Kingdom Section (Section) members for the 9 months ended 30 September 2019. The main body of this report presents Section figures and narrative.

We have also included a summary of the combined figures of the Section and Amnesty International UK Section Charitable Trust (Trust) at the end of the report. These figures are for illustrative purposes only, reflecting the activities of both entities which together make up the 'UK Section' which is part of the world-wide Amnesty International movement. Feedback and questions can be sent to: financecontact@amnesty.org.uk.

Section figures summary table

Income & expenditure statement for the 9 months ending September 2019		Year to date			Full Year			Previous Year
		Actual	Budget	vs Budget	Q3 Forecast	Budget	vs Budget	Actual
Net fundraising and other income	Fundraising income	6,968	6,833	+ 135	9,480	9,376	+ 104	9,459
	Fundraising expenditure	(1,232)	(1,469)	+ 237	(1,716)	(2,009)	+ 293	(1,171)
	Fundraising salaries	(556)	(530)	- 26	(779)	(738)	- 42	(703)
	Fundraising net income	5,180	4,834	+ 346	6,985	6,629	+ 356	7,585
	Trust Human Rights grant Income	2,585	1,875	+ 710	3,454	2,500	+ 954	2,453
	Other income	310	303	+ 8	508	393	+ 115	417
	Total net income	8,076	7,012	+ 1,064	10,947	9,522	+ 1,425	10,455
Non fundraising expenditure	International movement	(376)	(187)	- 190	(499)	(249)	- 250	(295)
	Salaries	(4,597)	(4,515)	- 82	(6,042)	(5,562)	- 480	(4,305)
	Corporate Services	(1,653)	(1,696)	+ 44	(2,220)	(2,357)	+ 137	(3,860)
	Supporter Campaigning	(1,575)	(1,909)	+ 334	(2,401)	(2,444)	+ 43	(2,246)
	CE's Office	(125)	(265)	+ 141	(238)	(315)	+ 77	(167)
	Directorate	(57)	(84)	+ 27	(71)	(90)	+ 19	(94)
	Total non-fundraising expenditure	(8,383)	(8,657)	+ 273	(11,471)	(11,018)	- 454	(10,967)
	Surplus/(Deficit)	(308)	(1,645)	+ 1,337	(525)	(1,496)	+ 971	(512)

The year to date deficit of £308k is £1,337k better than budget. Key movements from budget are analysed below:

Total net income – is £1m better than budget in the 9 months to September. The corresponding full year forecast is £1.4m better than budget which is mostly driven by the Trust Human Rights grant to Section.

Trust-Section Grant – £2.6m grants have been made by the Trust to the Section in the first nine months, against a budget of £1.87m. Grant requests totalling £2.9m were agreed in principal by the Trust Board in March 2019, with a further £0.6m grants approved in June 2019. The full £3.5m total grant amount included in the forecast is £1m more than budget.

Fundraising income – Income from fundraising is £135k more than budget in the 9 months to September. The corresponding full year forecast income is £104k better than budget. The better than budget position is mostly driven by income from corporate sponsorship which is slightly offset by lower income from individual giving.

Fundraising expenditure

The year to date underspend against budget for non-staff fundraising expenditure is £237k. The full year forecast expenditure is an underspend of £293k against a budget of £2m. Key movements from budget are analysed below:

Recruiting and retaining new members – is £134k behind planned spend in the year to date mainly due to reduced investment in face to face membership acquisition in line with the revised plan and challenges investing in digital activity at budgeted levels. The full year forecast expenditure is £192k lower than budget.

Stewardship - retention – is £105k lower than budget to date mostly due to savings in welcome packs, a delayed supporter survey project which will now be wrapped up with insight work within the supporter experience project and some reduced activity on mailing and communications. Overall full year expenditure is reduced by £132k in line with year to date savings and reduced activities.



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Other expenditure

Salaries – The full year forecast salary cost is £522k more than budget. The largest part of this is due to the apportionment of staff costs to the Trust being £288k lower than was allowed for in the Budget. This was an error in budgeting and the 2019 forecast has been corrected in line with the final staff cost apportionment between the two entities in 2018.

The remaining increase in forecast of £234k is in large part due to additional fixed term posts, with external restricted funding enabling around £29k of those posts, and the remainder funded through the reallocation of resources from the non-staff budget. These fixed term posts enable us to meet strategic objectives in our campaigns, in our digital engagement and in supporting our activism, without committing the Section to long-term additional fixed costs.

Supporter Campaigning and Communications – is £334k underspent against budget in the year to date mostly due to savings in running the AGM and delayed spend across the department. The full year forecast is £43k less than budget with spending on website development, activism & Write for Rights expected to catch up to budget in the final quarter.

International Movement is £250k more than budget due to an additional voluntary contribution made to the International Secretariat, approved by the boards in June, in response to a call for support to assist the International Secretariat through their financial crisis.

Section Free Reserves (reserves that are unrestricted and undesignated) at 30 September 2019 are £3.7m, and are forecast to fall to £3.3m at the year end. The target range of free reserves for the Section is £2.8 to £3.8m.

Long-term financial plans - The 2020 budget and long-term financial plan will seek to place Section free reserves in line with our target range throughout the strategic period ending 31 December 2021.

	Summary Balance Sheet For the period ended September-19		Summary Balance Sheet Forecast 2019	
	2019 SEPTEMBER	Year to date movement	2019 December	Full year 2019 movement
	£000's	£000's	£000's	£000's
Total Fixed Assets	4,094	(62)	4,157	1
Net Current Assets	2,633	(410)	3,481	439
Intercompany Balances	1,128	164	0	0
Net Assets	7,854	(308)	7,638	(524)
Reserves				
Undesignated	3,702	(246)	3,321	(627)
Designated	4,094	(62)	4,157	1
Total Unrestricted	7,796	(308)	7,478	(626)
Restricted	58	0	160	102
Endowment	0	0	0	0
Total Reserves	7,854	(308)	7,638	(524)

Combined figures summary table



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The below table shows the combined figures of the Section the Charitable Trust. It is presented to members for illustrative purposes only.

Income & expenditure statement for the 9 months ending September 2019		Year to date			Full year			Previous
		Actual	Budget	vs Budget	Q3 Forecast	Budget	vs Budget	Actual
Net fundraising and other income	Fundraising income	21,527	21,532	- 5	27,904	28,690	- 786	29,156
	Fundraising expenditure	(3,194)	(3,865)	+ 671	(4,620)	(5,154)	+ 535	(4,907)
	Fundraising salaries	(1,718)	(1,670)	- 48	(2,293)	(2,257)	- 36	(2,166)
	Fundraising net income	16,614	15,997	+ 617	20,991	21,279	- 287	22,083
	Other income	339	333	+ 5	543	439	+ 104	452
	Total net income	16,953	16,330	+ 623	21,534	21,718	- 184	22,534
Non fundraising expenditure	International movement	(7,115)	(7,160)	+ 45	(9,843)	(9,547)	- 297	(10,181)
	Salaries	(5,835)	(5,775)	- 60	(7,902)	(7,704)	- 198	(7,564)
	Corporate Services	(1,646)	(1,734)	+ 87	(2,255)	(2,658)	+ 404	(2,362)
	Supporter Campaigning	(1,666)	(2,006)	+ 340	(2,520)	(2,573)	+ 53	(2,415)
	CE's Office	(149)	(265)	+ 116	(238)	(315)	+ 77	(291)
	Directorate	(57)	(84)	+ 27	(71)	(90)	+ 19	(94)
	Total non-fundraising expenditure	(16,469)	(17,024)	+ 556	(22,830)	(22,888)	+ 58	(22,908)
Surplus/(Deficit)		484	(694)	+ 1,178	(1,295)	(1,170)	- 125	(374)

Notes to the Report

Rounding

- Precise figures are used to generate the report but figures are displayed as rounded to the nearest £1k.

Income and Expenditure

- All Income is displayed as a positive number.
- All expenditure is displayed in brackets.
- A bottom line surplus is therefore shown as positive, and a bottom line deficit is shown in brackets.

Variations

- All variances which are gains to the business are shown as + ve. i.e. higher income or lower expenditure than budget.
- All variances which are negative to the business are shown as - ve and displayed in Red i.e. lower income or higher expenditure than budget.