



Amnesty International United Kingdom Section Financial Report to Members: 2020 – 2nd Quarter

Welcomes

Welcome to the latest quarterly finance report for Amnesty International United Kingdom Section (Section) members for the 6 months ended 30 June 2020. The main body of this report presents Section figures and narrative.

This is the second report to Members since the onset of the Covid-19 crisis. The organisation has worked hard to understand the impact of the crisis on our finances, and during the first quarter of the year reviewed all items of income and expenditure to create a new re-based budget for 2020, by taking into account known impacts and making informed assumptions about the rest of the year

The full impact of Covid-19 remains largely unknown as the crisis evolves on a daily basis however we now have a better understanding of the potential full impact in comparison to the last report, and we have produced a full year forecast in light of this. This report focusses on the changes from the rebased budget to this forecast.

We have also included a summary figures of the Amnesty International UK Section Charitable Trust (Trust) at the end of the report, for illustrative purposes only. Feedback and questions can be sent to: financecontact@amnesty.org.uk.

Section figures summary table

Income & expenditure statement for the 6 months ending June 2020		Year to date			Full Year			
UNRESTRICTED		Actual	Rebased Budget	vs Budget	Re-based Budget	Forecast	vs Re-based Budget	2019 Actuals
Net fundraising and other income	Fundraising income	4,181	4,132	50	8,663	8,565	(99)	9,618
	Fundraising expenditure	(648)	(686)	38	(1,455)	(1,416)	40	(1,711)
	Fundraising salaries	(373)	(401)	28	(810)	(749)	61	(2,345)
	Fundraising net income	3,161	3,045	116	6,398	6,400	2	5,562
	Other income	344	394	(50)	482	490	8	700
	Grant Income from the Trust	2,677	2,024	653	4,048	4,048	0	3,447
	Total net income	6,183	5,463	719	10,929	10,938	10	9,709
Non fundraising expenditure	International movement	0	(81)	81	(163)	(163)	0	(501)
	Non Fundraising Salaries	(3,034)	(2,985)	(50)	(5,791)	(5,965)	(174)	(4,644)
	Corporate Services	(996)	(972)	(24)	(2,131)	(2,138)	(7)	(2,269)
	Supporter Campaigning	(608)	(821)	213	(1,745)	(1,636)	109	(2,398)
	CE's Office	(38)	(34)	(3)	(119)	(77)	42	(141)
	Directorate	(2)	(9)	7	(21)	(21)	0	(64)
	Total non-fundraising expenditure	(4,679)	(4,903)	224	(9,970)	(10,000)	(30)	(10,018)
Surplus/(Deficit)		1,503	560	943	958	938	(20)	(309)

Income & expenditure statement for the 6 months ending June 2020		Year to date			Full Year			Full Year
RESTRICTED		Actual	Rebased Budget	vs Budget	Re-based Budget	Forecast	vs Re-based Budget	2019 Actuals
	Restricted Grant income from the Trust	0	0	(0)	0	167	167	(125)
	Other restricted income	0	0	0	62	62	0	258
	Total restricted income	0	0	(0)	62	229	167	133
	Non Fundraising Salaries	(87)	(87)	0	(157)	(137)	20	(156)
	Supporter Campaigning	(16)	0	(16)	(15)	(31)	(16)	(53)
	CE's Office	(43)	(31)	(12)	(98)	(105)	(7)	(73)
	Total restricted expenditure	(146)	(118)	(28)	(270)	(273)	(3)	(281)
Restricted - Surplus/(Deficit) - movement in restricted reserves		(146)	(118)	(28)	(208)	(44)	164	(148)
Total restricted and unrestricted Surplus/(Deficit)		1,357	442	915	750	894	144	(457)

The table above splits unrestricted and restricted figures and provides aggregated totals beneath. The year to date surplus of £1.4m is £0.9m better than the rebased budget is mostly due to a £0.7m earlier receipt of grants income from Trust than budgeted and a £0.2m delayed spend and savings in Supporter Campaigning. The large part of the narrative



Amnesty International United Kingdom Section Financial Report to Members: 2020 – 2nd Quarter

in the rest of the report focusses on the full year position and describes the change from a £750k surplus in the rebased budget, to a full year forecast £894k surplus.

Total net income – The full year forecast of £10.9m is in line with the rebased budget. This line includes around £200k of additional Covid-19 grant income from the UK government, largely to support our retail operations.

Trust-Section Grant –£2.7m grants have been awarded to the Section from the Trust in the year to date. The full year forecast remains unchanged from the rebased budget of £4m. The Trust is making cash payments of grant on a pro-rata basis at the budget amount up to the £2.7m so far agreed.

Fundraising income – The full year forecast of £6.4m is in line with the rebased budget. The shortfall in income is offset by reduced salaries cost and lower expenditure.

Restricted grants income from Trust – The £167k restricted grants income represents funds which have previously been accepted by the Trust from external funders on a restricted basis, and then granted to the Section to carry out the stipulated restricted projects.

Other expenditures

Salaries – The combined (restricted and unrestricted) full year forecast salary cost is £93k higher than the rebased budget mostly due to the rebase budget assuming we will achieve additional £75k in staff saving which has now been removed and additional Diversity and Inclusion roles £22k.

Supporter campaigning and Communications – The full year re-based budget is £93k lower (unrestricted and restricted together) than budget across the teams. The Covid-19 crisis has impacted our ability to continue with the scope of our planned work, including the AGM and other events. The crisis has created opportunities and there have not been savings in all areas, particularly as we focus on our ability to communicate digitally during the crisis and develop Covid-19 relevant campaigns.

Corporate services – The full year forecast is majorly in line with the rebased budget.

Long-term financial plans - The 2020 forecast 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 2022. Significant uncertainties and challenges remain in our financial plans into 2022.

We have undertaken risk analysis across all lines of income in the Section, and have developed more regular monitoring of performance to enable informed and quick reaction to mitigate any negative impacts of the Covid-19 crisis.

Section Free Reserves – (reserves that are unrestricted and undesignated) at 30 June 2020 are £4.9m, and are expected to fall back to £4.3m at the year end. The target range of free reserves for the Section is £2.8 to £3.8m.



Amnesty International United Kingdom Section Financial Report to Members: 2020 – 2nd Quarter

Summary Balance Sheet For the period ended June-20			Summary Balance Sheet Q2 Forecast 2020		
	2019 December	2020 JUNE	Year to date movement	2020 December	Full year 2020 movement
	Section	Section & Freestyle	Section & Freestyle	Section & Freestyle	Section & Freestyle
	£000's	£000's	£000's	£000's	£000's
Fixed Assets					
HRAC	3,778	3,687	(91)	3,734	(43)
Other	289	294	5	367	77
Total Fixed Assets	4,067	3,981	(86)	4,101	34
Cash	3,674	4,565	891	4,878	1,204
<i>Operational - Co-op/Lloyds</i>	2,494	3,384	891	2,494	0
<i>Investment - JP Morgan</i>	1,180	1,180	0	2,384	1,204
<i>Investment - CCLA</i>	0	0	0	0	0
<i>Investment - Morgan Stanley</i>	0	0	0	0	0
Accrued Gift Aid income	0	0	0	0	0
Other Current Assets	1,248	543	(705)	734	(514)
Current Liabilities	(1,320)	(876)	444	(1,144)	176
Net Current Assets	3,602	4,232	630	4,469	867
Intercompany Balances	7	820	813	0	(7)
Net Assets	7,676	9,033	1,357	8,570	894
Reserves					
Undesignated	3,348	4,937	1,589	4,252	904
Designated	4,067	3,981	(86)	4,101	34
Total Unrestricted	7,415	8,918	1,503	8,353	938
Restricted	261	114	(146)	217	(44)
Endowment	0	0	0	0	0
Total Reserves	7,676	9,033	1,357	8,570	894
Free Reserves	3,348	4,937	1,589	4,252	904
Upper Free Reserves Target	3,800	3,800	0	3,800	0
Surplus/(Deficit) Upper Free Reserves	(452)	1,137	1,589	452	904

Cashflow Year to 30 June 2020

	Section
	£000's
Opening cash	3,674
GL Movements	1,357
Adjustments:	(467)
Depreciation charges	146
(Increase)/decrease in debtors	(108)
Increase/(decrease) in creditors	(444)
(Gains)/Losses on investments	0
Purchase of property, plant and equipment	(61)
Proceeds from sale (disposal) of investments	0
Closing cash	4,565

Cashflow Forecast for the year ended 31 December

	Section
	£000's
Opening cash	3,674
GL Movements	894
Adjustments:	311
Depreciation charges	303
(Increase)/decrease in debtors	521
Increase/(decrease) in creditors	(176)
Purchase of property, plant and equipment	(337)
Closing cash	4,878



Amnesty International United Kingdom Section Financial Report to Members: 2020 – 2nd Quarter

The following table details the financial performance of Amnesty International UK Section Charitable Trust.

Income & expenditure statement for the 6 months ending June 2020		Year to date			Full Year			Full Year
UNRESTRICTED		Actual	Budget	vs Budget	2020 Re-based Budget	Forecast	vs Forecast	2019 Actuals
Net fundraising and other income	Fundraising income	8,671	8,623	48	17,036	17,552	516	17,712
	Fundraising expenditure	(1,300)	(1,443)	143	(2,941)	(3,031)	(91)	(2,776)
	Fundraising salaries	(720)	(764)	44	(1,427)	(1,427)	0	(1,868)
	Fundraising net income	6,651	6,416	235	12,668	13,094	425	13,069
	Other income	6	13	(7)	26	9	(17)	44
Total net income		6,657	6,429	228	12,694	13,102	408	13,113
Non fundraising expenditure	International movement	(3,988)	(4,460)	472	(8,142)	(8,390)	(248)	(8,703)
	Trust Human Rights grant	(2,677)	(2,024)	(653)	(4,048)	(4,048)	0	(3,447)
	Non Fundraising Salaries	(880)	(923)	43	(1,847)	(1,847)	0	(1,340)
	Corporate Services	(93)	(17)	(76)	(45)	(48)	(2)	(55)
	Supporter Campaigning	(67)	(55)	(12)	(110)	(110)	0	(118)
	CE's Office	(14)	(30)	16	(46)	(46)	1	(0)
	Directorate	(1)	0	(1)	0	0	0	0
Total non-fundraising expenditure		(7,719)	(7,510)	(210)	(14,238)	(14,488)	(249)	(13,663)
Surplus/(Deficit)		(1,062)	(1,080)	18	(1,544)	(1,385)	159	(550)

Income & expenditure statement for the 6 months ending June 2020		Year to date			Full Year			Full Year
RESTRICTED		Actual	Budget	vs Budget	2020 Re-based Budget	Forecast	vs Forecast	2019 Actuals
	Restricted income	105	138	(33)	1,489	1,489	0	727
	Other Restricted Expenditure in Trust	0	0	0	0	0	0	0
	Grant to the International Movement	(100)	(281)	181	(561)	(557)	5	(546)
	Grant to the UK Section	0	0	(0)	0	(167)	(167)	(125)
	Total restricted expenditure	(100)	(281)	181	(561)	(724)	(162)	(671)
Restricted - Surplus/(Deficit) - impact on restricted reserves		6	(143)	149	928	765	(162)	56

Total restricted and unrestricted Surplus/(Deficit)		(1,057)	(1,223)	167	(617)	(620)	(4)	(494)
--	--	----------------	----------------	------------	--------------	--------------	------------	--------------

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.