



Amnesty International United Kingdom Section Financial Report to Members: 2020 – 3rd Quarter

Welcomes

Welcome to the finance report for Amnesty International United Kingdom Section (Section) members for the 8 months ended 31 August 2020. The main body of this report presents Section figures and narrative.

This is the third 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 uncertain as the crisis evolves on a daily basis. However we continue to follow and monitor the changing landscape and developments, 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 8 months ending August 2020		Year to date			Full Year			
UNRESTRICTED		Actual	Budget	vs Budget	Re-based Budget	Forecast	vs Re-based Budget	2019 Actuals
Net fundraising and other income	Fundraising income	5,591	5,518	73	8,663	8,694	31	9,618
	Fundraising expenditure	(740)	(979)	239	(1,455)	(1,358)	98	(1,711)
	Fundraising salaries	(465)	(552)	88	(810)	(766)	44	(795)
	Fundraising net income	4,386	3,987	400	6,398	6,571	173	7,112
	Other income	407	397	10	482	441	(41)	450
	Grant Income from the Trust	2,677	2,699	(21)	4,048	4,048	0	3,447
Total net income	7,471	7,082	389	10,929	11,060	132	11,009	
Non fundraising expenditure	International movement	(174)	(109)	(66)	(163)	(174)	(11)	(501)
	Non Fundraising Salaries	(4,149)	(4,017)	(132)	(5,791)	(5,963)	(172)	(6,194)
	Corporate Services	(1,236)	(1,244)	9	(2,131)	(2,127)	4	(2,269)
	Supporter Campaigning	(838)	(1,120)	282	(1,745)	(1,638)	107	(2,398)
	CE's Office	(28)	(61)	33	(119)	(60)	59	(141)
	Directorate	(10)	(14)	4	(21)	(17)	4	(64)
	Total non-fundraising expenditure	(6,435)	(6,565)	130	(9,970)	(9,980)	(10)	(11,568)
Surplus/(Deficit)	1,036	517	519	958	1,080	122	(559)	

Income & expenditure statement for the 8 months ending August 2020		Year to date			Full Year			Full Year
RESTRICTED		Actual	Budget	vs Budget	Re-based Budget	Forecast	vs Re-based Budget	2019 Actuals
	Restricted Grant income from the Trust	156	0	156	0	236	236	125
	Other restricted income	0	0	0	62	62	0	258
	Total restricted income	156	0	156	62	298	236	384
	Non Fundraising Salaries	(11)	(113)	101	(157)	(201)	(45)	(156)
	Supporter Campaigning	(16)	0	(16)	(15)	(31)	(16)	(53)
	CE's Office	(46)	(31)	(15)	(98)	(59)	39	(73)
	Total restricted expenditure	(73)	(144)	70	(270)	(291)	(21)	(281)
Restricted - Surplus/(Deficit) - movement in restricted reserves		83	(144)	226	(208)	7	215	102
Total restricted and unrestricted Surplus/(Deficit)		1,119	374	745	750	1,087	337	(457)

The table above splits unrestricted and restricted figures and provides aggregated totals beneath. The year to date surplus of £1.2m is £0.7m better than the rebased budget is due to a £0.4m favourable position on fundraising net income which is most driven by delayed fundraising expenditure and a £0.2m un-budgeted restricted income from the



Amnesty International United Kingdom Section Financial Report to Members: 2020 – 3rd Quarter

Trust. The large part of the narrative 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 £1,087k surplus.

Total net income – The full year forecast of £11,060k is £132k better than the rebased budget. This line includes around £300k of Covid-19 support grants, with the job retention scheme for furloughed staff, and local government support of 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 monthly cash payments on a pro-rata basis.

Fundraising income – The full year forecast of £8.694k is slightly better than the rebased budget reflecting lower cancellation rates of members than anticipated.

Restricted grants income from Trust – The £236k 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 £153k higher than the rebased budget due to the use of agency staff to backfill some critical vacant posts, higher parental leave costs than budgeted, and extensions to a number of fixed term positions.

Supporter campaigning and Communications – The full year re-based budget is £91k 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 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) as at 31 August 2020 are £4.4m, and are expected to remain at this level at 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 – 3rd Quarter

Balance Sheet - Entity specific and combined

Appendix 2a

Summary Balance Sheet For the period ended August-20				Summary Balance Sheet Forecast 2020	
	2019 December	2020 AUGUST	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	3,656	(121)	3,749	(29)
Other	289	332	42	328	39
Total Fixed Assets	4,067	3,988	(79)	4,077	10
Cash	3,674	5,099	1,425	5,097	1,423
<i>Operational - Co-op/Lloyds</i>	2,494	3,917	1,423	2,494	0
<i>Investment - JP Morgan</i>	1,180	1,183	3	2,603	1,423
<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	524	(724)	734	(514)
Current Liabilities	(1,320)	(845)	475	(1,144)	176
Net Current Assets	3,602	4,778	1,176	4,687	1,086
Intercompany Balances	7	(10)	(17)	0	0
Net Assets	7,676	8,756	1,080	8,765	1,089
Reserves					
Undesignated	3,348	4,386	1,038	4,420	1,072
Designated	4,067	3,988	(79)	4,077	10
Total Unrestricted	7,415	8,374	959	8,497	1,082
Restricted	261	382	121	267	7
Endowment	0	0	0	0	0
Total Reserves	7,676	8,756	1,080	8,765	1,089
Free Reserves	3,348	4,386	1,038	4,420	1,072
Upper Free Reserves Target	3,800	3,800	0	3,800	0
Surplus/(Deficit) Upper Free Reserves	(452)	586	1,038	620	1,072

Cashflow - Entity specific and combined

Cashflow Year to 31 August 2020

	Section
	£000's
Opening cash	3,674
GL Movements	1,119
Adjustments:	306
Depreciation charges	196
(Increase)/decrease in debtors	741
Increase/(decrease) in creditors	(475)
Movement in Restricted Reserves	(39)
Purchase of property, plant and equipment	(117)
Closing cash	5,099

'Forecast for the year ended 31

Cashflow December 2020

	Section
	£000's
Opening cash	3,674
GL Movements	1,087
Adjustments:	336
Depreciation charges	301
(Increase)/decrease in debtors	521
Increase/(decrease) in creditors	(176)
Purchase of property, plant and equipment	(309)
Closing cash	5,097



Amnesty International United Kingdom Section Financial Report to Members: 2020 – 3rd Quarter

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

Income & expenditure statement for the 8 months ending August 2020		Year to date			Full Year			
UNRESTRICTED		Actual	Budget	vs Budget	Re-based Budget	Forecast	vs Re-based Budget	2019 Actuals
Net fundraising and other income	Fundraising income	5,591	5,518	73	8,663	8,694	31	9,618
	Fundraising expenditure	(740)	(979)	239	(1,455)	(1,358)	98	(1,711)
	Fundraising salaries	(465)	(552)	88	(810)	(766)	44	(795)
	Fundraising net income	4,386	3,987	400	6,398	6,571	173	7,112
	Other income	407	397	10	482	441	(41)	450
	Grant Income from the Trust	2,677	2,699	(21)	4,048	4,048	0	3,447
	Total net income	7,471	7,082	389	10,929	11,060	132	11,009
Non fundraising expenditure	International movement	(174)	(109)	(66)	(163)	(174)	(11)	(501)
	Non Fundraising Salaries	(4,149)	(4,017)	(132)	(5,791)	(5,963)	(172)	(6,194)
	Corporate Services	(1,236)	(1,244)	9	(2,131)	(2,127)	4	(2,269)
	Supporter Campaigning	(838)	(1,120)	282	(1,745)	(1,638)	107	(2,398)
	CE's Office	(28)	(61)	33	(119)	(60)	59	(141)
	Directorate	(10)	(14)	4	(21)	(17)	4	(64)
	Total non-fundraising expenditure	(6,435)	(6,565)	130	(9,970)	(9,980)	(10)	(11,568)
Surplus/(Deficit)		1,036	517	519	958	1,080	122	(559)

Income & expenditure statement for the 8 months ending August 2020		Year to date			Full Year			Full Year
RESTRICTED		Actual	Budget	vs Budget	Re-based Budget	Forecast	vs Re-based Budget	2019 Actuals
	Restricted Grant income from the Trust	156	0	156	0	236	236	125
	Other restricted income	0	0	0	62	62	0	258
	Total restricted income	156	0	156	62	298	236	384
	Non Fundraising Salaries	(11)	(113)	101	(157)	(201)	(45)	(156)
	Supporter Campaigning	(16)	0	(16)	(15)	(31)	(16)	(53)
	CE's Office	(46)	(31)	(15)	(98)	(59)	39	(73)
	Total restricted expenditure	(73)	(144)	70	(270)	(291)	(21)	(281)
Restricted - Surplus/(Deficit) - movement in restricted reserves		83	(144)	226	(208)	7	215	102
Total restricted and unrestricted Surplus/(Deficit)		1,119	374	745	750	1,087	337	(457)

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.

Variances

- 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.