



Amnesty International
United Kingdom Section

**COMBINED
FINANCIAL
STATEMENTS
2008-09**

Amnesty International
United Kingdom Section
**COMBINED
FINANCIAL
STATEMENTS
2008-09**

Contents

**Combined Financial Statements of the Amnesty International UK Section
and the Amnesty International UK Section Charitable Trust
Year end: 31 March 2009**

Report of the Boards	5
Report of the independent auditors	18
Combined statement of financial activities	19
Combined balance sheet	20
Combined cash flow statement	21
Notes forming part of the financial statements	22

COMBINED FINANCIAL STATEMENTS 2008-2009

AIUK Section – a company limited by guarantee

Company reg. number 1735872
Date of incorporation 30 June 1983

Board members

Tom Hedley (chair)
Christine Usher (vice chair)
Glyn Isherwood (treasurer)
Alex Siddall
Duncan Booth
Caroline Fisher (aka Pepper Harrow)
David Callow
Peter J Murray
Sharmila Kar
Ciarnan Helferty (elected 9 May 2008)
Emma France (re-elected 5 May 2009)
Katie Boothby (elected 5 May 2009)
Réshad Suffee (elected 5 May 2009)
Rona Keen (elected 5 May 2009)
Mike Parkinson (retired 9 May 2008)
Anastasia Chew (retired 5 May 2009)
Gillian Cleverley (retired 5 May 2009)
Barbara Lodge (retired 5 May 2009)
Colum McAndrew (retired 5 May 2009)

AIUK Section Charitable Trust – a company limited by guarantee

Charity reg. numbers:
England & Wales 1051681
Scotland SC039534
Company reg. number 03139939
Date of incorporation 16 December 1995

Board of trustees

Tom Blumenau
Stuart Hathaway
Grainne Walsh
Glyn Isherwood (re-appointed 13 June 2008)
Tom Hedley (appointed 10 May 2008)
Chris Usher (appointed 13 May 2008)
Caroline Fisher (appointed 14 February 2009)
David Norgrove (appointed 7 March 2009)
Alan Maloney (retired 12 May 2008)
Linda Wilkinson (retired 2 August 2008)
Mike Parkinson (retired 5 May 2009)

Amnesty Freestyle Limited –

a company limited with share capital
Company reg. number 2918065
Date of incorporation 24 May 1994
(a wholly-owned subsidiary of AIUK Section)

Board of directors

– all appointed 18th July 2006

Kate Allen
Melvin Coleman
Thomas Hedley
Glyn Isherwood
Kerry Moscoquiri
Christine Usher

Secretary and Registered office

Melvin Coleman
The Human Rights Action Centre
17-25 New Inn Yard
London EC2A 3EA
Tel: 020-7033-1500
email: financecontact@amnesty.org.uk

BANKERS

Co-operative Bank plc
9 Prescott Street
London E1 8BE

EXTERNAL AUDITORS

BDO Stoy Hayward LLP
East Street
Epsom KT17 1HS

INTERNAL AUDITORS

Sayer Vincent
8 Angel Gate
City Road
London EC1V 2SJ

VALUERS

Strettons
41 Artillery Lane
London E1 7LD

SOLICITORS

Bates, Wells & Braithwaite
138 Cheapside
London EC2V 6BB

Objectives and activities

1. KEY OBJECTIVES AND STATEMENT OF BENEFITS

Amnesty International UK (AIUK) is part of the worldwide Amnesty International movement, which campaigns for internationally recognised human rights to be respected and protected.

The vision and mission of the AIUK, therefore, are those of the international movement. Amnesty International's vision is for every person to enjoy all of the human rights enshrined in the Universal Declaration of Human Rights and other international human rights standards. Its mission is to conduct research and take action to prevent and end grave abuses of all human rights: civil, political, social, cultural and economic.

Our guiding principles are the universality and indivisibility of human rights, effective action for the individual victim, impartiality and independence, democracy and mutual respect, international solidarity and global coverage.

AIUK contributes to this by identifying and working towards external change in support of the objectives developed within the framework of the Integrated Strategic Plan (ISP) of the worldwide Amnesty movement.

The Trustees of AIUK Section Charitable Trust have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing their objectives and in planning the Trust's future activities. In particular, the Trustees consider how planned activities will contribute to the objectives they have set. We also note the provisions of the Charities Act 2006 which have made the advancement of human rights a charitable purpose.

Although AIUK Section is not recognised in law as a Charity, they have also referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing their objectives and in planning their future activities. In particular, the Board of AIUK Section also consider how planned activities will contribute to the objectives they have set.

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

Our main activities and those whom we help are described below. All our activities focus on delivering a human rights benefit both to specific individuals and to the public in general.

Some of the benefits described in our activities and achievements below are more obvious, for example, protecting individuals at risk of human rights abuse or securing the release from custody of human rights defenders.

We also believe that campaigning to prevent or end human rights abuses, by promoting general awareness of human rights, creating a sentiment in favour of human rights, and encouraging supporters to take action, is a benefit to all of humankind.

2. KEY ACTIVITIES UNDERTAKEN BY STAFF, VOLUNTEERS AND ACTIVISTS

AIUK currently employs the equivalent of 162 full-time salaried staff (see note 10) based in offices in London, Belfast, Cardiff and Edinburgh. This is a relatively small part of the AIUK movement, as many activities are undertaken by unpaid volunteers.

In relation to those who volunteered at the Human Rights Action Centre in London:

- there was an average of 58 different volunteers each week
- they contributed a total of 760 hours each week
- this is the equivalent of 22 full-time staff.

Our main activities happen because of the number of volunteer and activist supporters who make a considerable contribution around the UK in many different ways towards Amnesty's global objectives.

Amnesty activists

	2008/9 numbers	2007/8 numbers
Groups and trade union affiliates		
Groups/estimated members	282/8280	280/8043
Student groups	103	100
Youth groups	637	550*
Trade union affiliates	250	225
Most active members		
Regional representatives	16	16
Trainers	73	63
Group media officers	127	127
Country coordinators	55	65
Constituency lobbyists	288	244
Speakers (schools)	172	191
Special interest networks		
Amnesty Action subscribers	48,752	47,000
Urgent Action/Junior Urgent Action	15,067	15,029
Children's human rights	7,551	7,280
Women's action	7,681	5,858
TeachRights	3,365	2,882
Lesbian, gay, bisexual & transgender	2,643	2,566
Trade Union Network	732**	

* Provisional figure ** formerly affiliates, now includes individual members too

Achievements and performance

INDIVIDUALS AT RISK OF HUMAN RIGHTS ABUSE

Securing justice or protection for people whose human rights have been abused, and for people in danger for defending the rights of others, is a cornerstone of Amnesty International's work. Amnesty members campaign on cases of individuals and groups and in doing so we also tackle the underlying reasons why they are at risk.

Over the past year we worked on 54 long-term cases through our Individuals at Risk (IAR) pack and Greetings Card Campaign (GCC), and took up 349 cases for Urgent Action (UA).

To strengthen protection for human rights defenders around the world, we have stepped up our work with the UK Foreign and Commonwealth Office (FCO). We contributed to the UK government's Action Plan on Human Rights Defenders and shaped the process through which the FCO's Freedom of Expression Panel selects cases and works on them.

We also produce a weekly e-bulletin of urgent cases needing government action. This is distributed by the FCO to its desk officers and UK embassies and has led to direct intervention by UK diplomats on Amnesty cases.

For the 2008-09 GCC, we expanded the range of materials available to activists. For example, we used the social networking site Flickr to enable supporters to express solidarity with the residents of Humsa and Hadidiya hamlets in the Occupied Palestinian Territories.

We also improved the efficiency of our UA work. The actions are now sent by email only, so that the members of our UA Network receive them more swiftly. With the resources saved from this more cost-effective way of distributing UAs, we have been able to do more case campaigning, and support other forms of activism.

One of the biggest challenges for our casework is understanding and assessing the impact of our campaigning. We know, for example, that in 55 of the past year's UA cases, the subjects were released from custody after we took action. But we cannot be 100 per cent sure that it was our action that brought this about. We need more feedback from activists about their actions and deeper discussions with the individuals we campaigned for. A better understanding of what worked can only improve our effectiveness.

During 2009-10 we will maintain a long-term casework portfolio of 30-50 cases and enhance our communications to activists through the development of a periodic IAR e-newsletter. As ever, the GCC will provide a high point of the campaigning year for many of our activists.

DEATH PENALTY

In December 2007 the UN General Assembly adopted its first resolution 'Moratorium on the use of the death penalty' (62/149), reaffirming the United Nations' commitment towards abolition of the death penalty. In November 2008, we welcomed adoption by the General Assembly's Third Committee of a second resolution calling for a worldwide moratorium on the use of the death penalty. More countries voted for the resolution and fewer voted against it this year compared with the vote in 2007.

Amnesty International continued work to stop the execution of child offenders in Iran. As a state party to the International Covenant on Civil and Political Rights and the Convention on the Rights of the Child, Iran has undertaken not to execute anyone for an offence committed when under 18 years of age. Despite this, Iran has executed under 18s as well as juvenile offenders aged over 18 at the time of execution. Iran has at least 130 juvenile offenders on death row, although the true number could be higher. Amnesty International recorded 346 executions in Iran in 2008, including at least eight executions of juvenile offenders.

The death penalty programme will continue to undertake casework as required and take action against the execution

of juvenile offenders in Iran. This year, we will also highlight capital punishment in Japan, following the country's resumption of executions.

JUSTICE

In the first 48 hours in the job, President Obama ordered the suspension of military trials and the closure of Guantánamo Bay 'as soon as practicable, and no later than one year from now'. Over the year, work on closing this seven-year detention centre was tireless and work on the remaining UK residents in Guantánamo continued with calls to the UK government to represent them and bring them back to the UK. Over 1,200 parliamentarians supported and signed our framework for closure of the base. Amnesty will now call on President Obama to promptly charge Guantánamo's 240-plus detainees with recognisable criminal offences or release them immediately, and to ensure that those detainees who are to be charged receive fair trials in US federal courts.

Since 2007, when the UK government started its consultation on the Counter-Terrorism Bill, AIUK has been campaigning to prevent any extension to detention without charge. The key element of the bill was the proposal to extend pre-charge detention to 42 days. Over the year, AIUK worked to prevent the 42-day measure becoming law, with Amnesty constituency lobbyists meeting their MPs to talk about it. We also launched our national petition and a campaign film *Sleepwalk* warning against "sleepwalking" into an attack on our basic rights. Although the measure passed through the Commons in June 2008 it was thrown out of the House of Lords by a majority of nearly 200 votes in October. Following this, the government dropped the 42-day measure. This was a massive victory.

Our work on renditions includes making and supporting calls for proper investigation and accountability. Last year discussions with City of Derry airport resulted in the banning of rendition flights; this was picked up by Amnesty Ireland, and cities across the Republic adopted similar anti-rendition positions for local airports. An Irish Cabinet sub-committee was also established to prevent recurrence of renditions.

In April, Amnesty released the short film *Stuff of Life*, focusing on the practice of waterboarding, and called for an end to this particular interrogation technique, which US forces are permitted to use to try to extract information from detainees in the 'war on terror'. Over 2 million people viewed the film, which attracted worldwide commentary, including those who saw it in cinemas around the world. President Obama has ordered a ban on certain harsh interrogation techniques, including waterboarding. This is fantastic news, and a tribute to everyone who kept this issue on the agenda.

There were welcome but minor reforms in China, but mainly 2008/09 saw many human rights promises being broken and a crackdown on activists, generating social unrest for the future. AIUK members generated huge public attention for human rights in China and for that we have won high praise from the Chinese human rights community.

Our future work on China will include more collaboration with Chinese people in China and in the UK, as well as engagement with the Chinese authorities whose Human Rights Action Plan published in April 2009 fails to take proper account of important civil and political rights. On 4 June 2009, it will be the 20th anniversary of the brutal crackdown

of the Tiananmen Square protests of 1989, and another opportunity to raise the profile of human rights for China.

POVERTY AND HUMAN RIGHTS

This year we focused on preparation for the launch of our new global “Demand Dignity” campaign on poverty and human rights in 2009. We produced a documentary Poverty of Justice, explaining the priority themes for the launch: forced eviction, corporate accountability and maternal mortality. This filming project was new territory for Amnesty and we were committed to taking an ethical approach to film-making and involve the communities we film with at every stage.

In Canada we filmed with the Lubicon Cree, an indigenous community in Alberta whose environment and way of life have been devastated by the oil and logging industries. In September, we went to Kenya and then Peru, to look at forced evictions and maternal mortality respectively. The Deep Sea community in Nairobi suffered an illegal forced eviction in 2005 and Ccarhuacc, a village in Huancavelica in Peru, is in a region with the highest rates of maternal mortality in the Americas.

REFUGEES AND ASYLUM-SEEKERS

The priority for 2008 was the campaign with colleagues in the Still Human Still Here coalition (SHSH) to stop the destitution of refused asylum-seekers. We completed an analysis of the population of refused asylum-seekers, breaking it down into sub-groups looking at solutions for each. This was then put to Home Secretary Jacqui Smith in March when she met a delegation from SHSH, including the Red Cross and Amnesty, led by the Archbishop of York. She agreed to a dialogue, and this formed the basis of ongoing discussions between the UK Border Agency and delegates from SHSH.

In July, the plight of Zimbabwe refugees was raised during a second meeting with the Home Secretary. By July 2008, SHSH estimated that there were up to 11,500 refused Zimbabwean asylum-seekers in the UK. Owing to litigation, with the exception of a few months in 2004, no Zimbabwean has been forced to return since 2002.

On a positive note, earlier in the year and thanks to a successful “Keep a Welcome” campaign, the Welsh Assembly government decided that free hospital treatment would be available to all refused asylum-seekers.

We have also continued to provide lawyers with specific country information on individual claims for asylum in the UK. Syria, the DRC, Zimbabwe, Eritrea and China are some of the countries where a variety of evidence has been provided and successful outcomes have been achieved.

The Refugee programme continues to seek improvements in the refugee determination process and an end to the destitution of refused asylum-seekers. To these ends, we will undertake research geared to the production of a report in 2010 on the New Asylum Model and maintain a leading role in the SHSH coalition.

CONTROL ARMS

The broad aim of the arms control programme is to stop the

transfer of arms, police and security equipment to human rights abusers through the development and implementation of a robust new international Arms Trade Treaty (ATT). We also seek to ensure that the UK's national export control system is effective.

In April 2009, further improvements will be introduced, including new controls on companies involved in small arms transportation. The government also announced plans at EU level to prevent anyone trading in tools that are used in torture – a real step forward. These are issues that Amnesty and our campaign partners have campaigned on for a number of years and it is encouraging that all our efforts over the years are beginning to pay off.

Our Arms Control programme will continue to sustain advocacy for an international ATT, working hard to maintain the UK government's position as a champion of the treaty. We will co-operate closely with the International Secretariat, including on a strategy to highlight the role of arms transporters. We also aim to publish a report to highlight weaknesses in the UK control regime with respect to component parts.

CORPORATE AND SOCIAL RESPONSIBILITY

In the light of concern about the lack of accountability of Private Military and Security Contractors, Amnesty International provided written and oral comment to the Foreign Affairs Select Committee in April 2008, on the lack of criminal accountability for violations committed abroad. This was reinforced by international advocacy work at meetings of the UN Working Group on Mercenaries.

Amnesty International also contributed to a report examining the effectiveness of the UK government's mechanism for implementation of the Organisation for Economic Co-operation and Development (OECD) guidelines for Multinational Enterprises. The report drew attention to weaknesses in the structure and oversight of the process, failure to promote the Guidelines to companies, as well as lengthy delays in the handling of complaints.

In partnership with several other NGOs, we drew up a manifesto for action on the UK Export Credits Guarantee Department (ECGD); a government agency that supports UK companies investing overseas. We have been arguing that, as a public authority, ECGD should apply human rights standards to those companies and projects that it supports. We have sounded out MPs about a campaign to reform the ECGD to ensure that appropriate human rights standards are adopted and applied.

Amnesty International has been at the forefront of the global movement's work to develop, for the first time, an integrated economic relations strategy. This will enable Amnesty to work more effectively in future on economic issues and economic actors. We intend to focus on the extractive sector, as well as on the need for stronger national and international frameworks to hold companies accountable.

LESBIAN, GAY, BI AND TRANSEXUAL (LGBT) RIGHTS

In 2008, around 100 Amnesty activists, from around 30 sections (including a large contingent from the UK section) travelled to Riga to march in solidarity with the Latvian LGBT

community as part of their Pride March. Previous pride marches in Riga have either been banned, or the participants verbally and physically attacked. Although this year's march passed largely without incident, the counter-protestors created a climate of fear and intimidation for local LGBT people.

Three years after the first Riga Pride, there is still a long way to go. Mozaika (Latvia's LGBT organisation) is now planning for Baltic Pride 2009. AIUK will continue to support an Amnesty International presence at Riga Pride.

ISRAEL/OCCUPIED PALESTINIAN TERRITORIES

In March 2008, AIUK along with a number of leading humanitarian NGOs released a major report called *The Gaza Strip: A humanitarian implosion*. It generated worldwide media coverage, including in Palestine and Israel, and kicked off a process of high-level advocacy which continues today. The report's coalition comprising AIUK, CARE International UK, CAFOD, Christian Aid, Oxfam, Save The Children UK and several others, warned that Israel's blockade of Gaza is a collective punishment of the entire Gazan civilian population of 1.5 million. The report concluded that the Israeli government's policy of blockade is unacceptable, illegal and fails to deliver security for Palestinians and Israelis alike.

The legacy of the report and associated advocacy strategy has seen greater pressure on the Israeli government to open the crossings into Gaza and stop fuel and electricity cuts in order to stem the worsening humanitarian crisis.

DEMAND DIGNITY

Amnesty International also accepts the challenge of beginning to campaign on poverty-related human rights issues in earnest. The Demand Dignity campaign will centre on poverty, but it will not duplicate the endeavours of the development community. Amnesty International's demands will be tough, human rights centred and oriented towards the experiences of individuals and communities at risk. This will include many strands of the work discussed above.

STOP VIOLENCE AGAINST WOMEN

We achieved another important milestone in our work on human trafficking in December 2008 when the UK government ratified the European Convention Against Trafficking in Human Beings. As a result, victims of trafficking, including people who have been forced into prostitution, will be entitled to a recovery period, specialist care, accommodation and other services. The focus of our campaign will now be to monitor the implementation of the legislation. Prior to that, the Welsh Assembly Government agreed to fund welfare and accommodation services for victims of trafficking for the sex trade found in Wales.

As part of the End Violence Against Women coalition and in conjunction with the Equality and Human Rights Commission we jointly produced a shocking report *Mapping the Gaps*, which identified poor and unequal provision of services for victims of violence against women. The *Mapping the Gaps* website was launched in January 2009. We are delighted that the UK government has finally agreed to launch a consultation on delivering an integrated strategy to tackle violence against women.

We have continued our work following the No Recourse, No Safety report of March 2008 about the UK's failure to protect women living under immigration controls. Because of their immigration status, such women are denied access to publicly funded services. This leaves a vulnerable group of women, most of them legally in the UK, trapped in violent situations without access to refuges. The report received good media coverage and drew press releases from the Liberal-Democrats and the Conservatives in our support.

The government also responded, welcoming the report, acknowledging the problem and promising a permanent solution. Amnesty believes the only real solution is an exemption from the 'no recourse rule' so that women know from the minute they decide to leave a violent partner that they will be able to get a place in a refuge.

AIUK is one of several Amnesty Sections supporting the Iranian women's Campaign for Equality, challenging discriminatory laws in Iran treating women as second-class citizens. They campaign peacefully and legally but are subject to arbitrary arrest and imprisonment. In November 2008 a video of solidarity was made at the Amnesty International Student Conference. This resulted in various international media interviews, and wide circulation on the web. We hear the video has spread like wildfire through Iran and the Iranian diaspora.

GENDER

Next year the Stop Violence Against Women campaign will form one of the foundation stones of AIUK's new Gender campaign. We plan to:

- produce a 'One Year On' audit report on the government's implementation of the trafficking convention
- secure practical and effective solutions for women facing violence
- continue to support the Iran Campaign for Equality.

MOBILISATION AND REACHING OUT

We mobilise and reach out in many ways:

Our network of activists - includes hundreds of local, student and youth groups, affiliated trade unions, half a dozen special interest networks and thousands of individual activists.

Amnesty Action - individual activists subscribe to our campaigners' newsletter, AmnestyAction, which now reaches almost 49,000 subscribers and an estimated 1,000 students via their groups.

Local groups - the number of individuals attached to local groups has grown from 5,739 in 2004/05 to 8,280 in 2008/09, an increase of approximately 44 per cent over five years. Work has started on breaking down the gap between the individual Amnesty member and their local group. The long-term solution lies in much-improved web and database services, enabling individual supporters to associate themselves freely with their local group.

Campaign materials - we have expanded the range of basic and campaign-specific materials for groups, and ensured that local groups know what is available. However, it is not yet possible for groups to order most of our resources online.

Amnesty Trade Union Network - our biggest achievement has been to expand the network from being a body of affiliated trade unions to one that also welcomes individual members. Campaigning on individual cases remains at the heart of our relationship with trade unions, and we continue to work closely in defence of trade unionists at risk. The year ahead will be the 30th anniversary of Amnesty's Trade Union Network.

For the 60th anniversary of the Universal Declaration of Human Rights (UDHR) on 10 December 2008, a range of events drew in not only Amnesty supporters, but also artists, politicians, the media and the wider public. Media coverage of the anniversary included a series of short Amnesty documentaries (*'3-minute Wonders'*) broadcast on Channel 4 TV from 8 to 11 December, seen by an estimated 2.68 million people.

Amnesty and the Arts - our investment in building long-term relationships with high profile artists has provided many opportunities for them to demonstrate their support and commitment to our campaigns. In doing so we are reaching large and new audiences. This work has been strengthened by the launch of our new Amnesty Arts Fund in September 2008, hosted by Annie Lennox.

The Secret Policeman's Ball - In 2008, the Secret Policeman's Ball live show at the Royal Albert Hall in London was cinecast live to 48 cinemas in the UK and 55 in Canada, broadcast to 3 million viewers on Channel 4 television the following day, and repeated a week later. It was also viewed in clips over 1 million times online. During the show, 3,000 text messages were sent supporting the Iranian Women's Campaign for Equality after comedian Shappi Khorsandi, herself an Iranian, made a campaign plea.

Publishing - our biggest success this year has been the book we co-published to introduce young readers to the UDHR. Timed to coincide with the 60th anniversary of the UDHR, *We Are All Born Free* features the work of some of the world's best children's illustrators and included a foreword by David Tennant. Since its launch on 27 October 2008, 250,000 copies have been sold around the world in 32 languages.

Amnesty and film - an estimated 300,000 cinema-goers saw our short animated film *Everybody* which used five illustrations from our new children's book *We Are All Born Free* to bring the UDHR to life. The film was supported by the Co-operative Bank as part of its 'Customers Who Care' campaign. Another Amnesty film, *You Are Powerful*, was made to promote our core message to a wide range of audiences.

Protectthehuman.com - our new online human rights community, was launched in August 2008 and now has 8,000 members and is steadily growing. The website provides users with easy ways to bookmark news items and articles, share video and photos, discuss current affairs and new ideas for activism.

Human Rights Action Centre - the growing programme of activity at the HRAC attracted more than 11,000 people in 2008. Events included a discussion on women's rights in Iran, and former prisoners of conscience talking about their experiences. We also hosted over 90 events and meetings of other human rights and social justice organisations. Two-

thirds of these were very small organisations that would otherwise not have been able to afford a central London venue.

Festivals - this year we put in an appearance at some of the country's biggest festivals, including WOMAD, Glastonbury, the Big Chill and Lovebox, as well as the Edinburgh and Belfast festivals.

Protect the Human Week - all over the UK, Amnesty supporters used "party power" to raise funds and mobilise people to take action during our annual week of celebration, action and fundraising on 11-17 October 2008.

Our work with activists young and old aims to sustain a network of empowered activists to assist AIUK's campaigning, outreach and growth agendas. This is based on sustained, wide-ranging support provided by both staff and leading activists. Over the next twelve months we will maintain the size of our local groups network and seek to expand our student groups network.

WORKING WITH YOUNG PEOPLE

The Student Action Network remains strong, with around 100 groups currently active (slightly more than last year), along with 6 groups overseas who use our mailings to help inform their activism. This year, with the help of research commissioned from Roehampton University, we have learned more about our groups in universities and further education colleges. We are updating our student strategy to reflect the research, and the recommendations arising from it.

Our youth group network continues to thrive, with over 600 active youth groups. This is despite the fact that 38 school youth groups have left Amnesty, citing Amnesty's policy on abortion as a reason. A further 42 Catholic groups have left us over the course of the year, and we suspect their reasoning is the same. As with student groups, research with Roehampton University has told us more about our youth groups who tend to feel quite isolated from the rest of Amnesty. We are using the findings to update our youth group strategy.

HUMAN RIGHTS EDUCATION

A core part of Amnesty's work is promoting awareness of human rights through educational materials for use in schools and colleges. The last year has seen the UK Section's human rights education team develop new teaching resources to help teachers bring this important area to life for young people of all ages. Other work has focused on developing quality teacher training, promoting Amnesty speakers in schools, and running on-line arts and media projects designed to inspire students to discover and understand the issues of human rights around the world and in their daily lives. Highlights this year include:

Teaching resources - we have continued to add to and update our curriculum-linked teaching resources to help teachers introduce human rights to their classrooms, whatever age group they teach. Topics include torture, control arms, women's rights and taking action for human rights. Our most significant achievement has been Right Here Right Now, a new free teaching pack for Key Stage 3 Citizenship teachers in England produced in partnership

with the British Institute of Human Rights (BIHR), the Ministry of Justice, and the Department for Children, Schools and Families.

Teacher training - following extensive research into teacher needs in 2006 and 2007, a pilot programme was launched with BIHR in 2008 to test different approaches to reach teachers, particularly those who are new to human rights and Amnesty. Working with local authorities, the National Union of Teachers, BIHR and the Association of Citizenship Teachers, we have run training days for teachers and educational advisers based on the new resource Right Here Right Now (see above).

School speaker network - our vibrant network of speakers, who take the human rights message into schools and universities, is still going strong. Speakers are available to give assemblies, lessons and after-school sessions for all ages on topical human rights issues. School speakers visited over 321 schools between them during the academic year (September 2007-July 2008) and spoke to around 23,000 young people on a broad range of issues.

CAMPAIGNING IN THE NATIONS AND REGIONS

As well as the Human Rights Action Centre in London, we also have staffed offices in Belfast, Cardiff and Edinburgh. We do this to ensure that the Amnesty campaigns are co-ordinated and represented in these areas. Our Belfast office will continue to play a leading role in the Human Rights Consortium that seeks to establish a comprehensive Bill of Rights for Northern Ireland. We hope that this will be the final year of a long-standing campaign.

POLICY AND GOVERNMENT AFFAIRS

The policy and government affairs team works to shape and influence the human rights political agenda of the UK. The team is responsible for the policy, advocacy, and information work of the UK section that makes for effective campaigning. The team adds value to the work of Amnesty International by relating international issues to the UK political scene and by contributing towards the UK dimension of their research and campaigns. The team provides support and advice and promotes best practice in all its areas across AIUK.

European Parliament elections take place on 4 June 2009. Our Regional Representatives, with support from staff, will coordinate outreach to candidates and encourage them to think about human rights. We will also prepare for the next general election.

MEDIA

In April, Amnesty's report showing the worsening of the human rights situation in China in the run-up to the Olympics was mentioned in national newspapers such as the *Sunday Times*, *Guardian* and *Financial Times* and radio shows such as *BBC 5 Live Breakfast*. The China campaign took us into media where you wouldn't normally expect to find Amnesty. In addition to men's magazines *Nuts* and *FHM* we appeared in a phone-in on *TalkSport* commercial radio, the *New Scientist*, *Capital Radio*, and the *Economist*.

The Stuff of Life, about waterboarding, was the second film for the Unsubscribe campaign. It featured in blogs such as that by 7/7 survivor Rachel North but 'old' media liked the

film too. TV coverage included the Islam Channel and an excellent feature on CNN, while radio coverage included the *British Forces Broadcasting Service*.

Our film *Sleepwalk*, campaigning against the UK government's plans to extend pre-charge detention for terrorism suspects to 42 days, was shown by *BBC Breakfast*, the *BBC 6 O'clock News*, the *BBC 10 O'clock News* and the *BBC News channel* and on many websites, including the *Telegraph's*.

Our profile in the regional press remains high, with up to 200 articles a month referring to Amnesty. Most are generated by local activists, for whom information and support is provided by the AIUK Media Unit.

RESEARCH INTO HUMAN RIGHTS VIOLATIONS

The previous financial year of 2007/08 was an exceptional year for legacy income and it allowed the Trustees to award additional grants in support of international research into human rights violations. The current-year grants were based on anticipated lower levels of legacy income.

The Trustees part-funded the following research projects being undertaken by Amnesty International in the following areas:

Combating discrimination – 12 projects funded including:

- China: combating discrimination against Uighurs
- Ukraine: combating racism and discrimination
- Guatemala: killings of women

Justice and Impunity – 36 projects including:

- China: 2008 Beijing Summer Olympics; promotion of human rights
- Bangladesh: strengthening the justice system to prevent human rights violations
- Brazil: public security and violations by public security forces
- Democratic People's Republic of Korea (DPRK): enforced disappearances
- Nepal: breaking down barriers to justice in the cycle of impunity
- Philippines: political killings and enforced disappearances
- Zimbabwe: ending impunity in the Zimbabwe Republic police
- Nigeria: human rights in prisons and detention

Physical and mental integrity – 11 projects including:

- Myanmar: the continued persecution of political and ethnic activists
- Mental illness and the death penalty
- Syria: repression of dissent

People in armed conflict – 7 projects including:

- Afghanistan: human rights violations in the context of conflict
- New mechanisms for accountability of Private Military Security Companies

Rights of uprooted people – 12 projects including:

- Protecting the rights of migrants in certain countries of the EU, particularly along the southern frontier
- Rights Beyond Borders: cross regional project on the rights of refugees and migrants
- Supporting Iraqi refugees and asylum seekers

Women and girls – 26 projects including:

- Cambodia: impunity for rape
- Haiti: violence against girls in the schools and in the communities
- Women’s rights in Iran
- Venezuela: domestic violence and due diligence
- Armenia: domestic and sexual violence against women
- Fighting discrimination and violence against women in Yemen

Economic, Social and Cultural Rights – 36 projects including:

- A Human Rights Habitat - global slums/Informal settlements projects
- Bolivia: maternal and infant health
- Brazil: ethanol production and human rights
- Burkina Faso: maternal mortality
- Cuba: indivisibility of human rights
- Zimbabwe: right to housing for victims of forced evictions
- Promote non-discrimination in access to ESCR of Roma in the EU

A full account of the work undertaken world-wide by Amnesty International can be found on: <http://www.amnesty.org.uk/index.asp>

RECRUITING AND RETAINING AMNESTY SUPPORTERS

Amnesty International draws its political and financial strength from the fact that it is a membership organisation. This defines the way it works and gives it legitimacy, creativity and a truly human perspective.

We need more supporters for two reasons: to develop human rights activists and to provide secure income streams into the future. Both of these help to increase our impact and effectiveness. This recruitment activity continues to generate future income as well as adding to the pool of those able to take action on human rights abuses. For this reason the Board has decided to allocate these recruitment costs between Costs of Generating Voluntary Income and Expenditure on Charitable Activities on a 60/40 ratio.

During the year we implemented our new MASCOT database. As part of the transition exercise we spent some time improving the calculation of our active contributing supporters.

The major way the Section has recruited new supporters in recent years has been through inserts. In the past 6 years inserts in various newspapers and magazines generated over 33,500 supporters.

This acquisition channel relies on fresh, impactful creative input. For a successful programme, constant testing is required for the creative executions and the media in which the inserts are placed. This is ever more important, as in recent years we have seen successful inserts work for a shorter period of time and the current economic downturn has also seen response rates fall. However, this continues to be an excellent channel for recruiting supporters at large volume and communicating our message and brand. Unsolicited online supporters and student recruitment also make up a large part of the recruitment mix for the Section.

The target for 2008/09 was to recruit 17,863 new supporters and to increase our current retention rate for committed giving members from 92 to 93 per cent. The number actually recruited was below target at 14,208. Our current retention rate is currently below previous forecasts at 90.4 per cent. The overall membership dropped to 160,857 (down 1,797).

In 2009/10 we plan to recruit 13,996 supporters and increase our current retention rate for committed giving members to 90.6 per cent.

We will develop and implement a supporter acquisition and retention strategy to respond to current threats and opportunities by:

- pursuing opportunities to promote individual membership to existing networks: activists; local groups; youth and student groups
- developing ways with Activism of promoting local groups to members and vice versa
- developing a joint plan to maximise the retention between individual youth, student and adult membership
- implementing the recommendations of the shops review to increase profits from our Amnesty Bookshops
- working more closely with Brand and Events to develop and support merchandising opportunities from existing and potential initiatives.

The major way the Trust has recruited new supporters in recent years has been through street fundraising. This form of recruitment has gradually become less effective at very large volumes and the Trustees took the decision during the year to scale back this activity while new techniques were being tested. Street fundraising is still working for AIUK but with the emphasis very much now on quality and strategic targeting.

“Field Marketing”, a step-by-step approach, is now in its third year and is starting to work well for recruitment. This has a better return on investment than street fundraising and we are still working to improving our retention levels.

Such testing and honing of recruitment channels has meant that in 2009/10 we are now planning a considerable investment in supporter recruitment based on successful market testing.

The target for 2008/09 was to recruit 24,741 new supporters and to increase our supporter retention rate for committed supporters at 76 per cent. The number actually recruited was below target at 9,328. Our current retention rate is currently below previous forecasts at 70.9 per cent. The overall number of supporters dropped to 45,385 (down 4,531).

In 2009/10 we plan to recruit 18,084 supporters and increase our current retention rate for committed supporters to 71 per cent.

Financial review

REVIEW OF THE YEAR

The financial statements are formatted to comply voluntarily with the 2005 Charity SORP as this is considered the most appropriate format for the organisation’s activities.

Over the year our income increased by £300,000 to £23.8 million. Our income from members and supporters increased

by almost £1 million; we are grateful to the generosity of supporters and to the excellent work of our fundraising team.

Other highlights included increased income from high donors and a return to profitability on our shops; during they year we closed a warehouse and our Reading shop, and we improved our income from our Hammersmith shop, and our network of shops in general, following the recruitment of a paid manager.

Legacy income remained strong, although we could not match our previous year's income when we benefited from two major legacies. We also had a welcome increase in our grant income. Other income was slightly down for the year mainly due to lower responses to our supporter appeals.

We are however realistic about the make up of our income, as part of the increase was due to continuing or increased payments from supporters recruited during the previous financial year. We may have reached a peak in the current economic climate; income from new supporters was down in the current year and this will have an important impact in future years.

While we have yet to detect a noticeable increase in supporters leaving us, it is very difficult to recruit new supporters during this period of economic uncertainty.

Nevertheless we increased our efforts to recruit new supporters where we could, although our increased expenditure compared to 2008 is also a reflection of delays of rolling out recruitment programs in the previous year.

Although recruiting new supporters is difficult at present, we continue to invest in recruitment in areas that we feel are profitable; especially as there is a need to address the current reduction in supporter numbers. We had planned to invest more in supporter recruitment during the year but we have been cautiously testing new fundraising approaches and will continue to refine these to ensure they are cost-effective.

The expenditure in pursuit of our objectives was the same as in 2008. Governance costs increased although this was mostly due to the timing of our AGM.

The Secret Policeman's Ball accrued future income and benefits to its parent company AIUK:

- generated an estimated £2.5 million worth of publicity for Amnesty, similar to 2006 levels
- brought in 200 new Amnesty International members. It was noted that this figure was significantly down from the 1,300 new members from the 2006 Ball. We put this down to the great difficulty that many similar organisations are finding in recruiting new supporters at the present time.
- will accrue income from those new members over a number of years
- through associated internet products and a DVD of the Ball, helped to raise the organisation's profile.

From a financial perspective we had hoped to run the 2008 Ball event to break-even, but ending up making a small loss. We had planned on some modest increases in income from television and ticket sales; however income levels achieved were similar to the previous Ball in 2006. We feel that this was a reflection of the prevailing economic climate. In the

light of events we will continue to review the content and format of the show as well as the opportunities it presents to communicate Amnesty's messages to a wide audience

Overall, we made a surplus of £1.08 million due to a combination of higher than expected donation income combined with delayed investment in some of our supporter recruitment programmes.

Looking forward, we expect the next twelve months to be difficult financially; we need to reverse the trend in lower supporter numbers by investing in supporter recruitment. We are fortunate to have sufficient reserves to undertake the planned investments, and with this in mind we have approved modest deficit budgets for the next two years, in line with our reserves policy.

CORPORATE RELATIONS

One of Amnesty International's key values is its total independence; this applies to the sources of its funding as well as to the subjects of its campaigns. For some time the international movement has been considering Amnesty's relationships with the corporate sector and concerns over how such relationships might be viewed in the context of protecting Amnesty's reputation in its campaigning work in the field of business and human rights.

In November 2007 the International Executive Committee finalised its policy on this subject which is binding on all Amnesty sections and structures. Following this the Board of the UK Section agreed procedures for use within AIUK to implement this policy and to measure, approve and monitor relationships with the corporate sector.

In the interest of transparency and accountability, the international policy is published on AIUK's website and the AIUK guidelines are available to members upon request.

In 2008 AIUK implemented new procedures to ensure corporate receipts of money and gifts in kind are recorded and ethically checked before the receipt is accepted. The period covered is 1 May 2008 (when the policy was formally implemented by AIUK) until 31 March 2009.

Total value of corporate receipts	% related to May 08-Mar-09 income
£493,000	2.42%

Total value of corporate receipts >= to £5k	% related to May 08-Mar-09 income
£426,000	2.09%

Total value of corporate receipts < £5k
£67,000

Total number of "money" receipts	Total value of "money" gifts
141	£427,000

Total number of "gift in kind" gifts	Total value of "gifts in kind"
32	£66,000

Therefore, AIUK has received 173 corporate receipts from 119 single corporations - as some corporations gave more than once. The Cooperative Bank is by far the largest corporate giver. Based on advice from the in-house Corporate Relationships Advisory Group, AIUK's Senior Management Team rejected three corporate relationships. Below is a list of all corporate gifts over £5,000, ordered by total value:

Corporation	Value	Type	Details
The Co-operative Bank	£323,378	Money	Affinity contributions, advertising in Amnesty magazine, sponsorship of films
GBR Trade and Technology Limited	£40,000	Money	Gift
Nudie Jeans c/o Village Press	£18,281	Money	Proceeds AIUK received from t-shirts sold
<i>Financial Times</i>	£15,150	Money/ Gift in kind	Advertising space and gift
The Big Chill	£9,983	Money/ Gift in kind	Money and marquee and space for Amnesty within the Festival
Lovebox	£7,449	Money	Total raised by guest list donations
Skye Cooks	£6,040	Gift in kind	Half price catering service at Media Awards
Firefly	£6,000	Gift in kind	Co-brand of a stage at Lovebox festival

FINANCIAL INDEPENDENCE

Amnesty International is independent of any government, political ideology, economic interest or religion. It does not support or oppose any government or political system, nor does it necessarily support the views of the victims whose rights it seeks to protect. To ensure our independence, we do not seek or accept money from governments or political parties. In no way do monies received from corporate donors influence or affect our ability to campaign.

INVESTMENT POLICY

The organisation's investment policy requires the maximisation of income returns subject to the following considerations:

- minimisation of risk shall be of the utmost importance. No speculative investments shall be made.
- invested funds shall be kept liquid to allow them to be called upon as necessary
- no investment shall be made if the organisations are aware that the investment vehicle may present a compromise (or a perception of one by its supporters) to the organisation's commitment to human rights.

In practice, the organisation adheres to this policy by a day-to-day strategy of placing its available funds with its bankers on short and medium term deposit; this ensures a reliable income stream and enables ready access to the funds should they be required to support essential human rights work.

Statement on risk and reserves

1. OVERVIEW

The Boards are aware of the need to assess the risks faced by the organisations and respond in such a way as to manage those risks appropriately. In particular, we carried out a comprehensive risk identification, assessment and management analysis. A register of risks has been compiled, risks scored for likelihood and impact, and risk management strategies and timescales established. Individual senior managers are nominated to take responsibility for each significant risk area. This register has been updated during the year and reflects the major risks affecting the charity.

The organisation concerns itself with human rights in an ever-changing environment and the Boards are very much aware that the risks facing the organisation are not constant. Consequently, the monitoring of risk will continue to be a high priority for the Board.

A review of the Risk Register overseen by the Finance Sub-Committee was undertaken in September 2008. The committee requested and additional reserve requirement of £600,000 to be held in relation to the economic downturn.

2. MAJOR RISKS AND UNCERTAINTIES

The Boards consider the following to be major risks and uncertainties facing the organisation:

i) Regulatory compliance

The ability of the Trust to raise money is greatly enhanced by its charitable status. This relates to the charity's ability to raise money in a tax efficient manner through gift aid, as an exempt beneficiary in relation to legacies, and from trusts and foundations who normally require grantees to have charitable status. Strategies to manage this risk include:

- formal and informal dialogue with the Charity Commission
- formal procedures for the review of grant applications
- use of specialist tax advisors
- review of fundraising programmes and materials
- training programmes for fundraising staff
- a programme of internal audit assessment.

ii) Legal claim relating to website or publications content

The Boards are aware that there is a considerable and continual flow of communication via our website and written publications. Strategies to manage this risk include:

- formal management structures, internal controls and training to mitigate the threat of legal action in relation to the content of our communications
- content of all major website changes and new publications monitored by senior managers
- legal advice in relation to web and publication content is taken where necessary
- ongoing discussions with insurers in relation to the extent risk can be mitigated by insurance policies.

iii) Political attack

This could include an attack driven by a particular political motive or media agenda. The Board considers that an attack on any part of the global Amnesty movement could have major implications for the ability of the organisation to maintain existing supporters, recruit new supporters or raise funds from other external sources.

It is recognised that this is a risk that is not easy to control and may arise as a reaction to a decision taken by another Amnesty Section or the worldwide movement.

Although the Board would have to react rapidly to any political attack, our strategy for dealing with this is based on long term foundations:

- build and strengthen Amnesty as a democratic movement, that also engages effectively with the general public in the UK
- be open and transparent: we have recently appointed a full time transparency and accountability manager to develop this in all of our work
- be independent of, but develop constructive relationships with a broad range of political parties
- develop relationships with and earn the respect of the media.

iv) Supporter retention

Regular membership subscriptions and donations from individual supporters currently make up around 88 per cent of the organisation's total voluntary income. The Boards are aware of the need to continually recruit new supporters to replace those who cease to make donations.

Strategies to manage the effects of this risk are:

- a policy of continual investment in new member and supporter recruitment to replace those who lapse
- a high emphasis on generating income from as broad a range of sustainable sources as possible
- a very cautious approach to budgeting income.

3. SYSTEMS AND PROCEDURES TO MANAGE OTHER RISKS

Our risk register is very detailed. A summary of the main strategies to deal with other risks include:

- formal procedures governing the delegation of specific authority to the Director and to the Finance Sub-Committee
- consideration of all financial issues by the Finance Sub-Committee and subsequent feedback to the Boards
- input into Board meetings from members of the organisation's senior management team who consider day-to-day risk at their regular meetings
- segregation of duties among members of staff as far as possible
- formal limits to staff members' ability to authorise expenditure
- the establishment of an internal audit programme.

4. RESERVES POLICY

The Boards take a risk based approach to reserves, therefore our policy is to hold a level of unrestricted free reserves (ie ignoring tangible fixed assets to the extent that they are not funded by debt) sufficient to meet the quantification of the risks on the risk register.

As at 31 March 2009 the free reserves (net current assets) stood at £8 million. Included in the above surplus of reserves is legacy income of £0.4 million which had not been received at the year end.

The target free reserves are calculated on the basis of the financial impact and probability of the significant risks identified in the risk assessment, and amount to £3.7 million.

Inherently there is a degree of judgement involved in identifying risks faced by the organisation and in establishing the appropriate level of reserves that the organisation should maintain to mitigate against those risks.

SURPLUS OF RESERVES ABOVE REQUIREMENT

The surplus of free reserves above target at 31 March 2009 stood at £4.3 million.

AIUK Section held surplus reserves of £0.9 million and the Board approved a deficit budget, including increases in fundraising investment for 2009/10 that will to bring the reserves down towards the required level by the end of the year.

The Trust held surplus reserves of £3.4m and on the advice of its Finance Sub-Committee the Trustees have planned deficit budgets for the following two financial years to maintain levels of grant support to the international movement

Merger between AIUK and the Trust

Over the past years our plans have been for AIUK Section to change its objects to mirror those of the AIUK Trust and to seek registration as a charity. The Trustees of the Trust had agreed in principle to merge the two organisations thereafter. There have been protracted discussions between AIUK and the Charity Commission, which are not yet concluded.

During the year two sets of meetings have been held with the Charity Commission. One has been to explore the degree to which the Commission regards the Charities Act as having changed the law relating to human rights organisations registering as charities. The second set have been based around a provisional application by AIUK Section for charitable status to explore with the Commission what issues are outstanding with regard to what AI actually does to further its mission.

The Commission does not believe that the Charities Act substantially changes the law with regard to human rights organisations. The previous approach still applies: a human rights organisation can still be successfully registered as a charity providing that it does not have political objects and does not predominantly use political means to further its charitable objects. This is disappointing given that the Charities Act specifically states that "the advancement" of human rights is a charitable purpose.

In practice this means that while "the advancement of human rights" can be a charitable object, a charity for the advancement of human rights has to ensure it uses predominately non-political means to further that object. So, education about human rights; research into human rights abuses; the upholding of human rights where such rights

are recognised in domestic legislation are all, or considered to be, non-political means of advancing human rights. Lobbying or campaigning to seek a change in the law or in the administrative practice of government is considered to be a political activity and must not be (or become) the predominant means by which a charity for the advancement of human rights seeks to advance that purpose.

The Charity Commission has stated that it will undertake a Public Benefit consultation on “The Advancement of Human Rights” to help clarify its understanding of what is meant by that phrase.

We may wish to consider continuing to challenge the Charity Commissions interpretation of the Charities Act. Alternatively, if clarity and certainty can be achieved about what constitutes political and non-political means of advancing human rights then further consideration could be given to merging the two legal entities; otherwise the dual entity approach will have to be maintained.

Structure, governance and management

INTRODUCTION

The Boards have pleasure in presenting this report on the affairs of all the organisations within the Amnesty International UK ‘family’ together with the pro forma combined audited financial statements for the year ended 31 March 2009. Details about the three entities involved and their legal status are shown on the inside cover. These combined financial statements do not represent the statutory financial statements of any of the individual organisations; separate financial statements are prepared for each.

A High Court decision in the early 1980s ruled that some of the campaigning activities of Amnesty International UK could not be charitable under English law, which has resulted in the complex structure of the UK Section. However, most supporters of Amnesty International in the UK reasonably but wrongly believe that AIUK itself is a charity and have no understanding of the different organisations involved. The Board has therefore decided to recognise this confusion by publishing the combined results of the UK Section organisations to help understanding of the overall picture.

The financial statements of Amnesty International (UK Section) Charitable Trust have been prepared on the basis of the 2005 Statement of Recommended Practice – Accounting and Reporting for Charities (SORP) issued by the Charity Commission for England & Wales. The financial statements of Amnesty International UK Section and Amnesty Freestyle Limited have been prepared in accordance with applicable Accounting Standards in the UK for limited liability companies. The Board has decided to adopt the framework of the SORP for reporting these combined financial statements as they believe this format is the most appropriate for the ‘family’s’ activities and allows greater comparability with other voluntary sector organisations.

OVERVIEW OF OUR STRUCTURE IN RELATION TO THE WORLDWIDE AMNESTY INTERNATIONAL MOVEMENT

Amnesty International is an unincorporated 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 sections throughout the world and an International Secretariat in London consisting two companies – Amnesty International Limited and Amnesty International Charity Limited.

The UK Section of Amnesty International is part of the worldwide Amnesty International movement. The name and logo are registered in the name of Amnesty International Limited and the UK Section has a licence to use the name and logo in the United Kingdom.

The UK Section of Amnesty consists of two main legal entities:

Amnesty International UK Section (AIUK): a membership organisation whose policy and priorities are set, within the context of decisions of the International Council of Amnesty International, by the members at the Annual General Meeting. AIUK pursues the objective of the movement in the United Kingdom by campaigning for observance, and opposing violations, of human rights. In August 2006 AIUK acquired Amnesty Freestyle Limited, a trading company.

Amnesty International (UK Section) Charitable Trust: the Trust meets its charitable objectives by funding Amnesty International Charity Limited to conduct its worldwide research into the observance and abuses of human rights. It also part funds projects undertaken by AIUK.

GOVERNANCE

Amnesty International United Kingdom Section (AIUK) is a membership based Company Limited by Guarantee, managed by a Board of 15 individual members, 12 of whom are elected by the whole membership. It has permission from the Registrar of Companies to omit ‘Limited’ from its title. Its Board is elected by universal franchise of its members. The Board appoints the Trustees of the Charitable Trust and the Directors of Amnesty Freestyle Limited, a trading company acquired by AIUK in August 2006. Individual voting membership of AIUK stood at 160,857 at March 2009.

Amnesty International (UK Section) Charitable Trust is a Company Limited by Guarantee and is controlled by its Trustees (who are the Directors and Members). The Trustees are appointed by the Board of Amnesty International United Kingdom Section (AIUK); some of the Trustees are normally serving members of the Board of AIUK. 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 a gap of one year. The Trustees meet at least four times each year.

Trustees are appointed by the Board of AIUK and are generally very familiar with human rights and the work of Amnesty International. Induction training is provided for new Trustees, and the Trustees regularly receive training and presentations from experts on their roles and responsibilities.

The Trustees have delegated oversight of the business and financial affairs of the Trust to a Finance Sub-Committee, which comprises some Trustees, Board and ordinary members of AIUK, and which also acts as the Finance Sub-Committee of AIUK.

The Trustees' policy is to pursue some of its charitable objects by grant funding Amnesty International (United Kingdom) Section. Day to day operations are carried out by staff of AIUK and an appropriate portion of their salary costs is borne by the Charity.

The Charity pays an appropriate charge for the use of premises, computer systems and other physical assets owned by AIUK.

As the Trust raises money in Scotland, has the use of AIUK's Edinburgh office and part funds some AIUK activities which take place in Scotland, the Trustees were pleased to register the Trust as a charity registered in Scotland with the Office of the Scottish Charity Regulator (OSCR).

All the Trustees and members of the Finance Sub-Committee give their time voluntarily and received no benefits.

Further details of the respective responsibilities of the Board and the Trustees can be found in the individual published accounts.

AUDITORS

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

THANK YOU

The success of Amnesty International crucially depends on the combined efforts of all its supporters – activists, members, office volunteers, donors and paid staff. To them the Board and Trustees express their heartfelt gratitude for their past support and looks forward to working in partnership with them all for even greater results in the future.

These financial statements are now approved by the Board and authorised for issue on

11th July 2009



Tom Hedley, Chair

Report of the independent auditors of Amnesty International United Kingdom Section

TO THE BOARDS OF AMNESTY INTERNATIONAL UNITED KINGDOM

We have audited the accompanying proforma combined financial statements of the entities listed in Note 2 (together "the Organisation") (the "financial statements") for the year ended 31 March 2009 which comprise the Combined Statement of Financial Activity, the Combined Balance Sheet, the Combined Cash Flow Statement and the related notes. These financial statements have been prepared in accordance with the basis of accounting set out on page 29 and the accounting policies set out therein.

RESPECTIVE RESPONSIBILITIES OF THE BOARDS AND AUDITORS

The Boards are responsible for preparing the annual report and the proforma financial statements in accordance with the basis of accounting and the accounting policies set out on pages 22 to 23.

In preparing those financial statements, the Boards are required to:

- select suitable accounting policies and then apply them consistently
- make judgements and estimates that are reasonable and prudent
- prepare the proforma financial statements on the going concern basis unless it is inappropriate to presume that the Organisation will continue in business.

The individual Boards of the entities making up the Organisation are responsible for safeguarding the assets of the Organisation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Our responsibility is to audit the financial statements in accordance with International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements have been properly prepared in accordance with the basis of accounting and whether the information given in the Board's report is consistent with those financial statements.

We read the Boards' report and consider the implications for our report if we become of any apparent misstatements within it.

Our report has been prepared in accordance with the terms of our engagement letter and for no other purpose. No person is entitled to rely on this report unless such a person is a person entitled to rely upon this report by virtue of our engagement letter or has been expressly authorised to do so by our prior written consent. Save as above, we do not accept responsibility for this report to any other person or for any other purpose and we hereby expressly disclaim any and all such liability.

BASIS OF AUDIT OPINION

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Board in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Organisation's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

OPINION

In our opinion:

- The proforma financial statements have been properly prepared in accordance with the basis of accounting set out in note 2; and
- the information given in the Board's report is consistent with the financial statements.



BDO STOY HAYWARD LLP
Chartered Accountants and Registered Auditors
Epsom, Surrey

21st July 2009

Combined statement of financial activities

for the year ended 31 March 2009

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Fund £	Total 2009 £	Total restated 2008 £
Incoming resources from generated funds						
Voluntary income						
Subscriptions and donations from members and supporters	3	17,716,715			17,716,715	16,752,413
Legacies		2,251,056			2,251,056	3,173,359
Grants	3		185,181		185,181	253,022
Total voluntary income		19,967,771	185,181		20,152,952	20,178,794
Activities for generating funds	4	3,135,738			3,135,738	2,755,944
Income from pursuit of objectives	5	126,928			126,928	164,930
Investment and other income	6	340,504			340,504	363,950
Total incoming resources		23,570,941	185,181		23,756,122	23,463,618
Expenditure						
Cost of generating voluntary income	3	5,478,568			5,478,568	4,665,611
Activities for generating funds	4	2,046,854			2,046,854	1,867,680
Total cost of generating funds		7,525,422			7,525,422	6,533,291
Expenditure in pursuit of objectives						
Human rights campaigning	7	7,606,428	280,356		7,886,784	7,365,519
Research: human rights violations	7	5,116,647			5,116,647	6,147,614
Investment in activist recruitment	7	1,834,778			1,834,778	1,353,792
Total expenditure in pursuit of objectives		14,557,853	280,356		14,838,209	14,866,925
Governance costs	8	316,574			316,574	91,865
Total resources expended		22,399,849	280,356		22,680,205	21,492,081
Net surplus/(deficit) for the year before revaluation		1,171,092	(95,175)		1,075,917	1,971,537
Unrealised gain on revaluation of investment asset	15			74,063	74,063	16,894
Net Movement on funds		1,171,092	(95,175)	74,063	1,149,980	1,988,431
Total funds brought forward	15/16	14,480,390	185,412	161,512	14,827,314	12,838,883
Total funds carried forward	15/16	15,651,482	90,237	235,575	15,977,294	14,827,314

All amounts relate to continuing activities. There are no recognised gains or losses other than the surplus for the year. The notes on pages 22 to 31 form part of these financial statements.

Combined balance sheet

at 31 March 2009

	Note	2009 £	2009 £	Restated 2008 £	Restated 2008 £
Fixed assets					
Tangible fixed assets	12	11,527,243		11,787,368	
Investments	12	<u>235,575</u>		<u>161,512</u>	
			11,762,818		11,948,880
Current assets					
Debtors	13	1,953,485		2,099,206	
Cash at bank and in hand		<u>7,685,836</u>		<u>6,764,909</u>	
		9,639,321		8,864,115	
Creditors: amounts falling due within one year	14	<u>(1,611,960)</u>		<u>(2,045,919)</u>	
Net current assets			8,027,361		6,818,196
Creditors: amounts falling due after more than one year	14		(3,812,885)		(3,939,762)
Total assets less current liabilities			<u>15,977,294</u>		<u>14,827,314</u>
Reserves					
Restricted					
Endowment	15	235,575		161,512	
Grants	15	<u>90,237</u>		<u>185,412</u>	
			325,812		346,924
Unrestricted					
Undesignated	16	15,601,482		13,311,451	
Designated	16	<u>50,000</u>		<u>1,168,939</u>	
			15,651,482		14,480,390
Total reserves			<u>15,977,294</u>		<u>14,827,314</u>

These financial statements are now approved by the Board and authorised for issue on

11th July 2009



Glyn Isherwood, Treasurer

The notes on pages 22 to 31 form part of these financial statements.

Combined cash flow statement

for the year ended 31 March 2009

	Note	2009 £	2009 £	2008 £	2008 £
Net cash inflow from operating activities	17		1,570,190		857,163
Returns on investment and servicing of finance					
Interest received	6	333,891		363,950	
Interest paid	9	<u>(239,460)</u>		<u>(245,710)</u>	
Net cash inflow from return on investments and servicing of finance			94,431		118,240
Taxation					
Corporation tax paid	11		-		-
Capital expenditure and financial investment					
Payments to acquire tangible fixed assets	12	(304,434)		(121,395)	
Proceeds from the disposal of fixed assets		<u>8,897</u>		-	
Net cash outflow from capital expenditure and financial investment			(295,537)		(121,395)
Financing					
Decrease in long term debt			126,877		(120,705)
Increase in cash			<u>1,242,208</u>		<u>733,303</u>

The notes on pages 22 to 31 form part of these financial statements

Notes forming part of the financial statements

for the year ended 31 March 2009

1. AIMS AND ORGANISATION

Amnesty International United Kingdom exists to further the aims of the international Amnesty movement as contained in the Mission and Vision of Amnesty International and in the decisions made by the International Council Meetings.

A large number of individuals and groups in the UK are members of, or are affiliated to, the United Kingdom Section. These accounts only reflect cash received by AIUK from the individual groups, and do not reflect their activities, since AIUK is not responsible for their finances.

2. ACCOUNTING POLICIES

Basis of accounting

The directors and trustees of Amnesty International United Kingdom Section, Amnesty International (United Kingdom Section) Charitable Trust and Amnesty Freestyle Limited have elected to prepare proforma combined financial statements of the Amnesty International UK Section organisation. These proforma combined financial statements reflect the combined operations and statements of affairs of the following entities (together "the Organisation"):

- Amnesty International United Kingdom Section
- Amnesty International (United Kingdom Section) Charitable Trust
- Amnesty Freestyle Limited

These proforma combined financial statements aggregate, on a line by line basis, the transactions and balances of the organisation. Transactions and balances between the entities have been eliminated.

The proforma combined financial statements have been prepared under the historical cost convention, as modified by the revaluation of investment assets. The report and proforma combined financial statements have been prepared, as far as is reasonably practicable, in accordance with the Statement of Recommended Practice (SORP), "Accounting and Reporting by Charities" published in 2005 and applicable accounting standards.

Income and expenditure

- income from royalties, events and interest receivable is accounted for on an accruals basis
- grant income is recognised when any conditions for receipt have been met, or when received if no such conditions apply
- income from all other activities including subscriptions and other contributions from members and turnover generated by Amnesty International UK shops is accounted for when received
- tax recoverable on Gift Aid income within this is accounted for on a receivable basis
- interest income is accounted for on an accruals basis
- legacy income is accounted for on an accruals basis to the extent that the amounts are certain to be received and are capable of financial measurement
- expenditure is charged to the income and expenditure account on an accruals basis. Where 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.
- expenditure with the main purpose of attracting new committed supporters is allocated between campaigning expenditure and the cost of generating voluntary income
- 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
- grant expenditure in furtherance of the charity's objects is recognised as expenditure when confirmation of an award is made to the receiving organisation
- governance costs include those incurred in governance of its assets and are primarily associated with constitutional and statutory requirements
- rentals payable under operating leases, where substantially all the risks and rewards of ownership remain with the lessor, are charged to the statement of financial activities on a straight line basis over the lease duration.

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 cent per annum
Leasehold buildings	2 per cent per annum
Plant and machinery	5 per cent per annum
Computer infrastructure	20 per cent per annum
Computer equipment	33 per cent per annum
Office equipment	15 per cent per annum
Leasehold improvements	10 to 20 per cent per annum
Freehold land	not depreciated

Investments

Investments 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

Amnesty International UK Section operates a defined contribution pension scheme. Contributions are charged to the income and expenditure account in the year in which they become payable.

Indemnity insurance

Amnesty International (UK Section) Charitable Trust has arranged Directors and Officers Liability Insurance at an annual premium of £1,832 (2008 – £1,832)

Funds

Funds are distinguished between restricted, designated and unrestricted funds. Income, expenditure, assets and liabilities for each classification of funds are accounted for separately. Further details are shown in the statement of financial activities for the year to 31 March 2009.

3. GENERATION OF VOLUNTARY INCOME

	Unrestricted 2009 £	Restricted 2009 £	Total 2009 £	Total 2008 £
Voluntary Income				
Subscriptions and donations from supporters and members	17,716,715		17,716,715	16,752,413
Legacies	2,251,056		2,251,056	3,173,359
Grants received (see note 3.1)		185,181	185,181	253,022
	19,967,771	185,181	20,152,952	20,178,794
Costs of generating voluntary income				
Investment in supporter recruitment	2,752,168		2,752,168	2,030,688
Supporter care	821,008		821,008	985,386
General fundraising	1,790,510		1,790,510	1,571,589
Legacies	114,882		114,882	77,948
	5,478,568		5,478,568	4,665,611
Net voluntary income generated	14,489,203	185,181	14,674,384	15,513,183

The investment in recruiting new supporters not only results in future income streams but also increases the number of human rights activists campaigning on behalf of Amnesty International, giving a direct boost to our campaigning effectiveness.

In addition, our campaigning influence is strengthened significantly by the resulting increase in supporter numbers - the more we speak for, the more we are heard. It is difficult to quantify the relative benefits accruing to income growth and to campaigning effectiveness from this expenditure; the Boards judge that 40 per cent of this expenditure is treated as campaigning and 60 per cent is included above as a cost of generating income.

Included in the costs of generating voluntary income is £1,110,928 of apportioned support costs. See note 9 – (2008 £893,492)

3.1 RESTRICTED GRANTS RECEIVED

The following restricted grants were received during the year:		£
City Bridge Trust	Human rights education work in London	32,000
Eva Reckitt	Greetings card campaign	2,500
Anonymous	Lift off project	1,000
Anonymous	Crisis response	1,000
Anonymous	Human rights education work	1,000
Diana Fund	Refugees (Still human still here)	41,780
Anonymous	Individuals at risk	5,000
J Richard Marshall	Human rights education work	8,401
Anonymous	Individuals at risk	1,000
Anonymous	Individuals at risk	1,000
Eranda Foundation	Terror, security, & human rights	12,500
Anonymous	Refugees (Still human still here)	5,000
Balcombe Trust	Individuals at risk	20,000
The Roddick Foundation	Terror, security, & human rights	50,000
The Amicus Foundation	Trade union programme	3,000
		185,181

4. ACTIVITIES FOR GENERATING FUNDS

	Income	Expenditure	Net funds generated	Income	Expenditure	Net funds generated
	2009	2009	2009	2008	2008	2008
	£	£	£	£	£	£
Trading	984,727	603,918	380,809	893,955	716,987	176,968
Community fundraising	614,743	276,022	338,721	616,419	341,314	275,105
Events	564,221	831,539	(267,318)	73,038	348,340	(275,302)
Appeals	627,228	244,118	383,110	847,966	363,327	484,639
Raffles	344,819	91,257	253,562	324,566	97,712	226,854
	3,135,738	2,046,854	1,088,884	2,755,944	1,867,680	888,264

Included in the costs of activities for generating funds is £339,443 of apportioned support costs.
See note 9 – (2008 £329,993)

Many events are carried out primarily to raise public awareness of Amnesty International UK Section and its activities, with income generation often being a by-product. We are aware that these events make a significant contribution to the furtherance of our fundraising programmes and bring lasting financial benefits.

5. INCOME IN PURSUIT OF OBJECTIVES

	2009	2008
	£	£
Income from human rights publications and campaigning materials	126,928	164,930

6. INVESTMENT INCOME

	2009	2008
	£	£
Disposal of assets	6,613	-
Interest receivable on bank deposits	333,891	363,950
Total investment and other income	340,504	363,950

7. EXPENDITURE IN PURSUIT OF OBJECTIVES

	2009 Unrestricted £	2009 Restricted £	2009 Total £	2008 Total £
Human Rights Campaigning				
Stop Violence Against Women	258,152	787	258,939	286,828
Control arms	142,286		142,286	138,339
Justice	390,474	39,778	430,252	380,871
Individuals at risk	363,250	29,500	392,750	438,796
Mobilisation	775,136		775,136	704,899
Human rights education	418,006	198,540	616,546	440,446
Corporate and social responsibility	258,127		258,127	235,271
Nations and regions	440,587	2,350	442,937	434,601
Youth activism	113,217	8,401	121,618	222,457
Production and distribution of human rights publications and campaigning materials	1,307,136	1,000	1,308,136	860,876
Other (including crisis response)	309,597		309,597	315,318
Chelsea flower show				35,000
Support costs apportioned (see note 9)	2,830,460		2,830,460	2,871,817
Total human rights campaigning	7,606,428	280,356	7,886,784	7,365,519
Research into and relief of human rights violations				
Grant to Amnesty International Charity Limited	5,097,583		5,097,583	6,132,614
Bail for immigration detainees				5,000
International Centre for Trade Union Rights				5,000
Afghan human rights defender				5,000
Prisoners of conscience appeal fund	12,000		12,000	
Relief grant	1,288		1,288	
Relief grant	1,000		1,000	
Relief grant	4,776		4,776	
Total research: human rights violations	5,116,647	-	5,116,647	6,147,614
Investment in activist recruitment				
Investment in activist recruitment	1,640,583		1,640,583	1,211,081
Support costs apportioned (see note 9)	194,195		194,195	142,711
Total investment in activist recruitment	1,834,778	-	1,834,778	1,353,792
Total expenditure in pursuit of objectives	14,557,853	280,356	14,838,209	14,866,925

A full discussion of all AIUK's activities appears in the Directors' report on pages 5 to 17.

8. GOVERNANCE COSTS

	2009 £	2008 £
Members' annual general meeting and national conference	176,501	-
International council meeting (biennial meeting of global movement)	1,814	32,993
Other direct governance costs	138,259	58,871
Total governance cost	316,574	91,865

None of the Directors received remuneration during the year.

Our governance costs often fluctuate due to the timing of our AGM and biennial council meetings; we had two AGM's in 2007, none in 2008 and one in 2009. There were no major international council meetings in 2009 but there will be one in 2010.

The increase in other direct governance costs in 2009 was due the appointment of a transparency and accountability manager, and monies spent on administering a Board ballot. Also included are audit fees of £34,000 (2008: £34,000).

9. SUPPORT COSTS

	2009 £	2008 £
Staff costs (including agency costs)	1,435,900	1,323,238
Staff and volunteer training and welfare	429,149	160,958
Premises costs	982,797	893,631
Irrecoverable VAT	388,541	366,101
Interest payable on mortgage loan	239,460	245,710
Depreciation	562,274	593,200
Other support costs	436,905	655,175
Total support costs	4,475,026	4,238,013

Apportionment of support costs

	2009 £	2008 £
Cost of generating voluntary income	1,110,928	893,492
Activities for generating funds	339,443	329,993
Human rights campaigning	2,830,460	2,871,817
Investment in activist recruitment	194,195	142,711
Total support costs apportioned	4,475,026	4,238,013

Staff costs covers employees in finance, information technology, human resources and facilities management. The mortgage loan is secured on the Human Rights Action Centre. The purpose of the loan is to repay amounts due to related entities. The Trustees have resolved to repay these amounts so that current liabilities have been replaced with long-term liabilities, thus providing positive net current assets in future. Further details of the mortgage loan appear in note 14.

Support costs are apportioned across the organisation's activities. Apportionment is based on staff time spent on the organisation's activities.

10. STAFF COSTS

	2009 £	2008 £
Wages and salaries	5,660,330	4,902,390
Social security costs	603,266	518,863
Pension costs	329,606	279,541
	6,593,202	5,700,794

Amnesty International UK Section operates a defined contribution pension scheme.

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

	Full-time equivalents	Cost £
Cost of generating voluntary income	36	1,265,267
Activities for generating funds	11	388,100
Human rights campaigning	88	3,760,210
Investment in activist recruitment	21	922,670
Support	6	256,955
Total	162	6,593,202

There were 202 staff employed including part-time and job-share posts. This number also includes those who joined and left during the year. Overall, this is the equivalent of 162 full-time posts.

The number of staff whose total remuneration exceeded £60,000 during the year is analysed as follows:

Salary band	2009 £	2008 £
£90,000 - £100,000	1	nil
£80,000 - £89,999	nil	1
£70,000 - £79,999	nil	nil
£60,000 - £69,999	2	3

11. TAXATION

Taxation on profit on ordinary activities	2009	2008
	£	£
Current tax		
UK corporation tax on profit of the period	-	-
Double taxation relief	-	-
Adjustments in respect of previous years	-	-
Charge for group relief	-	-
Total current tax	nil	nil
Deferred tax		
Movement in deferred tax provision	-	-
Taxation on profit on ordinary activities	nil	nil
Reconciliation	2009	2008
	£	£
Profit on ordinary activities before tax	1,149,980	1,988,431
Profit on ordinary activities at the standard rate of corporation tax in the UK of 30%	321,994	596,529
Effects of:		
Expenses not deductible for tax purposes	-	-
Net non-taxable income	(450,254)	(991,606)
Depreciation on non qualifying expenditure	141,104	8,420
Capital allowances in excess of depreciation	7,427	-
(Decrease)/increase in losses	(20,271)	2,008
Current tax charge for period	nil	nil
The year end unprovided deferred tax asset comprises	2009	2008
	£	£
Capital allowances	(44,993)	0
Losses	(627,503)	0
Provisions and accruals	(12,180)	0
	(684,676)	0

12. FIXED ASSETS

Tangible Fixed Assets

	Freehold land and buildings £	Leasehold land and buildings £	Plant & Machinery £	Computer equipment/ infrastructure £	Office Equipment £	Leasehold Improvements £	Total £
Cost							
At 1 April 2008	5,094,154	4,729,598	1,690,989	2,820,086	927,428	123,016	15,385,271
Additions				257,837	46,597		304,434
Disposals				1,458,709	301,805	65,228	1,825,742
At 31 March 2009	5,094,154	4,729,598	1,690,989	1,619,214	672,220	57,788	13,863,963
Depreciation							
At 1 April 2008	100,876	387,050	266,768	2,201,645	525,490	116,074	3,597,903
Charge for the year	31,809	92,503	84,096	279,092	71,292	3,482	562,274
Disposals				1,456,424	301,805	65,228	1,823,457
At 31 March 2009	132,685	479,553	350,864	1,024,313	294,977	54,328	2,336,720
Net book value							
At 31 March 2009	4,961,469	4,250,045	1,340,125	594,901	377,243	3,460	11,527,243
At 31 March 2008	4,993,278	4,342,548	1,424,221	618,441	401,938	6,942	11,787,368

Freehold land and buildings

The land and building asset is the freehold of the Human Rights Action Centre in New Inn Yard, London.

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 cost of the land included above is £3,500,000.

Amnesty International (UK Section) Charitable Trust has granted a 35 year lease to Amnesty International United Kingdom Section, a condition of which is that the tenant had to carry out the programme of refurbishments to the building. The capital costs of these refurbishments are shown as leasehold improvements.

Amnesty International United Kingdom Section has granted a licence allowing Amnesty International (UK Section) Charitable Trust to use the building for its own activities.

Computer equipment/infrastructure and office equipment

During the year we performed a thorough review of all the assets on our fixed asset register. At the conclusion of this exercise we removed a considerable number of assets, mainly computer equipment, which were considered to be obsolete. All these assets had been fully depreciated.

Investments

	2009 Total £	2008 Total £
Opening market value at 1 April	161,512	144,618
Unrealised profit for the year	74,063	16,894
Closing market value at 31 March	235,575	161,512
Historical cost at 31 March	134,366	134,366

By a declaration of Trust dated September 1999, the Trust was made the beneficiary of a gift from David T K Wong of US \$350,000 United States Federal Government Zero Coupon Bonds maturing in November 2011 and November 2015. These bonds were valued at £161,512 at the balance sheet date. After maturity of the bonds, the Trustees are obliged to maintain the capital grant in perpetuity and apply the income of the Fund in furtherance of the Trust's charitable objectives.

The Trustees wish to express their gratitude to Mr Wong for this extremely generous donation towards the future of their work.

13. DEBTORS

	2009 £	2008 £
Tax recoverable on gift aid	566,455	210,204
Accrued legacy income	390,378	1,323,932
Trade debtors	56,249	66,370
Other debtors, prepayments and accrued income	760,849	379,214
Value Added Tax recoverable	179,554	119,486
	1,953,485	2,099,206

All amounts are due within 12 months.

14. CREDITORS**Amounts falling due within one year**

	2009 £	2008 £
Bank overdraft	-	321,281
Trade creditors	915,304	676,926
Accruals and deferred income	481,845	855,082
Payroll taxes and other creditors	214,811	192,630
	1,611,960	2,045,919

Amounts falling due after more than one year

	2009 £	2008 £
Mortgage loan	3,812,885	3,939,762

As explained under note 9, the Trustees resolved to take out a mortgage with the Co-operative Bank to repay balances due to related entities. This substitution of current debt for long-term debt for ensures a surplus of current assets over current liabilities and in the opinion of the Trustees gives the charity a more predictable and secure financial base. The loan is for an initial term of 10 years, with repayments scheduled over 20 years. The interest rate on the loan is fixed at 6.1875% until November 2010.

The loan is secured on the freehold of the Human Rights Action Centre (see note 12).

15. RESTRICTED FUNDS

Endowment fund	Total £
Opening market value at 1 April	161,512
Unrealised profit for the year	74,063
Closing market value at 31 March	235,575
Represented by:	
Cash at bank	235,575
	235,575

The endowment fund represents a listed investment stated at market value which must be held until the maturity dates in November 2011 and November 2015 (see note 12).

Restricted grants	Total £
At 1 April 2008	185,412
Income (see note 3.1)	185,181
Expenditure (see note 7)	(280,356)
At 31 March 2009	90,237
Represented by:	
Cash at bank	90,237
	90,237

16. UNRESTRICTED FUNDS**Unrestricted funds**

	Total Designated Funds £	Total Undesignated Funds £	Total Unrestricted Funds £
At 1 April 2008	1,168,939	13,311,451	14,480,390
Utilised during year	(668,806)	1,839,898	1,171,092
Movement between funds	(450,133)	450,133	-
At 31 March 2009	50,000	15,601,482	15,651,482
Represented by:			
Tangible fixed assets	-	11,527,243	11,527,243
Cash at bank	50,000	7,545,599	7,595,599
Net liabilities	-	(3,471,360)	(3,471,360)
	50,000	15,601,482	15,651,482

Analysis of designated funds

	Supporter Database £	Building Maintenance £	Crisis Response £	Memorial Fund £	Total Designated Funds £
At 1 April 2008	168,939	100,000	100,000	800,000	1,168,939
Utilised during year	(168,939)	(85,271)	(14,596)	(400,000)	(668,806)
Movement between funds		(14,729)	(35,404)	(400,000)	(450,133)
At 31 March 2009	-	-	50,000	-	50,000
Represented by:					
Cash at bank			50,000		50,000
Net liabilities					
	-	-	50,000	-	50,000

Designated funds are treated as unrestricted funds in the balance sheet.

Supporter database

As Amnesty International UK Section continued to expand, the servicing and development of our membership and supporter base needed a more sophisticated tool than the existing database. A new database was implemented during September 2008 which allows us to offer a high level of supporter care, thus increasing the numbers of members and supporters who stay with Amnesty over the years. It will also allow us to provide campaigning materials to those members and supporters who are keen to become activists for human rights. The designated reserve was fully expended during the year.

Building maintenance

The Human Rights Action Centre represents a very significant investment in Amnesty International UK Section's future and the protection of that investment through proper maintenance is a high priority for the Board. During the year we decided to remove the requirement to maintain a reserve, as all outstanding major works following our move to the Human Rights Action Centre had been completed. Instead, we will ensure that all ongoing building maintenance is provided for during the annual budget process.

Crisis response

From time to time, Amnesty International declares a human rights crisis in a particular country or region. In these circumstances it is vital that national sections have the capacity to respond immediately and the Board of Amnesty International UK Section had designated £100,000 to fund whatever actions are considered appropriate to respond to future crises. As an increasing amount of this work is now co-ordinated by the international movement we have decided to reduce our reserve requirement to £50,000.

Memorial fund

The Blanche Wright memorial fund – the Trustees decided to give an additional grant of £400,000 to the Amnesty International Charity Ltd, and in the light of the current economic conditions, to transfer the remainder back to general funds.

17. NOTES TO CASH FLOW STATEMENT

Reconciliation of operating profit to net cash inflows from operating activities	2009	2008
	£	£
Surplus before taxation	1,075,917	1,971,537
Depreciation	562,274	593,201
Profit on disposal of fixed assets	(6,613)	-
Interest received	(333,891)	(363,950)
Interest paid	239,460	245,710
Decrease/(increase) in debtors	145,721	(1,121,408)
Decrease in creditors	(112,678)	(467,927)
Net cash inflow from operating activities	1,570,190	857,163

Reconciliation of net cash flow to movement in net funds	2009	2008
	£	£
Increase in cash	1,242,208	733,303
Cash inflow from changes in net debt	126,877	120,704
Movement in net cash	1,369,085	854,007
Opening net funds	2,503,866	1,649,859
Closing net funds	3,872,951	2,503,866

Analysis of net funds

	At	Cash	At
	1 April 2008	flows	31 March 2009
	£	£	£
Cash in hand and at bank	6,764,909	920,927	7,685,836
Overdraft	(321,281)	321,281	-
	6,443,628	1,242,208	7,685,836
Debt due after one year	(3,939,762)	126,877	(3,812,885)
	2,503,866	1,369,085	3,872,951

18. COMMITMENTS UNDER OPERATING LEASES

Operating leases which expire	2009	2008
	£	£
Within one year	22,050	-
In two to five years	174,830	176,220
In more than five years	-	20,000
	196,880	196,220
Analysed between		
Hire of plant and machinery	38,490	24,845
Other operating leases	158,390	171,375
	196,880	196,220

