



Amnesty International
United Kingdom Section

**CONSOLIDATED
FINANCIAL
STATEMENTS**

for the year ended 31 December 2013

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United Kingdom Section
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for the year ended 31 December 2013

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The financial statements for the combined Amnesty UK entities can be found on our website: www.amnesty.org.uk

AMNESTY INTERNATIONAL UNITED KINGDOM SECTION CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 December 2013

Amnesty International United Kingdom Section - a company limited by guarantee

Company reg. number 1735872
Date of incorporation 30 June 1983

Board members

Sarah Jane O'Grady (re-elected to Board 10 May 2013;
appointed Chair 21 September 2013)
Hannah Perry Vice Chair
Cris Burson-Thomas Treasurer
Tom Hedley
Rona Bella Keen
Brian Paton Gilda
Gareth Harrison Littler
Katherine McSherry
Hugh David Whitby
Ruth Breddal (elected 10 May 2013)
Louise Ewington (elected 10 May 2013)
Sarah Ward (appointed 13 July 2013)
Brian Landers (resigned 25 April 2013)
Peter James Murray (resigned 10 May 2013)
Sharmila Kar (resigned 10 May 2013)
Collette Anne Crill (resigned 10 May 2013)
Ciarnan Helferty (resigned 12 August 2013)

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 members

Kate Allen
Tom Hedley
Kerry Moscogiuri
Tony Farnfield
Brian Landers (resigned 25 April 2013)

Secretary and Registered office

Tony Farnfield
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 LLP
2 City Place
Beehive Ring Road
Gatwick RH6 0PA

Internal auditors

Sayer Vincent
8 Angel Gate
City Road
London EC1V 2SJ

Solicitors

Bates, Wells & Braithwaite
2-6 Cannon St
London EC4M 6YH

REPORT OF THE BOARD

Objectives and activities

KEY OBJECTIVES AND STATEMENT OF BENEFITS

Amnesty International United Kingdom Section ("UK Section") 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 UK Section, 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. Our mission is to conduct research and take action to prevent and end grave abuses of all human rights: civil, political, social, cultural and economic.

Amnesty's 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 presence.

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

Although the UK Section is not recognised in UK law as a charity, we have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our objectives and in planning our future activities. In particular, the Board 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 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 cultural support in favour of human rights, and encouraging supporters to take action, is a benefit to all of humankind.

KEY ACTIVITIES UNDERTAKEN BY STAFF, VOLUNTEERS AND ACTIVISTS

The UK Section currently employs the equivalent of 127 full-time salaried staff (see note 10) based in offices in London, Belfast, and Edinburgh. This is a relatively small part of the Amnesty movement in the United Kingdom, as many activities are undertaken by unpaid activists and volunteers. Our main activities rely upon the number of volunteer and

activist supporters who make a considerable contribution around the UK in many different ways towards Amnesty's global objectives.

The Board are extremely grateful to the huge contribution made by our activists and volunteers and staff.

Strategic Report

The Board of Amnesty International United Kingdom Section are pleased to approve the following Strategic Report in their capacity as company directors.

1. ACHIEVEMENTS AND PERFORMANCE

Individuals at risk of human rights abuse

In March we celebrated the 40th anniversary of the first ever Urgent Action (UA). The priority of UAs is to protect human life by using emails, faxes and air mail to appeal in the fastest way possible to those who have the power of life and death. The first UA was for Brazilian trade unionist Luiz Basilio Rossi in 1973. He said after his release: 'I knew that my case had become public. I knew they could no longer kill me.' The UA network which has nearly 14,000 members in the UK tackles up to 400 new cases and 300 updates each year. Successes this year included a mother and her two daughters held in Papua New Guinea by a group that accused them of practising 'sorcery' who were freed in May and human rights activist Mansour al-Omari working for the Syrian Centre for Media and Freedom of Expression, which reports on human rights violations against journalists, released from prison in February 2013.

Refugees and asylum-seekers

Home Office statistics show that as many as 25 per cent of initial decisions to refuse asylum are overturned on appeal – testament to on-going problems with the asylum decision-making process. This year Amnesty and the Still Human Still Here coalition decided to examine a randomly selected sample of cases concerning asylum applicants from four countries with particularly high appeal overturn rates: Syria, Sri Lanka, Iran and Zimbabwe. After analysing the refusal letters and appeal determinations, we concluded that in more than four-fifths of cases, the reason for a wrong decision being made in the first instance was a flawed credibility assessment. Some case workers would identify a minor inconsistency or a lack of documentary evidence, and then dismiss everything else in the applicant's case. We published our findings, with a set of recommendations for improving the process in a report, "*A question of credibility: Why so many initial asylum decisions are overturned on appeal in the UK*". We continue to work with the Home Office on these recommendations.

Refugees and asylum-seekers who make it to the UK often find that they are still at risk. Without expert legal advice they may be sent back to countries where they face ill-treatment, prison or worse. In many cases in the past year judges have specifically cited the impact of evidence from Amnesty on decisions to allow people to stay.

Control Arms

What started out in 1993 as a 'far-fetched idea' has become a reality because of the efforts of millions of ordinary people. After 20 years of campaigning, on 2 April 2013, a comprehensive Arms Trade Treaty (ATT) was voted into existence at the United Nations by 156 countries. We hope

that the treaty, a legally binding international agreement, will regulate the transfer of conventional weapons around the world – reducing conflict, saving lives and averting at least some of the serious human rights violations that accompany armed conflicts. The treaty represents a huge vindication of the dogged campaign carried out by Amnesty International and others to curb the international trade in arms. The treaty's adoption at the UN is not the end of the story. At least 50 states need to ratify the treaty to make it international law. At present only eight, mostly small, countries have formally ratified the ATT. With vigilance and good faith this treaty is capable of saving many, many lives. All those who worked for it should feel proud.

Corporate social responsibility

There was a celebration in August 2013 when indigenous people in the state of Orissa, India, blocked plans by British based Vedanta Resources to open a bauxite mine in the Niyamgiri Hills. All 12 village councils rejected the project. For nearly a decade the 8,000-strong Dongria Kondh community has opposed attempts to mine the land on which they rely for survival. With international support, including from Amnesty, the affected communities created a formidable force in defence of their rights. Amnesty's research and activism made a vital contribution, raising awareness around the world and providing solid evidence to counter Vedanta's defective environmental assessments.

2013 started on a high note for all of us who work for justice for the victims of oil spills. At the very end of last year, the Economic Community of West African States (ECO WAS) Court found the Nigerian government and six oil companies responsible for years of pollution in the Niger Delta. The historic judgement sent a message of hope to the tens of thousands of people whose farming and fishing livelihoods have been destroyed. The court ordered the Nigerian government to hold the oil companies to account, but this is easier said than done. The oil companies wield tremendous influence and often deny their responsibility for oil spills. Royal Dutch Shell, in particular, defends pollution by claiming that the vast majority of spills are caused by sabotage and theft of oil. To help push for implementation of the ECO WAS judgement, Amnesty worked with a local organisation to research and expose Shell's manipulation of oil spill investigations. Our report, published in November 2013, uncovers specific cases in which Shell wrongly reported the cause of oil spills, the volume of oil spilt, or the extent and adequacy of clean-up measures.

Country Campaigning

SYRIA: In June 2013 Amnesty hosted 16 leading activists from the Syrian Non Violence Movement (SNVM) at an intensive weekend of training in campaigns strategy and organisation. The focus was on how to ensure human rights values are central to the new society that emerges after the conflict is over – by promoting the rule of law, security sector reform, equality, and human rights education. Every day the SNVM, which maintains an office in Syria, supports victims and survivors of the conflict. One of their key projects aims to protect children. They also use media to promote the ideals of non-violent resistance and human rights. Amnesty International has a regular presence on the ground in Syria. At great personal risk, Amnesty's researchers speak to victims and their families and visit refugee camps, gathering first-hand evidence of atrocities committed by pro-government forces and armed opposition groups.

AFGHANISTAN: Thanks to the thousands of Amnesty

supporters who signed petitions and lobbied their MPs, the UK government is stepping up its support for women in Afghanistan. In March, International Development Secretary Justine Greening came to Amnesty's Human Rights Action Centre in London to deliver a keynote speech for International Women's Day. She said Afghan women's rights would henceforth be a strategic priority for her department and greater emphasis would be put on initiatives to tackle violence against women and girls. In July, three young Amnesty activists presented a 19,000-signature petition to Foreign Office minister Baroness Warsi, who found them 'inspiring'. In a press release, the Foreign and Commonwealth Office praised Amnesty's campaign and said the UK had a long-term commitment to working to improve the role and status of women and girls in Afghanistan.

Human Rights Education

TEACH RIGHTS: Thousands of UK teachers belong to Amnesty's TeachRights network. This gives access to an unrivalled collection of lesson plans and teaching materials which make it easy to bring human rights into the classroom. New in 2013 was The Power of the Pen, a learning pack which engages students in literacy across the curriculum. It has proved a compelling way for pupils to explore global issues and build skills in literacy and self-expression. Different versions are available for secondary and for older primary school students.

INSPIRING SPEAKERS: Many a young person's lifelong engagement with Amnesty begins when they hear one of our trained volunteer speakers at their school. More than 150 speakers are available to give talks, lessons, workshops or whole day events tailored to the individual school's requirements. They reach 27,000 school students a year.

YOUTH GROUPS: After hearing one of our speakers, students often go on to join one of our 500 youth groups across the UK – or start their own. Youth groups can have a big impact on their schools and those they campaign for by organising events, assemblies and gigs, fundraising, lobbying MPs, writing letters, making films, and getting great media coverage.

Activities in Scotland and Northern Ireland

As well as the Human Rights Action Centre in London, Amnesty has staffed offices in Belfast and Edinburgh. We do this to ensure that the Amnesty's work is co-ordinated and represented in these nations.

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 research and campaigns. The team provides support and advice and promotes best practice in all its areas.

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 of UK Section has decided to allocate these recruitment costs between Costs of Generating Voluntary Income and Expenditure in Pursuit of Objectives on a 60/40 ratio.

Individual voting membership of the UK Section stood at 132,401 at December 2013. In comparison at December 2012 we had 140,856 members (of whom we retained 90%). In 2013 the Acquisition team recruited 4,439 new members, exceeding the target of 3,885.

2. 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.

The Board are pleased to announce a surplus of £800k for the year. Our income from members was down by almost 3% which reflects the reduction in membership during the year. Although we exceeded our recruitment target this was not sufficient to cover those who ceased to be members during the year. This reduction in income was partly offset by increased grant income. We did not hold another Secret Policeman's Ball in 2012, however other income and our expenditure, including those on human rights activities, were comparable to the previous year.

Cost and Priorities Programme

During the final quarter of the year the Board implemented a cost and priorities programme. Full details are shown in AIUK's Combined Financial Statements on AIUK's website.

Financial independence

Amnesty International is independent of any government, political ideology, economic interest or religion. We do not support or oppose any government or political system, nor do we necessarily support the views of the victims whose rights we seek 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 our promotion of human rights and research into human rights abuses.

Corporate relations

In 2007 Amnesty International's Executive Committee finalised its international policy on this subject. Following this the Board decided to adopt the same policy and procedures. The international policy is published on the UK Section's website.

Treasury 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.

3. PLANS FOR FUTURE PERIODS

It will be difficult in the current economic climate to increase our membership numbers in the coming years but we will continue to diversify our income from other sources; we did this in 2013 by beginning to run our conferencing facilities at the Human Rights Action Centre on a commercial basis, looked at options on how we could develop the number and role of our excellent Amnesty bookshops and we also plan to expand our community fundraising programmes. This along with the continued scrutiny of our operating cost base will help us maintain a healthy financial position.

4. PRINCIPAL RISKS AND UNCERTAINTIES

Overview

The Board is aware of the need to assess the risks faced by the organisation and respond 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.

The Board are currently reviewing how risk is managed within the organisation and the level of reserves that should be held in relation to the principal risks that we face. This work is due to be completed in the first half of 2014 and we will incorporate the outcome in our 2014 strategic report.

Major risks and uncertainties

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

i) Legal claim relating to website or publications content

The Board is 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
- on-going discussions with insurers in relation to the extent risk can be mitigated by insurance policies.

ii) Political attack

It is possible that the Amnesty International movement could become subject to a political attack which then impacted on the UK Section. 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 the UK Section as a democratic movement, that also engages effectively with the general public in the UK
- be open and transparent
- be independent of, but develop constructive relationships with a broad range of political parties
- develop relationships with and earn the respect of the media.

iii) Supporter retention

Regular membership subscriptions and donations from individual supporters make up a large proportion of the UK Section's total voluntary income. The Board is 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
- support for current supporters and activists to ensure a high level of retention.

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 Directors and to the Finance Sub-Committee
- consideration of all financial issues by the Finance Sub-Committee and subsequent feedback to the Trustees
- 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.

5. RESERVES POLICY

The Board take a risk based approach to reserves, therefore our policy is to hold a minimum level of unrestricted free reserves sufficient to meet the quantification of the risks on the risk register.

As at 31 December 2013 the unrestricted free reserves stood at £5 million.

The minimum 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 £2.2 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.

The surplus of free reserves at 31 December 2013 stood at £2.8 million.

Structure, governance and management

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 of two companies – Amnesty International Limited and Amnesty International Charity Limited.

The UK Section 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.

There are two main Amnesty legal entities in the United Kingdom:

Amnesty International United Kingdom Section (“the UK Section”): 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. The UK Section pursues the objective of the movement in the United Kingdom by campaigning for observance, and opposing violations, of human rights. In August 2006 the UK Section acquired Amnesty Freestyle Limited, a trading company.

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

GOVERNANCE AND BOARD'S RESPONSIBILITIES

The UK Section is a membership based Company Limited by Guarantee, managed by a Board of 15 individual members, 12 of whom are elected by the membership. The Board has the power to co-opt three places on the basis of a skills audit of the existing Board members to ensure the most appropriate Board qualities are obtained. It has permission from the Registrar of Companies to omit ‘Limited’ from its title. Its Board is elected by its members. The Board appoints the Trustees of Amnesty International (UK Section) Charitable Trust and the Directors of Amnesty Freestyle Limited. Individual voting membership of the UK Section stood at 132,401 at December 2013.

The Constitution of the UK Section gives the Board specific powers and responsibilities for:

- according membership to individuals, affiliates, local and student groups and, subject to procedures provided in the Constitution, removing such membership rights
- recognising Outreach Networks according to guidelines produced by the Board
- reporting to General Meetings on the work of the UK Section and presenting audited accounts and budgetary estimates
- reviewing the position and interpreting the policy of

the UK Section as decided by General Meetings and arranging for the Director to implement

- appointing and dismissing the Director
- appointing the Trustees of Amnesty International (UK Section) Charitable Trust
- appointing the Directors of Amnesty Freestyle Ltd.

Certain duties and responsibilities are formally delegated to the Director by the Board; these are reviewed regularly.

The Board is conscious of its responsibilities for dealing with its members' money and adopts the highest standards of transparency and accountability in its actions and reporting. To assist it in this the Board appoints a Finance Sub-Committee, composed of both Board members and other UK Section members with appropriate skills. All members of the Board and Finance Sub-Committee give their time voluntarily and received no benefits.

Although the UK Section is not recognised in law as a Charity, the Board nevertheless has decided to adopt the Charity Statement of Recommended Practice 2005 (SORP 2005) format for these audited accounts as best meeting its obligations to members, supporters and the general public. The Board has implemented the SORP 2005 framework for the financial statements.

The directors are responsible for preparing the directors' report and strategic report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently
- make judgements and accounting estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

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

These financial statements are now approved by the Board and signed on its behalf by



Gareth Harrison Littler, Director
27 March 2014

REPORT OF THE INDEPENDENT AUDITORS OF AMNESTY INTERNATIONAL UNITED KINGDOM SECTION

To the members of Amnesty International United Kingdom Section

We have audited the financial statements of Amnesty International United Kingdom Section for the year ended 31 December 2013 which comprise the consolidated statement of financial activities, the consolidated and company balance sheets, the consolidated cash flow statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As explained more fully in the statement of directors' responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's (FRC's) Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

A description of the scope of an audit of financial statements is provided on the FRC's website at www.frc.org.uk/apb/scope/private.cfm

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 December 2013 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the directors' report and strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us;
- or
- the parent company financial statements are not in agreement with the accounting records and returns;
- or
- certain disclosures of directors' remuneration specified by law are not made;
- or
- we have not received all the information and explanations we require for our audit.



Andrew Stickland

For and on behalf of BDO LLP, statutory auditor
Gatwick
United Kingdom

31 March 2014

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

for the year ended 31 December 2013

	Note	Unrestricted Funds Dec-13 £000s	Restricted Funds Dec-13 £000s	Total Funds Dec-13 £000s	Total Funds Dec-12 £000s
Incoming resources from generated funds					
Voluntary income					
Subscriptions and donations from members and supporters	3	9,518	-	9,518	9,802
Grants	3	1,518	295	1,813	1,722
Total voluntary income		11,036	295	11,331	11,524
Activities for generating funds	4	1,242	-	1,242	2,033
Income from pursuit of objectives	5	256	-	256	325
Investment and other income	6	17	-	17	17
Total incoming resources		12,551	295	12,846	13,899
Expenditure					
Cost of generating voluntary income	3	2,414	-	2,414	2,623
Activities for generating funds	4	1,218	-	1,218	2,588
Total cost of generating funds		3,632	-	3,632	5,211
Expenditure in pursuit of objectives					
Human rights campaigning	7	6,952	305	7,257	7,290
Investment in activist recruitment	7	821	-	821	908
Total expenditure in pursuit of objectives		7,773	305	8,078	8,198
Governance costs	8	298	-	298	504
Total resources expended		11,703	305	12,008	13,913
Net incoming/(outgoing) resources		848	(10)	838	(14)
Total funds brought forward	16	9,272	64	9,336	9,350
Total funds carried forward	16	10,120	54	10,174	9,336

All amounts relate to continuing activities. There are no recognised gains or losses other than the deficit for the year. The notes on pages 15 to 24 form part of these financial statements.

BALANCE SHEETS

at 31 December 2013

(Company No. 1735872)

	Note	Group Dec-13 £000s	Company Dec-13 £000s	Group Dec-12 £000s	Company Dec-12 £000s
Fixed assets					
Tangible fixed assets	12	5,093	5,093	5,372	5,372
Current assets					
Debtors	13	1,394	1,394	790	790
Cash at bank and in hand		4,491	4,467	3,784	3,760
		5,885	5,861	4,574	4,550
Creditors: amounts falling due within one year	14	(804)	(804)	(610)	(610)
Net current assets		5,081	5,057	3,964	3,940
Total net assets		10,174	10,150	9,336	9,312
Reserves					
Restricted	15	54	54	64	64
Unrestricted					
Undesignated	16	5,027	5,003	3,900	3,876
Designated	16	5,093	5,093	5,372	5,372
		10,174	10,150	9,336	9,312

Approved by the Board and signed on its behalf by



Cris Burson-Thomas, Treasurer

27 March 2014

The notes on pages 15 to 24 form part of these financial statements.

CONSOLIDATED CASH FLOW STATEMENT

for the year ended 31 December 2013

	Note	Dec-13 £000s	Dec-13 £000s	Dec-12 £000s	Dec-12 £000s
Net cash inflow from operating activities	17		791		422
Returns on investment and servicing of finance					
Interest received	6	17		17	
Net cash inflow from return on investments and servicing of finance			17		17
Taxation					
Corporation tax paid	11		nil		nil
Capital expenditure and financial investment					
Payments to acquire tangible fixed assets	12	(101)		(195)	
Net cash outflow from capital expenditure and financial investment			(101)		(195)
Increase in cash			707		244

The notes on pages 15 to 24 form part of these financial statements.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 31 December 2013

1. AIMS AND ORGANISATION

Amnesty International United Kingdom Section 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 UK Section. These accounts only reflect cash received by the UK Section from the individual groups, and do not reflect their activities, since we are not responsible for their finances.

2. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention. The report and financial statements have been prepared in accordance with the Statement of Recommended Practice "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 the UK Section's shops is accounted for when received
- expenditure is charged to the statement of financial activities 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
- grants awarded by the organisation are 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
- irrecoverable VAT is charged to the relevant expenditure account when it is incurred.

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:

Leasehold buildings	2 % per annum
Plant and machinery	5 % per annum
Computer infrastructure	20 % per annum
Computer equipment	33 % per annum
Office equipment	20 % per annum
Office furniture	10 % per annum
Leasehold improvements	10 to 20 % per annum

Pensions

The UK Section operates a defined contribution pension scheme. Contributions are charged to the income and expenditure account in the year to which they relate.

Indemnity insurance

AIUK Section has Directors and Officers Liability Insurance at an annual premium of £2k (2012 – £2k).

Funds

Funds are distinguished between restricted, endowment and unrestricted funds. Income, expenditure, assets and liabilities for each classification of funds are accounted for separately.

3. GENERATION OF VOLUNTARY INCOME

	Unrestricted Dec-13 £000s	Restricted Dec-13 £000s	Total Dec-13 £000s	Total Dec-12 £000s
Voluntary Income				
Subscriptions and donations from supporters and members	9,518	-	9,518	9,802
Grants received (see note 3.1)	1,518	295	1,813	1,722
	11,036	295	11,331	11,524
Costs of generating voluntary income				
Investment in supporter recruitment	1,231	-	1,231	1,362
Supporter care	556	-	556	576
General fundraising	627	-	627	685
	2,414	-	2,414	2,623
Net voluntary income generated	8,622	295	8,917	8,901

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, giving a direct boost to our campaigning effectiveness. It is difficult to quantify the relative benefits accruing to income growth and to campaigning effectiveness from this expenditure; the Board judges that 40 per cent of this expenditure is treated as campaigning and 60 per cent as a cost of generating income.

Included in the costs of generating voluntary income is £595k of apportioned support costs. See note 9–(2012: £609k)

3.1 ANALYSIS OF GRANTS AND RESTRICTED FUNDS RECEIVED

	£000s
General campaign support grant	
Amnesty International UK Section Charitable Trust, a related entity (note 18):	1,518
Restricted grants received from Amnesty International (UK Section) Charitable Trust	
ATT	
Education	
Millennium Oak Trust	1
Allan & Nesta Ferguson Charitable Trust	30
Pinsent Masons	10
City Bridge Trust	9
MENA	
Theresa Sackler Foundation	50
Donations from individuals	37
NI Legacy Campaign	
William A Cadbury Charitable Trust	8
Thomas Paine Initiative	15
Refugee Researcher	
JP Getty Jr	30
Edith M Ellis	1
Eleanor Rathbone	3
SHSH	
The Joseph Rowntree Foundation	53
Comic Relief	27
Women's Afghan Project	
Donations from individuals	10
YHRR	
Peter Stebbings Memorial Charity	10
Zimbabwe Election Advert	
Donations from individuals	1
	295

4. ACTIVITIES FOR GENERATING FUNDS

	Income Dec-13 £000s	Expenditure Dec-13 £000s	Net funds generated Dec-13 £000s	Income Dec-12 £000s	Expenditure Dec-12 £000s	Net funds generated Dec-12 £000s
Shops	545	555	(10)	523	585	(62)
Sales	132	189	(57)	136	253	(117)
Conferencing	88	35	53	-	-	-
Corporate Relationships	7	-	7	62	2	60
Royalties	123	6	117	5	12	(7)
Community fundraising	316	54	262	344	57	287
Events	30	379	(349)	22	401	(379)
Secret Policeman's Ball	-	-	-	856	1,244	(388)
Appeals	1	-	1	85	34	51
	1,242	1,218	24	2,033	2,588	(555)

Included in the costs of activities for generating funds is £270k of apportioned support costs. See note 9 (2012 £319k). Many events are carried out primarily to raise public awareness of the 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

	Dec-13 £000s	Dec-12 £000s
Income from human rights publications and campaigning materials	256	325

During 2013 we reduced the number of supporter magazines distributed from five to four.

6. INVESTMENT AND OTHER INCOME

	Dec-13 £000s	Dec-12 £000s
Interest receivable on bank deposits	17	17

7. EXPENDITURE IN PURSUIT OF OBJECTIVES

	Dec-13 Unrestricted £000s	Dec-13 Restricted £000s	Dec-13 Total £000s	Dec-12 Total £000s
Human Rights Campaigning				
Production and distribution of human rights publications and campaigning materials	1,052	-	1,052	1,119
Human rights education	767	49	816	733
Media	767	-	767	681
Policy	446	-	446	558
Nations and regions	460	24	484	430
Individuals at risk	475	1	476	436
Refugees & asylum	139	119	258	262
Amnesty in the community	240	-	240	218
Grants to AI Sections	339	-	339	244
Country campaigning	36	91	127	175
Art for Amnesty	42	-	42	288
Women's Human Rights	84	10	94	83
Youth activism	109	10	119	135
Dignity	107	-	107	113
Corporate & social responsibility	118	-	118	129
Control arms	124	1	125	138
Lesbian, gay, bisexual, transsexual	72	-	72	52
Security & human rights	135	-	135	84
Death penalty	67	-	67	64
Campaigns and activism support	1,373	-	1,373	1,348
Total human rights campaigning	6,952	305	7,257	7,290
Investment in activist recruitment				
Investment in activist recruitment	635	-	635	730
Support costs apportioned (see note 9)	186	-	186	178
Total investment in activist recruitment	821	-	821	908
Total expenditure in pursuit of objectives	7,773	305	8,078	8,198

Included in human rights campaigning is £2,541k of apportioned support costs. See note 9 (2012: £2,467k) and the following amounts were funded by a grant from AIUK Section Charitable Trust an affiliated organisation.

	Dec-13 Total £000s	Dec-12 Total £000s
Media	262	202
Individuals at risk	260	235
Human rights education	237	257
Nations and regions	178	137
Youth activism	125	126
Women's human rights	116	9
Policy	115	178
Corporate & social responsibility	100	-
AGM	74	110
Amnesty in the community	40	42
Refugees & Asylum	11	8
Dignity	-	96
Country campaigning	-	20
	1,518	1,420

8. GOVERNANCE COSTS

	Dec-13 £000s	Dec-12 £000s
Members' annual general meeting and national conference	153	224
International council meeting (biennial meeting of global movement)	19	-
Other direct governance costs	126	280
Total governance cost	298	504

None of the Directors received remuneration during the year. The total of expenses reimbursed to Directors was £24,492. This amount includes £10,191 incurred by Ciarnan Helferty and £817 repaid to Sarah O'Grady in their capacity as Chair during 2013 (2012 total: £10,879). All expenses related to travel, accommodation and subsistence costs incurred in relation to attendance at Board meetings, other governance meetings and Amnesty events.

Included in governance costs is £16k of apportioned support costs. See note 9 – (2012: £62k)

9. SUPPORT COSTS

	Dec-13 £000s	Dec-12 £000s
Staff costs (including agency costs)	1,426	1,408
Staff and volunteer training and welfare	222	201
Premises costs	969	983
Irrecoverable VAT	(37)	(28)
Depreciation	380	376
Other support costs	648	695
Total support costs	3,608	3,635

Apportionment of support costs

	Dec-13 £000s	Dec-12 £000s
Cost of generating voluntary income	595	609
Activities for generating funds	270	319
Human rights campaigning	2,541	2,467
Investment in activist recruitment	186	178
Governance	16	62
Total support costs apportioned	3,608	3,635

Staff costs cover employees in finance, information technology, human resources and facilities management. Included within other support costs are audit fees of £20k (2012: £20k)

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

10. STAFF COSTS

	Dec-13 £000s	Dec-12 £000s
Wages and salaries	5,100	5,719
Social security costs	557	604
Pension costs	323	337
Redundancy costs	702	-
	6,682	6,660

The 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 £000s
Cost of generating voluntary income	22	1,047
Activities for generating funds	8	414
Human rights campaigning	72	3,843
Support	24	1,339
Governance	1	39
Total	127	6,682

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 127 full-time posts.

Salary band £000s	Redundancy numbers	Other numbers	Dec-13 Total numbers	Dec-12 Total numbers
0 - 10	-	40	40	62
10 - 20	1	34	35	40
20 - 30	4	36	40	52
30 - 40	4	35	39	41
40 - 50	2	26	28	34
50 - 60	3	4	7	6
60 - 70	3	1	4	1
70 - 80	2	-	2	-
80 - 90	1	1	2	1
90 - 100	2	-	2	-
100 - 110	2	-	2	-
130 - 140	1	-	1	-
	25	177	202	237

Over the last 18 months Amnesty UK undertook a review of costs and priorities. In the final quarter of the year 25 staff posts were made redundant. Where relevant, the amounts shown under the salary bandings above include both salary and redundancy costs.

11. TAXATION

Taxation on profit on ordinary activities	Dec-13 £000s	Dec-12 £000s
Total current tax	-	-
Deferred tax		
Movement in deferred tax provision	-	-
Taxation on profit on ordinary activities	-	-
Reconciliation	Dec-13 £000s	Dec-12 £000s
Profit/(loss) on ordinary activities before tax	838	(14)
Profit/(loss) on ordinary activities at the standard rate of corporation tax in the UK of 23% (prior year 24%)	193	(3)
Effects of:		
Net non-taxable income	(172)	(8)
(Decrease)/increase in trading losses in the year	(27)	5
Capital allowances in excess of depreciation	6	6
Current tax charge for period	nil	nil

Provision for deferred tax – treated as unprovided	£000s
Deferred tax at 20%	
Balance at 1 January 2013	(155)
Movement	38
Balance at 31 December 2013	(117)

The year end unprovided deferred tax asset comprises	£000s
Accelerated capital allowances	236
Losses available to carry forward	(352)
Other timing differences	(1)
	(117)

12. TANGIBLE FIXED ASSETS

	Leasehold land and buildings £000s	Plant & Machinery £000s	Computer equipment/ infrastructure £000s	Office Equipment £000s	Leasehold Improvements £000s	Total £000s
Cost						
at 1 January 2013	4,637	1,691	891	719	20	7,958
Additions	-	-	-	101	-	101
Disposals	-	-	-	-	-	-
at 31 December 2013	4,637	1,691	891	820	20	8,059
Depreciation						
at 1 January 2013	736	668	626	541	15	2,586
Charge for the year	93	85	107	93	2	380
On disposals	-	-	-	-	-	-
at 31 December 2013	829	753	733	634	17	2,966
Net book value						
at 31 December 2013	3,808	938	158	186	3	5,093
at 31 December 2012	3,901	1,023	265	178	5	5,372

13. DEBTORS

	Group Dec-13 £000s	Company Dec-13 £000s	Group Dec-12 £000s	Company Dec-12 £000s
Amounts owed by related entities	819	819	50	50
Trade debtors	64	64	44	44
Other debtors, prepayments, and accrued income	391	391	526	526
Value Added Tax recoverable	120	120	170	170
	1,394	1,394	790	790

All amounts are due within 12 months.

14. CREDITORS

Amounts falling due within one year

	Group Dec-13 £000s	Company Dec-13 £000s	Group Dec-12 £000s	Company Dec-12 £000s
Trade creditors	153	153	323	323
Accruals and deferred income	371	371	87	87
Payroll taxes and other creditors	280	280	200	200
	804	804	610	610

15. RESTRICTED FUNDS

	Total £000s
At 1 January 2013	64
Income (see note 3.1)	295
Expenditure (see note 7)	(305)
At 31 December 2013	54
Represented by:	
Refugees - Still Human Still Here	51
Middle East & North Africa	3
Cash at bank	54

16. UNRESTRICTED FUNDS

	Fixed Asset reserve £000s	Total Undesignated funds £000s	Total Unrestricted funds £000s
At 1 January 2013	5,372	3,900	9,272
Utilised during year	-	848	848
Movement between reserves	(279)	279	-
At 31 December 2013	5,093	5,027	10,120
Represented by:			
Fixed Assets/Investments	5,093	-	5,093
Cash at bank	-	4,437	4,437
Other net current assets	-	590	590
	5,093	5,027	10,120

Fixed Asset reserve

The fixed asset reserve comprises funds invested in fixed assets (also see note 12) that allows Amnesty to carry out its work effectively. As this reserve comprises fixed assets, it is not possible to utilise them elsewhere within the organisation.

17. NOTES TO CASH FLOW STATEMENT**Reconciliation of incoming/(outgoing) resources to net cash inflows from operating activities**

	Dec-13 £000s	Dec-12 £000s
Incoming/(outgoing) resources	838	(14)
Depreciation	380	376
Loss on disposal of fixed assets	-	33
Interest received	(17)	(17)
(Increase)/decrease in debtors	(604)	36
Increase in creditors	194	8
Net cash inflow from operating activities	791	422

Reconciliation of net cash to movement in net funds

	Dec-13 £000s	Dec-12 £000s
Increase in cash	707	244
Opening net funds	3,784	3,540
Closing net funds	4,491	3,784

Analysis of net funds

	Jan-13 £000s	Cash flows £000s	Dec-13 £000s
Cash in hand and at bank	3,784	707	4,491
	3,784	707	4,491

18. RELATED PARTY TRANSACTIONS

The related entity of the UK Section is Amnesty International (United Kingdom) Section Charitable Trust. The UK Section regularly makes applications for funding in relation to charitable human rights work carried out by the UK Section.

Related entity balances

At 31 December the balance Amnesty International UK Section was owed from its related entity was:

	Dec-13 £000s	Dec-12 £000s
Due from Amnesty International (UK Section) Charitable Trust	819	50

During the year personal credit card expenditure of £11,672 were accrued by a Chair of the Board, Ciarnan Helferty. This has been fully repaid since the year-end.

Related entity transactions

	Dec-13 £000s	Dec-12 £000s
Restricted grants from the UK Trust	295	302
General grants from the UK Trust to support campaigning costs	1,518	1,420
Charges made to the UK Trust for staff costs	1,490	1,577
Charges made by the UK Trust for HRAC occupancy	(245)	(245)
Charges made to the UK Trust under the terms of a licence to use the human rights action centre	45	45
Charges made to the UK Trust for the Amnesty magazine	93	123

19. COMMITMENTS UNDER OPERATING LEASES

Operating leases which expire

	Dec-13 £000s	Dec-12 £000s
Within one year	66	39
In two to five years	147	123
In more than five years	245	245
	458	407

Analysed between

Hire of plant and machinery	46	16
Other operating leases	412	391
	458	407

Included in the leases expiring in more than five years is a 35 year lease from a related entity, Amnesty International UK Section Charitable Trust, to occupy the Human Rights Action Centre at an annual rent of £245,000.

