

Amnesty International Charity Limited

(a company limited by guarantee)

Report and financial statements for the year ended 31 December 2016

Company No: 2007475

Charity No: 294230

Amnesty International Charity Limited

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Legal and Administrative details

Directors (and Trustees):	Melvin Coleman (chair) George Macfarlane (resigned 15 June 2016) Tim Guy Nicola Deeson (appointed 15 June 2016)
Company Secretary:	Nicholas Williams
Address and Registered Office:	1 Easton Street London WC1X 0DW
Company Registration Number:	2007475
Charity Registration Number:	294230
Date of incorporation:	7 April 1986
Constitution:	Company limited by guarantee, with articles of association.
Solicitors:	Bates Wells Braithwaite LLP 10 Queen Street Place London EC4R 1BE
Bankers:	HSBC Bank plc 74 Goswell Road London EC1V 7DA
Auditors:	Crowe Clark Whitehill LLP St Bride's House 10 Salisbury Square London EC4Y 8EH

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1.2 GOVERNANCE AND MANGEMENT (CONTINUED)

The Trustees have responsibility for the oversight of the Charity. The Charity carries out its activities by way of grant funding. In 2016 the Charity commissioned AIL to carry out charitable work on behalf of the Charity under the terms of the grant agreement referred to at paragraph 1.1 above. Any conflicts of interest arising out of the Charity's governance structure are managed by the Trustees in accordance with the Charity's conflict management processes, the Charity's articles of association and the requirements of Financial Reporting Standard 102 (FRS 102).

The Trustees exercise supervision and control over grant funding and have procedures in place to ensure that the Charity's funds are applied for its charitable purposes.

2. OBJECTIVES AND ACTIVITIES

As explained above, in 2016 the Charity furthered its charitable objects by granting funds to AIL to undertake charitable activities on its behalf. The Charity's objects are as follows:

Having regard to the Statute for the time being of Amnesty International, the objects for which the Charity is established are to promote human rights (as set out in the Universal Declaration of Human Rights and subsequent United Nations conventions and declarations) throughout the world by all or any of the following means:

- Monitoring abuses of human rights
- Obtaining redress for the victims of human rights abuse
- Relieving need among the victims of human rights abuse
- Research into human rights issues
- Providing technical advice to government and others on human rights matters
- Contributing to the sound administration of human rights law
- Commenting on proposed human rights legislation
- Raising awareness of human rights issues
- Promoting public support for human rights
- Promoting respect for human rights among individuals and corporations
- International advocacy of human rights
- Eliminating infringements of human rights

3. PUBLIC BENEFIT

In setting the Charity's objectives and planning our activities, the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit. The Trustees always ensure that the activities undertaken by the Charity are in line with its charitable objects and aims.

The Charities Act 2006 makes provision for the advancement of human rights as a charitable purpose. Our objectives and purposes, and the activities that flow from them are aligned to those summarised in the Charity Commission's guidance publication "RR12 - The Promotion of Human Rights".

4. PRINCIPAL RISKS AND UNCERTAINTIES

The management of activities and the execution of the Charity's strategy are subject to a number of risks.

Risks are identified and updated by the Board of Trustees at every meeting and appropriate processes are in place to monitor and mitigate them. Key risks affecting the Charity are set out below:

Reputational risk

Reputational damage to the Charity may arise from adverse publicity for a number of reasons, including errors or bias in research reports, poor decision making or misconduct by the Trustees, involvement of regulators or actions taken by other parts of the Amnesty International movement, including the staff and officers of the IS.

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5. ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

The AIL project, Protection of Indigenous Peoples' land rights has two country focus: Kenya and Bangladesh. In Kenya, AIL contributed to ensure that the National Land Commission launched credible processes to issue land titles with effective participation of the Sengwer community, and to review cases where compensation to this community was denied. AIL effectively influenced key community actors, which will allow access to key evidence to support investigations of human rights violations while the consultations with the indigenous communities take place. In Bangladesh AIL contributed to ensuring a positive response from the National Human Rights commission (about disappearances). Importantly, thanks to AIL's contribution, CEDAW (Convention on the Elimination of all Forms of Discrimination Against Women) issued concluding observations on prevention of violence against women and providing justice in cases of rape / murder / other GBV in line with Amnesty International's recommendations on Bangladesh. Key to this outcome was Amnesty International's documentation of the human rights violations in impartial and measured ways. It is worth noting that Amnesty International's messages were not only valuable on their own, but as reinforcement of messages by other organisations.

Through AIL's work with Human Rights Defenders in South Asia, up to 20 bloggers and activists were relocated outside of Bangladesh, seeing also successes in campaigns for the release of various journalists and activists. Indeed, all the urgent actions issued by the AIL resulted in the journalists or activists being released from custody. Key to these successes was effective engagement with embassies and coordinated work with international organisations and Amnesty International UK, as well as the strong links developed with local organisations in Sri Lanka and Nepal. Thanks to Amnesty International intervention fewer Human Rights Defenders in Malaysia were targeted through the sedition act in 2016 (although other legislations were used instead). AIL contributed to this change through campaign digests; media work and tactical actions

In the GCC - Freedom of expression and justice system project, the UAE has introduced an appeal procedure into cases considered before the State Security Chamber of the Federal Supreme Court. While new and not yet assessed by Amnesty International, it could be an important development: the lack of an appeal procedure has been a target of Amnesty International's work on the UAE since 2013. Key to this success was the sustained influence on this issue over a long period of time, the consistent mention in all public outputs; the targeted advocacy directed at UN and EU as well as the Write for Rights cases related to this work. Through this work AIL also achieved solidified channels of communication with local authorities, viz. Kuwaiti government, the Qatari and the Omani NHRIs. Through this work, human rights defenders also felt supported and connected, which was possible thank to their engagement in Amnesty International's analysis and action and through convening meeting bringing together a large group of Gulf HRDs

AIL's Education Technology work saw 86,200 people from 197 countries registered to Amnesty International's massive open online course (MOOCs) on freedom of expression and refugee and migrants' rights. 65% of those had not been engaged with Amnesty International in the last 12 months showing Amnesty International are reaching new audiences. 2,500 people completed the MOOC; 77% said they took action on the Amnesty write for rights campaigns and more than 80% said they are more confident to take action. These successes were enabled through the development of action-oriented learning materials via a reputed global platform with global reach (edX). Promotion via social media, special blogs a dedicated facebook page, as well as promotion via international membership and sections were also crucial to the achievement of these outcomes. Importantly, the team linked the project activities with global actions related to the global campaign, provided an instructional design and ensured that the MOOC itself included elements to enhance social engagement (e.g. social wall, forums).

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Investment policy

In the situation where it has significant funds the Charity aims to invest such funds in a prudent and ethical manner to enable funding of future activities. During the year, any cash not immediately required for operational work was placed in money market deposit accounts, to maximise interest. Interest earned was in line with expectations.

Going Concern

A review of financial performance and the Charity's reserves position is set out above. The Charity continues to receive both gift aid grants, and administrative support from AIL for which AIL waives its right to charge. The Charity also continues to receive donations and legacies, which totalled £226,000 in 2016 (2015: £439,000). As a result the Trustees believe that the Charity has adequate financial resources and is well placed to manage business risks. The planning process, including financial projections, has taken into consideration the reductions in income noted above. The Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future.

The Trustees believe that there are no material uncertainties that call into doubt the Charity's ability to continue. The accounts have therefore been prepared on the basis that the Charity is a going concern.

8. AUDITORS

As far as each of the Trustees of the Charity at the date of approval of this report is aware, there is no relevant audit information (information needed by the Charity's auditor in connection with preparing the audit report) of which the Charity's auditor is unaware. Each trustee has taken all of the steps that he/she should have taken as a trustee in order to make himself/herself aware of any relevant audit information and to establish that the Charity's auditor is aware of that information. Crowe Clark Whitehall LLP has expressed its willingness to continue as auditor for the next financial year.

We have taken the small company exemption from preparing a strategic report.

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Independent Auditor's Report to the Members of Amnesty International Charity Limited

We have audited the financial statements of Amnesty International Charity Limited for the year ended 31 December 2016 which comprise the Statement of Financial Activities, incorporating the Income and Expenditure Account, the Balance Sheet, the Cash Flow Statement and the related notes numbered 1 to 19.

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 charitable 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 charitable 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 charitable 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 Trustees and auditor

As explained more fully in the Statement of Trustees' Responsibilities, the Trustees (who are also the directors of the charitable company for the purpose of company law) 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 Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Trustees' Annual Report and any other surround information to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2016 and of its incoming resources and application of resources, including its income and expenditure, 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 matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

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Statement of Financial Activities (Incorporating an Income and Expenditure Account) For the year ended 31 December 2016

	Notes	Unrestricted Funds 2016 £'000	Restricted Funds 2016 £'000	Total Funds 2016 £'000	Total Funds 2015 £'000
Incoming Resources from generated funds					
Voluntary Income	4	1,226	-	1,226	4,897
Investment Income		10	-	10	-
Total incoming resources		1,236	-	1,236	4,897
Resources expended					
Charitable activities	4	(4,668)	(89)	(4,757)	(277)
Total resources expended		(4,668)	(89)	(4,757)	(277)
Net (outgoing)/incoming resources		(3,432)	(89)	(3,521)	4,620
Fund balances brought forward at start of period		4,924	89	5,013	393
Fund balances brought forward at end of period		1,492	-	1,492	5,013

All amounts relate to continuing activities.

There is no difference between the net outgoing resources for the years ended 31 December 2016 and 31 December 2015 stated above and their historical cost equivalents.

There are no recognised gains and losses in either period other than the net income for that period and therefore no separate statement of total recognised gains and losses has been presented.

The notes on pages 16 to 23 form part of these financial statements.

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Cash Flow Statement For the period ended 31 December 2016

	Notes	2016 £'000	2015 £'000
Reconciliation of net outgoing resources to net cash outflow from operating activities			
Net cash (used by)/provided by operating activities		(3,521)	4,620
Increase in debtors		(4)	-
(Decrease)/increase in creditors		(307)	172
Net cash (outflow)/inflow from operating activities		(3,832)	4,792
Cash Flow Statement			
Net cash outflow from operating activities		(3,832)	4,792
Cash flows from investing activities			
Interest received		-	-
Cash flows from financing activities			
Sale/Purchase of short term investments		-	-
Change in cash and cash equivalents in the reporting period	17	(3,832)	4,792

The notes on pages 16 to 23 form part of these financial statements.

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3 Accounting Policies (continued)

Grants

Where no performance conditions relating to the receipt of incoming resources are set then restricted grant revenue is recognised when receivable (when the conditions of entitlement, probability and measurability have been met).

Where the receipt of incoming resources relating to a restricted grant is dependent on certain contractual performance conditions, revenue is only recognised when these expenditure conditions have been met. Where grants are subject to donor imposed conditions which specify the time period in which expenditure can take place and there exist detailed expenditure budgets with explicit timescales (that have been agreed by the grantor and grantee), then incoming resources are matched with expenditure such that revenue relating to expenditure in future periods is recorded as deferred revenue when received.

Investments

Investments, which relate to money market deposits, are carried at cost.

Fund accounting

The Charity maintains the following types of fund:

- Restricted – where the donor has specified that the donation be used for a particular purpose.
- Unrestricted – for use by the Trustees to further the Charity's objects.

Resources expended

Resources expended are accounted for on an accruals basis and are recognised in the period to which they relate, and include an element of VAT which cannot be recovered. Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the Charity to the expenditure.

Resources expended are classified by the activity headings shown below. Where expenditure cannot be directly attributed to particular headings (support costs) it is allocated based upon expenditure in each category for the year as a proportion of total resources expended.

Charitable activities comprise funding awarded to further the objectives and activities detailed in section 2 of the Trustees Report.

Irrecoverable VAT

Irrecoverable VAT is included in the costs recharged by AIL where it is incurred.

Foreign currency

Assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated at the rate of exchange ruling at the date of the transaction.

Foreign exchange gains and losses arise mainly on the conversion and translation of income received and are held in the Charity's bank accounts. As such the net gain or loss is included within incoming resources in the Statement of Financial Activities.

Segmental analysis

The Trustees are of the opinion that the Charity has only one class of business namely securing the observance of the provisions of the Universal Declaration of Human Rights and other human rights instruments throughout the world. Further the Trustees are of the opinion that the Charity generates incoming resources from one geographical market which comprises the United Kingdom.

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6 Support costs

	2016 Charitable activities £'000	2016 Governance £'000	2016 Total £'000	2015 Total £'000
Occupancy costs	105	-	105	104
	105	-	105	104

Support costs in 2016 are only those directly incurred by the Charity. There were no Governance costs in 2016 (2015: Nil).

7 Grants

The Charity granted funds to AIL in the period for work performed on behalf of the Charity; the figure granted was £4,652,117 in 2016 (2015: £277,000).

8 Employees and Directors

The Charity had no employees during the year (2015: nil). All salaries and related costs are born by the employer, AIL. In the current year, employee costs borne by AIL on behalf of the Charity were £2,000 (2015: £2,000).

The Trustees of the Charity did not receive any remuneration during the period (2015: nil) from the Charity for their services as directors and Trustees of the Charity.

The Trustees did not receive any reimbursement of expenses from the Charity during the period (2015: nil).

9 Debtors

	2016 £'000	2015 £'000
Accrued Income	4	-
	4	-

Accrued income relates to bank interest accrued for the year ended 31 December 2016.

10 Taxation

As a registered charity, the Charity will not be chargeable to corporation tax on its income or profits on the basis that they are applied for wholly charitable purposes. The charitable status of the Charity has been confirmed by the Charity Commission and HM Revenue & Customs. In the light of the provisions in the Income and Corporation Taxes Act 1988, no tax liability arises.

15 Statement of Financial Activities with comparatives

Statement of Financial activities with comparatives for each fund type.

	Unrestricted Funds 2016	Restricted Funds 2016	Total Funds 2016	Unrestricted Funds 2015	Restricted Funds 2015	Total Funds 2015
	£'000	£'000	£'000	£'000	£'000	£'000
Income						
Donations and Legacies	1,226	-	1,226	4,897	-	4,897
Investment Income	10	-	10	-	-	-
Total	1,236	-	1,236	4,897	-	4,897
Expenditure from						
Charitable activities	(4,668)	(89)	(4,757)	(277)	-	(277)
Total	(4,668)	(89)	(4,757)	(277)	-	(277)
Net income/(expenditure)	-	-	-	4,620	-	4,620
Net income/(expenditure)	(3,432)	(89)	(3,521)	4,620	-	4,620
Total funds brought forward	4,924	89	5,013	304	89	393
Total funds carried forward	1,492	-	1,492	4,924	89	5,013

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18 Analysis of Net Assets between Funds

	2016 Unrestricted Fund £'000	2016 Restricted Fund £'000	2016 Total £'000
Current assets			
Debtors	4	-	4
Short term investments	589	-	589
Cash at bank and in hand	1,068	-	1,068
	<hr/>	<hr/>	<hr/>
	1,661	-	1,661
Creditors: amounts falling due within one year	(169)	-	(168)
Net current assets and net assets	<hr/>	<hr/>	<hr/>
	1,492	-	1,492
	<hr/>	<hr/>	<hr/>
Total funds as at 31 December 2016	<hr/>	<hr/>	<hr/>
	1,492	-	1,492

19 Related Party Transactions

Under section 33 of FRS 102, the Charity is exempt from the requirement to disclose transactions with its parent on the basis that its results are consolidated in its parent's financial statements. There have been no other related party transactions in the year.