

Amnesty International Charity Limited

(a company limited by guarantee)

Report and financial statements for the year ended 31 December 2017

Company No: 2007475

Charity No: 294230

Amnesty International Charity Limited *(a company limited by guarantee)*

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Amnesty International Charity Limited *(a company limited by guarantee)*

Legal and Administrative details

Directors (and Trustees):	Melvin Coleman (chair) Timothy Stuart Guy Nicola Deeson (resigned 11 July 2017) Rosie Chapman (appointed 28 May 2017) Susan Wallcraft (appointed 28 May 2017)
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 U.K. LLP previously Crowe Clark Whitehill LLP St Bride's House 10 Salisbury Square London EC4Y 8EH

Amnesty International Charity Limited *(a company limited by guarantee)*

Trustees' Report for the year ended 31 December 2017

The Trustees, who are also the Directors of the Charity, present their annual report on the affairs of the Charity, together with the financial statements and auditors' report for the year ended 31 December 2017.

1. Structure, Governance and management

1.1 Relationship with Amnesty International

Structure of Amnesty International

Amnesty International (or Amnesty) is an unincorporated, global movement, which has as its objective "securing the observance of the provisions of the Universal Declaration of Human Rights and other human rights instruments throughout the world".

Amnesty International Charity Limited ('the Charity') was incorporated on 7 April 1986 to undertake charitable human rights activities on behalf of the global movement. The governing documents of the Charity are its Articles of Association, which were updated in December 2017.

In June 2012, Amnesty International Limited ("AIL"), the principal operating entity for Amnesty International's International Secretariat (IS), was appointed as the sole member of the Charity. The Charity is considered a subsidiary of AIL and from 2013 has been consolidated into the Group accounts of AIL. The Charity conducts its charitable activities by way of grant funding. For the year ended 31 December 2017, the Charity Trustees agreed to continue to run the Charity as a grant giving organisation in view of a number of factors including the low overhead costs and flexibility in the application of its funds.

1.2 Governance and management

The Charity is a company limited by guarantee and does not have share capital. AIL is the sole member of the Charity.

The Trustees, who are also Directors of the Charity, are appointed by AIL in consultation with the existing trustees.

New Trustees receive an induction from the Company Secretary shortly after their appointment, covering a general overview of the organization and administrative details; fiduciary responsibilities; and legal and statutory responsibilities. This induction also includes understanding the charity's relationship with AIL and the Amnesty movement.

The Trustees have responsibility for the oversight of the Charity. The Charity carries out its activities by way of grant funding. 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 and the Charity's articles of association.

The Trustees exercise supervision and control over grant funding and have procedures in place to ensure that they take decisions independently, acting in the best interests of the Charity and that the Charity's funds are applied exclusively for its charitable purposes. The Charity has appointed a Finance and Audit Committee to provide oversight and advice finance and audit matters.

A recent review was undertaken of the Charity's legal and governance structure, to consider whether any improvements could be made including regarding its relationship with AIL. The result of this review was as follows:

- updates were made to the Charity's memorandum of agreement with AIL on grant procedures: with effect from the 2017 grant year, a new and more detailed assurance procedure was introduced and stronger powers for the Charity to take measures to obtain the return of grant funds if it is not satisfied by AIL's reporting on the use of the grant;
- changes were made to the composition of the Charity's board of trustees to make it more independent from AIL: the AIL International Finance Director stood down in July 2017 and the two new trustees appointed in May 2017 have no employment or governance role with AIL; and updates were made to the articles of association to strengthen governance and trustee independence.

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The Trustees are familiarising themselves with the updated version of the Charity Governance Code (the "Code") published in July 2017. The Trustees aspire to meet the requirements of the Code and consider that the Charity's governance framework aligns with many aspects. The Charity will undertake a review of the Code in 2018 in order to adopt a fuller position.

2. Objectives and activities

The Charity's objects are based on the Charity Commission's model object for the advancement of Human Rights, 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

In 2017 the Charity Trustees agreed to make a grant to AIL on consideration of a number of factors including (a) the two organisations' shared objectives; (b) the likely expectation of donors and (c) the origins of the Charity as part of the wider Amnesty International movement. The specific grant award was made in accordance with the terms of a memorandum of agreement on grant procedures between the Charity and AIL which was updated in March 2017; that agreement sets out a detailed process for provision of grant funding and appropriate controls and restrictions on AIL's use of the Charity's funds for the furtherance of the Charity's charitable objects.

3. Public benefit

In setting the Charity's objectives and planning the Charity's 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 further its charitable objects and aims.

The Charities Act 2006 makes provision for the advancement of human rights as a charitable purpose. The Charity's 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 the Charity's activities and the execution of the Charity's strategy are subject to a number of risks.

The Charity's risk register is reviewed and discussed by the Trustees on a quarterly basis. Risk management is embedded at all levels, and the risks facing the organisation are identified and documented in the risk register through a quarterly internal process. The Trustees ensure that for each risk:

- mitigation procedures are developed
- responsibilities for implementation and review are assigned
- the status is monitored on a regular and timely basis.

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The top risk areas in 2017 were assessed as the following:

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.

Financial risk

Due to the unpredictable nature of the Charity's income, the Trustees consider a principal risk to be the possibility of commitments exceeding income. To mitigate this, the Trustees maintain an appropriate level of free reserves and agree any future grants on the level of excess free reserves and prudent financial forecasts.

5. Achievements and performance

In the year to 31 December 2017, the Charity made grants of £1,300,000 to support specific human rights activities conducted by ALL, which furthered the Charity's charitable objects. In addition, the Charity incurred direct costs of £93,000.

The Charity's grants supported work on two of ALL's strategic goals:

1. 'Reclaiming Freedom: A world in which everyone knows and can claim their rights' (Strategic Goal 1)

During 2017 the Charity contributed funding to projects under this strategic goal, which aims to empower people and communities with knowledge about human rights, and work with them to build societies that respect rights at all levels.

2. 'Securing Equal Rights for All: A world in which human rights and justice are enjoyed without discrimination' (Strategic Goal 2)

During 2017 the Charity contributed funding to projects under this strategic goal, which aims to protect the rights of groups who are discriminated against on multiple grounds and those deprived of their economic, social and cultural rights.

The Projects under each of these thematic areas are implemented at country, regional or global level. ALL provides six-monthly financial reports to the Charity Trustees on the projects funded by the Charity's grants. Some examples of the IS's achievements, wholly or partly funded by the Charity, during 2017 are shared below:

ALL's project on protecting civic space in West Africa has been one of the year's highlights. The project experienced significant progress in 2017 as a result of ALL's research and advocacy in the region. Strong laws protecting human rights defenders were adopted in Mali, Burkina Faso, and Cote d'Ivoire. Some governments also held back on adopting restrictive laws – in Togo, Mauritania, and Sierra Leone. In all those cases ALL helped contribute to these changes by issuing research on this issue, contributing to legal analysis of proposed legislation, and conveying it in public outputs and during advocacy meetings. At the regional level, the African Commission adopted strong guidelines on policing assemblies in Africa. This milestone will contribute to addressing the issue of excessive use of force, which leaves hundreds of people killed and hundreds more arrested in the region every year. ALL developed a legal analysis of the draft guidelines and shared it with the drafters, by using examples from its own research.

ALL's work and impact around Strategic Goal 1 also includes work around freedom of expression offline as well as online. Our research and advocacy work on North Korea focused on online and offline restrictions against human rights defenders, as well as their unlawful and arbitrary surveillance. ALL's research findings on this issue were mentioned for the first time in the UN General Assembly resolution in late 2016 and at the UN Security Council as a result of intense advocacy work both at the UN and government-level. This work was relevant in ensuring that the issue is covered in media and for increasing the international pressure on the North Korean state to improve the situation.

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AIL's work on discrimination (Goal 2) has also been marked by significant successes – thanks to AIL's long-term investment on technical expertise on economic, social, and cultural rights and gender. AIL's work impact in South Africa provides an excellent example of the breadth of this area of work. AIL's project on sexual and reproductive rights, for example, saw the National Department on Health agreeing to revise health care worker guidelines on abortion, to regulate conscientious objection and increase access to information for the public on which public health facilities are providing access. AIL worked in partnership with highly respected South African experts on abortion in South Africa, to produce a research briefing. In turn AIL's profile and use of media provided a platform for recognition for other national organizations working on the issues and also directly influenced national newspapers, the Mail and Guardian, to undertake investigative journalism pieces on information barriers and unsafe abortion throughout 2017.

AIL also work on the impact of privatization of education services. AIL has been getting great progress influencing the Private Education Consortium ensuring they elaborate and strengthen the draft international human rights guidelines and principles on the privatization of education. AIL has played and continues to play a key role in the drafting process both by sitting on the Steering Committee and attending a number of regional consultation meetings commenting on the draft. In doing so AIL has helped to clarify and strengthen the provisions in accordance with international law and standards. This will be crucial in ensuring the credibility of the final document and it achieves traction with domestic actors as part of our advocacy and campaigning strategy. AIL's objective is to have a strong international law instrument that will both clarify the human rights aspects of privatization of education and raise the profile of the issue including in the target country of South Africa.

6. Plans for future periods

In 2018 the Charity Trustees will consider further grant proposals. Such grants as the Charity Trustees approve will be in line with grant procedures which take account of best practice and regulatory guidance.

In particular the Charity has approved grants to support further work on three of AIL's strategic goals as outlined below:

Reclaiming Freedom: A world in which everyone knows and can claim their rights

AIL's projects under this strategic goal will expand and sustain the human rights movement by empowering people and communities with knowledge about human rights and working with them to build societies that respect rights at all levels. Strategic Goal 1 has three outcomes:

- Those defending human rights are safe and supported;
- People know their rights and are empowered to claim them;
- People can claim their rights to speak out, organize and challenge injustice.

Securing Equal Rights for All: A world in which human rights and justice are enjoyed without discrimination

AIL's projects under this strategic goal will work nationally and regionally to protect the rights of groups who are discriminated against on multiple grounds and those deprived of their economic, social and cultural rights. Strategic Goal 2 has three outcomes:

- Discrimination and identity-based violence are reduced;
- Progress towards equality on the basis of gender, sexual orientation, and gender identity and expression is achieved;
- Economic, social and cultural rights are better realized in people's lives.

Responding to Crises: A world in which people are protected during conflict and crises

AIL's work under this strategic goal will play a leading role in mobilizing effective action to protect civilians in situations of conflict and crises. AIL will work to ensure that institutions and mechanisms act effectively when civilians are in danger, and people are protected from the effects of irresponsible arms trade and failures to duly restrict the use of explosive weapons in populated areas. We will seek to ensure that borders are never closed for

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humanitarian aid or those seeking refuge, and that those who need to leave are protected and provided for. Strategic Goal 3 has three outcomes:

- Those responsible for human rights abuses are held accountable and victims have access to justice, truth and reparation;
- People affected by or fleeing conflict, crisis, torture or persecution have access to adequate protection and assistance;
- Civilians are better protected through effective action by national, regional and international institutions and mechanisms.

7. Financial review

The results for the Charity show net outgoing resources of £1,101,000 (2016: net outgoing resources of £3,521,000). The significant decrease in expenditure is due to a reduction in grant income from AIL.

The principal sources of funding for the Charity in 2017 were the AIL grant and legacies.

As at 31 December 2017, the Charity has net assets of £391,000 (31 December 2016: £1,492,000) and unrestricted funds totalling £391,000 (31 December 2016: £1,492,000).

Net cash outflow from operating activities for the year was £1,114,000 (31 December 2016: £3,832,000); the Charity has net funds of £543,000 as at 31 December 2017 (31 December 2016: £1,661,000).

Reserves policy

As at 31 December 2017, total reserves were £391,000 (31 December 2016: £1,492,000), including £nil restricted reserves (31 December 2016: £nil). The level of free reserves of the Charity was £391,000 which is £348,000 in excess of its target.

As the Charity is a grant funding organisation it has no requirement for significant reserves. A target level of reserves has been set at £43,000 to cover annual expenditure outside of grant giving activities and a contingency amount for unforeseen costs required to be met directly by the Charity.

The Trustees anticipate that excess free reserves will be further applied to charitable activities through grants in 2018 so as to reach the target level.

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 from AIL and donations and legacies from members of the public, which totalled £268,000 in 2017 (2016: £226,000). 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.

Fundraising

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The Charity does not undertake any public fundraising activities and so has not subscribed to any UK fundraising standards or scheme for fundraising regulation. Notwithstanding this position the Charity registered with the UK Fundraising Preference Service in January 2018 following the receipt of suppression requests from members of the public and so as to minimise confusion with the fundraising activities of Amnesty International UK, Amnesty International's membership organisation in the UK.

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 Whitehill LLP were reappointed as auditors following a competitive tender process during 2017. On 25 June 2018, Crowe Clark Whitehill LLP changed its name to Crowe U.K. LLP. Crowe U.K. LLP has indicated its willingness to be reappointed as statutory auditor.

The report to the trustees has been prepared in accordance with the special provisions relating to companies subject to the small companies regime within part 15 of the Companies Act 2006.

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Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

Charity law requires the Trustees to prepare financial statements for each financial period in accordance with FRS 102, The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and applicable law.

Under charity law the Trustees 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 Charity and of its net incoming/outgoing resources for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue to operate.

The Trustees are responsible for keeping proper accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Financial Reporting Standard 102 (FRS 102). They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on Amnesty International's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Directors' Report was approved by the board of Trustees on 2nd July 2018, and is signed as authorised on its behalf by:



Melvin Coleman
Trustee

2nd July 2018
1 Easton Street
London
WC1X 0DW

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

Opinion

We have audited the financial statements of Amnesty International Charity Limited for the year ended 31 December 2017 which comprise of statement of financial position, balance sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (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 charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

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 2017 and of its incoming resources and application of resources 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our

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knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion based on the work undertaken in the course of our audit

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

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

- adequate accounting records have not been kept or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the trustees' report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.



Nicola May
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor
London

25th July 2018

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**Statement of Financial Activities
(Incorporating the Income and Expenditure Account)
For the year ended 31 December 2017**

	Notes	Unrestricted Funds 2017 £'000	Total Funds 2017 £'000	Total Funds 2016 £'000
Incoming Resources from generated funds				
Voluntary Income	4	268	268	1,226
Investment Income		-	-	10
Total incoming resources		268	268	1,236
Resources expended				
Charitable activities	5	(1,365)	(1,365)	(4,757)
Investment Expenditure		(4)	(4)	-
Total resources expended		(1,369)	(1,369)	(4,757)
Net outgoing resources		(1,101)	(1,101)	(3,521)
Fund balances brought forward at start of period		1,492	1,492	5,013
Fund balances brought forward at end of period		391	391	1,492

All amounts relate to continuing activities.

The notes on pages 18 to 24 form part of these financial statements.

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Balance Sheet

As at 31 December 2017

Company No: 2007475

Charity No: 294230

	Notes	Dec-17 £'000	Dec-16 £'000
Current assets			
Debtors	9	-	4
Investments	11	290	589
Cash at bank and in hand		253	1,068
		<u>543</u>	<u>1,661</u>
Creditors: amounts falling due withing one year	12	(152)	(169)
		<u>391</u>	<u>1,492</u>
Net currents assets, total assets less liabilities and net assets			
		<u>391</u>	<u>1,492</u>
Funds			
Unrestricted Funds	16	391	1,492
Total Funds		<u>391</u>	<u>1,492</u>

Approved by the board of directors on 2 July 2018 and signed on its behalf by:



Melvin Coleman
Trustee

The notes on pages 18 to 24 form part of these financial statements.

Cash Flow Statement
For the period ended 31 December 2017

	2017 £'000	2016 £'000
Cash flows from operating activities		
<i>Net expenditure for the reporting period</i>	(1,101)	(3,521)
Adjustments for:		
Decrease/(increase) in debtors	4	(4)
Decrease in creditors	(17)	(307)
Net cash used in operating activities	<u>(1,114)</u>	<u>(3,832)</u>
Cash flows from investing activities		
Sale of short term investments	299	4,093
Net cash provided by investing activities	<u>299</u>	<u>4,093</u>
Cash flows from financing activities	-	-
(Decrease)/increase in cash at bank and in hand	<u>(815)</u>	<u>261</u>
Cash at bank and in hand at the beginning of the reporting period	<u>1,068</u>	<u>807</u>
Cash at bank and in hand at the end of the reporting period	<u>253</u>	<u>1,068</u>

Notes to the financial statements for the period ended 31 December 2017

1 Company Information

Amnesty International Charity Limited is a charity limited by guarantee, incorporated in England and Wales under company number 2007475 and charity number 294230. Its registered office is 1 Easton Street, London, WC1X 0DW. Amnesty International Charity Limited is a not for profit organisation whose activities are intended to be for the public benefit.

2 Basis of Accounting

Basis of preparation

The accounts (financial statements) have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2015 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

The accounts (financial statements) have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Going Concern

After making enquires, the Trustees are not aware of material uncertainties that cast doubt on going concern and have a reasonable expectation that the company has adequate resources to continue its activities for the foreseeable future as reflected in the Trustees Report. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Scope

These financial statements only reflect the activities of Amnesty International Charity Limited. They do not include the activities of ALL, or of the Sections of the Amnesty International movement, as these are all separate legal entities that are neither owned nor controlled by the Charity.

The principal accounting policies are summarised below. They have all been applied consistently throughout the current and preceding years.

3 Accounting Policies

Incoming resources

Income is accounted for on an accruals basis in the period in which the charity is entitled to income where the amount can be measured with reasonable certainty.

Legacies

Legacies are recognised when receipt is reasonably certain and the amount is quantifiable.

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.

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.

Cash and Cash equivalents

Cash and cash equivalents include cash held in current accounts, and liquid resources comprising short-term deposits with banks which mature within 12 months of date of inception.

Accounting estimations

In the application of the charity's accounting policies, Trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects the current and future periods.

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3 Accounting Policies (continued)

In the view of the Trustees, no assumptions concerning the future or estimation uncertainty affecting assets and liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

Financial Instruments

Amnesty International Charity Limited has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost using the effective interest method. Financial assets held at amortised cost comprise cash and bank and in hand. Financial liabilities held at amortised cost comprise trade and other creditors.

4 Donations and Legacies

	Unrestricted Funds 2017 £'000	Total Funds 2017 £'000	Total Funds 2016 £'000
Donations and legacies	268	268	226
Grant under Gift Aid from Amnesty International Ltd	-	-	1,000
Total donations and legacies	268	268	1,226

5 Resources Expended

	Direct Costs 2017 £'000	Support Costs 2017 £'000	Total Funds 2017 £'000	Total Funds 2016 £'000
Research into human rights violations	1,272	93	1,365	4,757
Total charitable activities	1,272	93	1,365	4,757

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6 Support Costs

	2017 Charitable activities £'000	2017 Total £'000	2016 Total £'000
Occupancy costs	87	87	105
Professional fees	6	6	-
	<u>93</u>	<u>93</u>	<u>105</u>

The Auditors' remuneration for the Charity is £3,000 +VAT and was previously borne by AIL and not recharged to the Charity (December 2016: £3,000 +VAT).

Support costs in 2017 are only directly incurred by the Charity. There were no Governance costs in 2017 (2016: Nil).

7 Grants

The Charity granted funds to AIL in the period to perform charitable work on behalf of the Charity; the figure granted was £1,300,000 in 2017 (2016: £4,652,000).

8 Employees and Directors

The Charity had no employees during the year (2016: nil). Related costs are borne by the employer, AIL. In the current year, employee costs borne by AIL on behalf of the Charity were £11,000 (2016: £2,000).

The Trustees of the Charity did not receive any remuneration during the period (2016: 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 (2016: nil).

9 Debtors

	2017 £'000	2016 £'000
Accrued Income	-	4
	<u>-</u>	<u>4</u>

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

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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.

11 Investments

	2017	2016
	£'000	£'000
Carrying value at start of period	589	4,682
Disposal of investments at cost	(299)	(4,093)
Carrying value at end of period	290	589

Investments comprise money market deposits.

12 Creditors

	2017	2016
	£'000	£'000
Accruals	152	169
Carrying value at end of period	152	169

Creditors comprise accrued grant commitments to Amnesty International Limited, accrued occupancy costs and accrued professional costs at the year ended 31 December 2017. Creditors comprised accrued grant commitment to Amnesty International Limited at the year ended 31 December 2016. The grant is considered a concessionary loan and no interest charged.

13 Financial Instruments

At the balance sheet date the charity held financial assets at amortised cost of £543,000 (2016: £1,661,000) and Financial liabilities at amortised cost of £152,000 (2016: £169,000).

14 Parent entity

Amnesty International Charity Limited (AICL) is a registered charity and undertakes certain of those aspects of the work of the Amnesty International which are charitable under the law of England and Wales. The charity is considered a subsidiary of AIL, as AIL is the sole member of the charity, and appoints the charity's Trustees.

Amnesty International Limited (AIL) is a limited liability company in England and Wales under number 1606776 and its registered office is 1 Easton Street, London, WC1X 0DW. Consolidated accounts can be obtained from this address. Amnesty International Limited is a not for profit organisation whose activities are intended to be for the public benefit.

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15 Comparative Statement of Financial Activities

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

16 Funds note

The movement on funds during the year were as follows:

	1 January 2017 £'000	Income £'000	Expenditure £'000	31 December 2017 £'000
Unrestricted funds	1,492	268	(1,369)	391
	1,492	268	(1,369)	391

The movement on funds during the prior year were as follows:

	1 January 2016 £'000	Income £'000	Expenditure £'000	31 December 2016 £'000
Restricted funds				
AI UK (ESR)	80	-	(80)	-
AI Canada (Dignity)	9	-	(9)	-
	89	-	(89)	-
Unrestricted funds	4,924	1,236	(4,668)	1,492
	5,013	1,236	(4,757)	1,492

Amnesty International UK (ESR)

The Charity received funds from AI UK in previous years to fund its economic and social rights project and ongoing work with implementing a Global Reporting framework across the movement.

AI Canada (Dignity)

The Charity received funds from AI Canada for work associated with the Dignity campaign.

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17 Analysis of Net Assets between Funds

	2017 Unrestricted Funds	2017 Total	2016 Unrestricted Funds	2016 Total
	£'000	£'000	£'000	£'000
Current Assets				
Debtors	-	-	4	4
Short term investments	290	290	589	589
Cash at bank and in hand	253	253	1,068	1,068
	<u>543</u>	<u>543</u>	<u>1,661</u>	<u>1,661</u>
Creditors: amounts falling due within one year	<u>(152)</u>	<u>(152)</u>	<u>(169)</u>	<u>(169)</u>
Net current assets and net assets	<u>391</u>	<u>391</u>	<u>1,492</u>	<u>1,492</u>
Total funds as at the end of the reporting period	<u><u>391</u></u>	<u><u>391</u></u>	<u><u>1,492</u></u>	<u><u>1,492</u></u>

18 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.