

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

## **Amnesty International Limited**

*(a company limited by guarantee)*

### **Report and financial statements for the year ended 31 March 2010**

*Company No: 1606776*

*AI Index: FIN 40/012/2010*

## Contents

Section	Page
<a href="#"><u>Error! Not a valid heading level in TOC entry on page 1</u></a>	
<a href="#"><u>Error! Not a valid heading level in TOC entry on page 1</u></a>	
<a href="#"><u>Error! Not a valid heading level in TOC entry on page 1</u></a>	
<a href="#"><u>Error! Not a valid heading level in TOC entry on page 1</u></a>	
<a href="#"><u>Error! Not a valid heading level in TOC entry on page 1</u></a>	
<a href="#"><u>Error! Not a valid heading level in TOC entry on page 1</u></a>	
<a href="#"><u>Legal and Administrative details</u></a> .....	1
<a href="#"><u>Report of the directors</u></a> .....	2
<a href="#"><u>Consolidated Statement of Financial Activities</u></a> .....	14
<a href="#"><u>Balance sheets</u></a> .....	15
<a href="#"><u>Consolidated Cash Flow Statement</u></a> .....	16
<a href="#"><u>Notes to the financial statements</u></a> .....	17

## Legal and Administrative details

<b>Directors:</b>	Mr Peter Pack (appointed as Director and Chair 7 February 2010) Mr Pietro Antonoli (appointed 7 February 2010) Mr Euntae Go (appointed 7 February 2010) Mr Louis Mendy (appointed 7 February 2010) Ms Christine Pamp (appointed 7 February 2010) Mr Vanushi Rajanayagam (appointed 7 February 2010) Mr Guadalupe Rivas (appointed 7 February 2010) Mr Bernard Sintobin (appointed 7 February 2010) Mr Julio Torales (appointed 7 February 2010) Mr Claudio Cordone (resigned 7 February 2010) Ms Widney Brown (resigned 7 February 2010) Mr George Macfarlane (resigned 7 February 2010) Mr Colm Ó Cuanacháin (resigned 7 February 2010) Ms Marcia Poole (resigned 7 February 2010) Ms Irene Khan (resigned on 31 December 2009) Ms Kate Gilmore (resigned on 13 December 2009) Ms Marj Byler (resigned on 14 August 2009)
<b>Company Secretary:</b>	Mr George Macfarlane
<b>Director General</b>	Ms Irene Khan – resigned on 31 December 2009 Mr Claudio Cordone served as Acting Director General from 1 January 2010 Mr Salil Shetty - appointed 1 July 2010
<b>Address and Registered Office:</b>	1 Easton Street London WC1X 0DW
<b>Company Registration Number:</b>	1606776
<b>Date of incorporation:</b>	6 January 1982
<b>Constitution:</b>	Company limited by guarantee, with memorandum and articles of association.
<b>Solicitors:</b>	Bates Wells and Braithwaite 2-6 Cannon Street London EC4M 6YH
<b>Bankers:</b>	HSBC Bank plc 74 Goswell Road London EC1V 7DA
<b>Auditors:</b>	Horwath Clark Whitehill LLP St Bride's House 10 Salisbury Square London EC4Y 8EH

## **Report of the Directors for the year ended 31 March 2010**

The Directors present their annual report on the affairs of the Group, together with the financial statements and auditors' report for the year ended 31 March 2010. The Group consists of Amnesty International Limited and its subsidiaries, details of which are provided in note 1.

### **1. Aims**

**Amnesty International's vision** is of a world in which every person enjoys all of the human rights enshrined in the Universal Declaration of Human Rights and other international human rights standards. In pursuit of this vision, **Amnesty International's mission** is to undertake research and action focused on preventing and ending grave abuses of these rights.

**Amnesty International's core values** are of an organisation that forms a global community of human rights defenders based on the principles of international solidarity, effective action for the individual victim, global coverage, the universality and indivisibility of human rights, impartiality and independence, and democracy and mutual respect.

**Amnesty International's methods** are to address governments, intergovernmental organizations, armed political groups, companies and other non-state actors. Amnesty International seeks to expose human rights abuses accurately, quickly and persistently.

It systematically and impartially researches the facts of individual cases and patterns of human rights abuses. These findings are publicized, and members, supporters and staff mobilize public pressure on governments and others to stop the abuses. In addition to its work on specific abuses of human rights, Amnesty International urges all governments and all relevant powers to observe the rule of law, and to ratify and implement human rights standards; it carries out a wide range of human rights educational activities; and it encourages intergovernmental organizations, individuals, and all organs of society to support and respect human rights.

### **2. Organizational Structure**

The Amnesty International International Secretariat (IS) is responsible to the International Executive Committee through the Secretary General. It is funded principally by AI's national sections for the purpose of furthering the work of Amnesty International on a worldwide basis and to assist the work of other sections in specific countries as necessary. The work of the IS is undertaken through three United Kingdom registered companies: Amnesty International Limited, Amnesty International Charity Limited and Amnesty Human Rights Foundation Limited.

### **3. Amnesty International Limited ("the Company")**

Amnesty International Limited was incorporated on 6 January 1982. Activities it undertakes include:

- Charitable activities undertaken on behalf of Amnesty International Charity Limited;
- Any activity in pursuance of securing the observance of the Universal Declaration of Human Rights throughout the world which would not be considered to be charitable under United Kingdom law. Such activities principally comprise campaigns undertaken with a view to influencing actions taken by sovereign governments.

#### **4. Amnesty International Charity Limited (“the Charity”)**

Amnesty International Charity Limited is a registered charity. It commissions the Company to undertake charitable activities including:

- Undertaking and commissioning research into the maintenance and observance of human rights and publishing the results of such research which incorporates membership recruitment, human rights education and human rights activism growth activities.
- Providing relief to needy victims of breaches of human rights and working to procure the abolition of torture, extrajudicial execution and disappearance.

#### **5. Amnesty Human Rights Foundation Limited**

Amnesty Human Rights Foundation Limited (AHRFL) is a wholly owned subsidiary of Amnesty International Limited. The objectives of Amnesty Human Rights Foundation Limited include:

- The carrying on in all parts of the world the business of organising and promoting charity music concerts and the receipt and management of funds raised directly from such concerts, associated sponsorship, television, radio and multimedia distribution rights and associated product merchandising.

#### **6. Offices overseas**

The Company carries out some operations through a number of overseas offices that it controls as branches. These are located in New York, Geneva, Paris, Hong Kong, Kampala, Dakar, Moscow and Beirut. The office in Hong Kong, (Amnesty International Asia-Pacific Regional Office Limited), is a subsidiary.

The Company also makes payments to two international branches, one in France which is controlled by representatives of the sections which it services and is therefore not a subsidiary, and one in Spain. Amnistía Internacional, S.L. sociedad unipersonal, a company incorporated in Spain, was formed in 1986 for the purpose of translating Amnesty International publications into Spanish and printing, publishing and distributing translated works and other publications within Spanish speaking countries.

Amnesty International Asia-Pacific Regional Office Limited, a company incorporated in Hong Kong, was formed in 1990 for the purpose of organising the local copying and distribution of Amnesty International publications. It also serves as a base for research and development activities.

The Group comprises the Company and its wholly owned subsidiaries as described in Note 1 to the accounts.

#### **7. Relationship between the Charity and the Company**

The Charity commissions the Company to carry out charitable activities on its behalf under the terms of the memorandum of agreement first signed in June 1992 and signed each year thereafter. Under this agreement the Charity reimburses the Company for carrying out the commissioned work to such extent as the directors of the Charity may determine.

During the year the Company donated £51,000 (2009: £117,000) to the Charity under the Gift Aid scheme. In addition it donated free of charge to the Charity work that cost the Company £11,636,000 (2009: £11,403,000).

## **8. Principal risks and uncertainties**

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

An inventory of risks was prepared in 2009, which will provide input into the development of an integrated current risk management approach.

The key risks affecting the Group are set out below:

### **Reputational risk**

Unauthorised use of the name or logo trademarks of Amnesty International could seriously impact the Group's reputation. Following the appointment of in-house legal counsel in May 2009, significant progress has been made in the ongoing project to improve the global protection of Amnesty International's trademarks.

The project has two aims (i) to transfer the ownership of the marks to Amnesty International Limited so that they can be managed and monitored centrally; and (ii) to ensure that Amnesty's trademarks are protected in the key jurisdictions where Amnesty operates.

### **Employee protection risk**

Due to the nature of the Group's activities there exists the risk of physical harm or detention of AI staff, consultants, volunteers and local partners or sources. To mitigate this risk, security and risk assessments are prepared and approved for every traveller undertaking research and mission work. Hostile environment training for staff is provided to all staff undertaking such activities.

### **Libel risk**

There exists the risk of libel or defamation action being taken against the Group arising from publication content (including Amnesty owned or branded websites). Last year the Group appointed a legal counsel to provide a focal point for advice and legal support in the context of libel and defamation risks arising out of the Group's work, involving external lawyers where necessary.

### **Financial risks**

The Directors believe that the Group does not have any significant exposure to price, credit, or liquidity financial risks.

The Group's exposure to the financial risks of changes in foreign currency exchange rates (cash flow risk) arising from the receipt of contributions from sections in foreign currencies represents a material risk. Forward hedging contracts are entered into in order to fix transaction exchange rates going forward for 12 months. The exact percentage of contracts entered into as a percentage of total income varies depending on the amount of natural hedging which can be achieved against payments in matching currencies and the extent to which the timing of receipts is reliable. No speculative foreign exchange instruments are employed, but rather only those whose costs are known.

## **9. Governance**

The Company is limited by guarantee and does not have share capital. The members (guarantors) are elected members of the International Executive Committee (IEC), of Amnesty International, individuals who are elected by representatives of the country sections of Amnesty International for a four year term at the biennial International Council Meeting

The governing documents of the Company are its Memorandum and Articles of Association. Amended governing documents were adopted on 7 February 2010 by members' written resolution. The purposes of the amendments were to (a) include provisions for improved governance and the efficient functioning of the new board of directors (see below); (b) include changes to UK company law since 1982 by adding

**Amnesty International Limited** *(a company limited by guarantee)*  
**Report of the Directors - continued**

modern forms of communication and decision making; and (c) reflect changes which have been implemented in the organisation since 1982.

At the Company's AGM on 7 February 2010 the elected members of the IEC were appointed as the directors of the Company. They replaced the Company's senior management team, so that the IEC were included in the formal governance structure of the International Secretariat at the appropriate level. The new directors received a briefing on their legal duties as UK company directors.

## 10. Management

The International Executive Committee is responsible for setting policy and approving operational plans and budgets and ensuring these are implemented. The IEC also appoints the Secretary General of Amnesty International who is responsible for the day to day operations of the IS.

The activities of the Company are managed by the Secretary General, Salil Shetty, supported by a senior management team of 7 people and approximately 500 staff.

## 11. Financial Review

The results for the Group show net incoming resources after other recognised gains and losses of £493,000 (2009:£1,007,000)

Incoming resources have increased in total from £44,791,000 in 2008/2009 to £46,222,000 in 2009/10 mainly due to the significant increase in assessment contributions from sections of £2,751,000, only partially offset by a reduction in additional voluntary contribution from sections of £1,276,000.

The Group is principally funded by contributions from country sections as assessed by the International Council.

Total resources expended have increased from £41,145,000 in 2008/2009 to £44,967,000 in 2009/10 mainly attributable to the increase in costs of activities in furtherance of the Group's objectives of £3,808,000. Please refer to note 5 for further details.

The Group has net current assets of £1,396,000 as at 31 March 2010 (net current assets of £1,108,000 as at 31 March 2009). The Group has unrestricted funds totalling £9,794,000 at the balance sheet date (2009: £9,025,000).

Net cash inflow from operating activities for 2010 was £2,428,000 (2009: £4,873,000). The Group has net funds of £2,640,000 as at 31 March 2010 (£76,000 net funds as at 31 March 2009).

Significant progress has been made in the current financial year on AI's human rights objectives and on the strategic global goals for the period. The board monitors progress of the Group's human rights activities and financial performance by reference to, amongst other indicators, the following financial and non-financial key performance indicators.

Performance during the year, together with historical trend data is set out in the table below:

		2010	2009
Total voluntary income	{1}	£45,961,000	£44,321,000
Net current assets	{2}	£1,396,000	£1,108,000
Number of missions	{3}	164	151

{1} Increase in total voluntary income is due to the increase in contributions from sections payable to the Group arising from past growth of the national sections

**Amnesty International Limited** *(a company limited by guarantee)*  
**Report of the Directors - continued**

- {2} The movement in net current assets is due both to an increase in cash at bank and an improvement in creditors, being only partially offset by a reduction in the level of debtors.
- {3} The Group undertook 164 missions in the current year compared to 151 missions in the prior year. The increase in the number of missions conducted was possible due to the increase in unrestricted funds available for human rights research and associated campaigning activities.

## **12. Activities during the year – Achievement and Performance**

In a short report of this nature it is not possible to detail in its entirety the volume and variety of initiatives undertaken around the world by Amnesty International (AI) and in AI's name during the period 1 April 2009 to 31 March 2010. However, this report provides a brief overview of AI's work in the last twelve months while more detailed information is available in the Amnesty International Report 2010, for the twelve months to 31 December 2009, from AI Sections and on the international website: [www.amnesty.org](http://www.amnesty.org).

The ability of the Company to achieve its objectives is dependent upon AI being granted access to relevant countries and territories while ensuring the security of AI staff, consultants, volunteers and local partners undertaking research and campaigning activities.

Amnesty International International Secretariat organises its operational plans in two-year periods, the plan governing this financial year being from 1 April 2008 to 31 March 2010. The plan comprised sixteen goals - goals 1 to 10 focus the implementation of the human rights strategy and goals 11 to 16 focus the delivery of the organisational and financial strategies.

The overarching strategic intent of the human rights strategy (Goals 1 to 10) is:

- To strengthen integration of research, policy, action and campaigns and achieve a stronger alignment between IS delivery and movement capacity
- To prioritize research and action at both country and global levels that delivers AI's major campaigns
- To build our capacity for research and action in strategic areas
- To enhance the quality of our research and action
- To deliver effective and timely campaigns and action on long-term and emergent human rights issues and crises.

The strategic intent underpinning the organizational and financial strategies (Goals 11 to 16) is:

- To align, integrate and enhance activism to achieve growth and to deliver more effective campaigns and actions.
- To enable investment of time, money and capacity in innovative projects that broaden and diversify AI's constituencies of support while maintaining support to the AI movement.
- To develop a movement-wide, global approach to communications, information resources and technologies in order to drive a more diverse, nimble and publicly persuasive agenda that will deliver our human rights priorities more effectively.
- To support AI's development through organizational learning, analytical information management and the provision of high quality expert advice.
- To orient organizational development processes towards the future so that AI and its International Secretariat are prepared and "fit for (the) purpose" of meeting the challenges that lie ahead with AI's Integrated strategic plan.
- To continue our work to enhance AI's accountability publicly formally in regards to sector standards and associated best practices and specifically in respect of those for whom AI works.
- To gear the IS for high performance in the years ahead, retaining and attracting people of excellence, sustaining a challenging and rewarding work environment that celebrates achievement and ensuring our people are accountable for delivery.

Significant activities that contributed towards the achievement of these goals included:

## **12.1 Haiti**

In the wake of the massive earthquake of 12 January 2010, Amnesty International called on the UN to put in place measures for the protection of the most vulnerable among the survivors, particularly women and girls and those left orphans. We also called for better coordination and prioritization of aid after disputes between the US military and aid agencies.

During March Amnesty International delegates visited Haiti and undertook research on issues relating to protecting the displaced people in makeshift camps. Delegates focused primarily on sexual violence against women and girls and collected first-hand testimonies from girl victims of rape. The delegation met with Haitian authorities including the President, Prime Minister, and other ministers and the head of the Haitian Police. Delegates also met with the Special Representative of the UN Secretary-General in Haiti and other UN officials.

## **12.2 Demand Dignity Campaign**

All over the world, people in poverty are demanding dignity. They want an end to the injustice and exclusion that keep them trapped in deprivation. They want to have control over the decisions that affect their lives. They want their rights to be respected and their voices to count.

Amnesty International's Demand Dignity campaign focuses on a few key areas and patterns of human rights abuse which show particularly sharply the interplay of deprivation, insecurity, exclusion and voices ignored. The overall goal is to end the human rights violations that keep people poor.

## **12.3 Counter Terror with Justice Campaign**

Government responses to the threat of terrorist attacks have led to a weakening of the framework of international human rights. States are resorting to practices which have long been prohibited by international law, and have sought to justify them in the name of national security.

Amnesty International has campaigned in relation to the ongoing existence of the Guantánamo facility, where, whilst welcoming the USA's pronouncements on human rights, it has called for concrete action, including on accountability, remedy, and ending the Guantánamo detentions in line with its international human rights obligations.

## **12.4 Abolish the Death Penalty Campaign**

The death penalty is the ultimate denial of human rights. It is the premeditated and cold-blooded killing of a human being by the state. This cruel, inhuman and degrading punishment is done in the name of justice. It violates the right to life as proclaimed in the Universal Declaration of Human Rights.

Amnesty International opposes the death penalty in all cases without exception regardless of the nature of the crime, the characteristics of the offender, or the method used by the state to kill the prisoner. Since the beginning of 2009, Amnesty International has been concerned that the South Korean government is taking steps towards resuming executions. 60 prisoners currently remain under sentence of death. Amnesty International has called on South Korea to immediately establish a moratorium on executions with a view to abolishing the death penalty as provided by UN General Assembly resolution 62/149 and resolution 63/168 and commute all death sentences in the country.

## **12.5 Communications**

Nearly 6.5million visits were made to Amnesty International's global website during 2009/10 and over 100,000 users visited its YouTube channel. In May 2009 Amnesty developed the 'voices platform' to mark the launch of the Demand Dignity campaign. Geared towards users in the Global South, this user-generated content site allows rights holders to upload text, audio and video relating to the campaign's key themes via desktop computer or via mobile SMS. The voices platform saw nearly 10,000 uploads in its first week. February 2010 saw the launch of the AiCandle - the first iPhone application launched by an International Non-Governmental Organisation (INGO) - a smartphone application enabling supporters to take action from their iPhones.

**Amnesty International Limited** *(a company limited by guarantee)*  
**Report of the Directors - continued**

**12.6 Fund-raising**

During the financial year (2009-2010) a range of funding proposals (including letters of interest, concept notes and full proposals) were submitted to grant giving bodies for funding the work of Amnesty International Limited and Amnesty International Charity Limited. These proposals totalled ten with a value of £3.7 million. During the financial year 2009-2010 a total of four previously secured restricted grants were managed by the fundraising programme with a total income of £221,528. In addition to the management of existing grant pledges and donor commitments secured in previous financial years with income in 2009/10, three new grants were secured during the financial year with a total value of £928,530. Since the end of the financial year a pledge has also been secured for funding in future years from the Dutch postcode lottery.

The Fund-raising Programme also worked with AI sections to support their own fund-raising applications, developing the capacity of smaller groups to become self-sustaining.

The Directors are pleased to acknowledge the support of the John D. and Catherine T. MacArthur Foundation, the Oak Foundation, Open Society Georgia Foundation, the Vanguard Charitable Endowment Programme, Mauro Tunes and American Jewish World Service. The UK Department for International Development (Governance and Transparency Fund) continued to fund a four year human rights education project in Africa. The European Commission (EuropeAid) generously awarded a multi-year grant towards Amnesty International's human rights education work in Europe.

During the year, the Company provided loans for fund-raising capacity building activities to one additional AI entity and worked with nine recipients of earlier funding to ensure the long term sustainability of the movement's investment. This includes one AI entity which repaid its loan in August of 2009. In addition, the Company supported fundraising activities in the movement more generally, developing the capacity of smaller groups to become self-sustaining.

In the year funds were expended as shown in note 22 to the attached accounts.

**13. Plans for the future period**

The Operational Plan for the next two years 2010 to 2012 was approved by the International Executive Committee (IEC) in March 2010.

One of the aims of this Operational Plan is to focus on the International Secretariat (IS) infrastructure, to ensure that systems are improved. We are embarking on a series of reviews in to identify changes required, including Information Technology and Financial Management, the aim being to provide the Amnesty movement with an International Secretariat whose systems and procedures are able to support its ambitious human rights agenda.

In the area of growth, AI will maintain its focus on the innovative projects that began in the last plan period, ensuring that it do not lose momentum while the growth strategy is developed. At the request of the IEC, and in order to maintain AI presence in the Global South and East where it may otherwise be at risk, the IS will invest greater resources into managing AI sections or structures that are not functioning to the required standards due to suspensions, internal conflicts or other organizational challenges.

The work on "Counter Terror with Justice" will continue in the form of a renewed, more focused campaign on Human Rights and Security. The previously seen increase in work against the death penalty will be maintained, working on regional priorities as well as the UN.

Greater investment is envisaged by the IS in Brazil, Russia, India, China and South Africa (BRICS). The first step will be a scoping exercise to explore the role of these countries at the international level, while their growth potential will be looked at through the growth evaluation and strategy, so that we can combine these two aspects with our domestic human rights agenda. The scoping exercise will allow us to prioritize work among BRICS countries and ensure the best allocation of resources (for example, an advocacy presence in Brazil vs. India or Russia).

## **14. Volunteers**

Volunteers and interns continue to make a significant contribution towards Amnesty's global objectives. Volunteers agree to commit to a minimum of three months and volunteer between two and three days a week. Interns undertaking specific projects generally volunteer their time for three to five days per week for a minimum of 4 months. For the financial year ended 31 March 2010, there were on average 94 volunteers and interns working at the IS premises. This was the equivalent of 237 days per week, or 54.5 full time staff.

The support we get from volunteers and interns is therefore invaluable. Volunteers help our members of staff with all aspects of their work and are involved in all activities across the International Secretariat. Some of that work includes monitoring the international press, translating, undertaking research, designing web pages, raising funds and supporting human resources and accounting activities.

Our volunteers' backgrounds are varied and enable our staff to benefit from a diverse range of supporters composed principally of university students, as well as active and retired professionals.

## **15. Reserves policy**

The Company has and will maintain a level of reserves sufficient to enable it to meet the requirements of its bankers to support its borrowing facilities and to meet potential shortfalls in income or to mitigate the impact of the defined benefit pension scheme actuarial losses. Income can be affected among others by adverse movements in exchange rates or by non payment of section contributions.

At the year end the unrestricted funds were in excess of 3 month's expenditure which is an improvement from the prior year. The Company's reserve policy on a risk based approach is set with the objective of having 15% of income to cover potential exchange rate risk, 5% of contributions from sections to cover delayed or non-payment and working capital needs of one month's expenditure. The Company will continue to review the level of reserves available and the appropriateness of the policy.

As detailed in note 22, two restricted funds are in deficit as at 31 March 2010 (aggregated value of £16,000). These deficit balances are expected to be recovered by income received in the future.

## **16. Investment policy**

The Company does not yet have a formal investment policy, however, it does maintain a detailed two year cash flow forecast to ensure there is adequate working capital for both operational and investment requirements. Excess cash is held in money market call accounts.

## **17. Grant making policy**

The Group provides support to AI Country Sections in the global South and East through the provision of grants for research, publications and campaigning activities. Grants payable to Country Sections are made in line with AIL's strategic objectives. The Group monitors all grants in accordance with the relevant Section grant agreement.

## **18. Pension fund**

The FRS 17 valuation of the AIL defined benefit pension scheme as at 31 March 2010 supplied by AIL's actuaries showed a deficit figure of £6,958,000 (2009: £6,771,000).

This net deficit is a statement of the transient situation as at 31 March 2010 and the Directors recognise that this can swing notably in response to market factors and actuarial assumptions made.

A full actuarial valuation was carried out as at 30 September 2008 which revealed a funding shortfall of £10,226,000 (2005: £10,283,000). As a result of the previous valuation undertaken in September 2005 an agreement has been reached with the trustees for the Company to make additional

**Amnesty International Limited** *(a company limited by guarantee)*  
**Report of the Directors - continued**

contributions from April 2007 of £900,000 a year, increasing at 5% per year, to eliminate this shortfall. The last payment under this agreement will be due on 1 October 2018.

## **19. Directors and directors' interests**

The directors of the Company who served throughout the year except as noted below were as follows:

Mr Peter Pack	Chair	(appointed 7 February 2010)
Mr Pietro Antonioli		(appointed 7 February 2010)
Mr Euntae Go		(appointed 7 February 2010)
Mr Louis Mendy		(appointed 7 February 2010)
Ms Christine Pamp		(appointed 7 February 2010)
Mr Vanushi Rajanayagam		(appointed 7 February 2010)
Mr Guadalupe Rivas		(appointed 7 February 2010)
Mr Bernard Sintobin		(appointed 7 February 2010)
Mr Julio Torales		(appointed 7 February 2010)
Mr Claudio Cordone	Acting Chairperson	(resigned 7 February 2010)
Ms Widney Brown		(resigned 7 February 2010)
Mr George Macfarlane		(resigned 7 February 2010)
Mr Colm Ó Cuanacháin		(resigned 7 February 2010)
Ms Marcia Poole		(resigned 7 February 2010)
Ms Irene Khan	Chairperson	(resigned on 31 December 2009)
Ms Kate Gilmore		(resigned on 13 December 2009)
Ms Marj Byler		(resigned on 14 August 2009)

## **20. Company Secretary**

George Macfarlane served as Company Secretary throughout the year.

## **21. Employment of disabled persons**

The Company has established an equal opportunities policy which covers people with disabilities; efforts continue to be made to provide adequate facilities for these individuals. The Company also makes every effort to continue to employ people if they become disabled during their employment by providing appropriate additional facilities or by adapting the requirements of the work to the individual's changed abilities.

## **22. Employee involvement**

The Company provides internal written updates on activities and there are also frequent staff information and consultative meetings. Staff are also invited to presentations on the financial performance of the Group which also address how economic factors have impacted on the Group's performance.

## **23. Public benefit**

Amnesty International Limited is a not for profit organisation whose activities, whilst not exclusively charitable, are intended to be for the public benefit. In setting our objectives and planning our activities Amnesty International Limited's directors have, on a voluntary basis, given careful consideration to the Charity Commission's general guidance on public benefit.

## **24. Statement of Directors' responsibilities**

The directors are responsible for preparing the Directors' 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).

**Amnesty International Limited** *(a company limited by guarantee)*  
**Report of the Directors - continued**

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 the group and of the profit or loss of the company and group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK 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 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.

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

## **25. Auditors**

Insofar as each of the directors of the company at the date of approval of this report is aware there is no relevant audit information (information needed by the company's auditor in connection with preparing the audit report) of which the company's auditor is unaware. Each director has taken all of the steps that he/she should have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Horwath Clark Whitehill LLP has indicated its willingness to be reappointed as statutory auditor. On 1 October 2010, Horwath Clark Whitehill LLP is changing its name to Crowe Clark Whitehill LLP.

BY ORDER OF THE BOARD

G Macfarlane  
Company Secretary

26 September 2010

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AMNESTY INTERNATIONAL LIMITED**

We have audited the group and parent company financial statements (the "financial statements") of Amnesty International Limited for the year ended 31 March 2010 which are set out on pages 14 to 45. These financial statements have been prepared under the accounting policies set out therein.

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.

### **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 the financial statements in accordance with relevant legal and regulatory requirements 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 group and company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements.

### **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 March 2010 and of its 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 matter prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' 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 company, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements of the company are not in agreement with the accounting records and returns; or

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

- 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.

Pesh Framjee  
Senior Statutory Auditor  
For and on behalf of  
Crowe Clark Whitehill LLP (formerly known as Horwath Clark Whitehill LLP)  
Statutory Auditor  
London, UK.

Date 1 October 2010

## Consolidated Statement of Financial Activities (Incorporating an Income and Expenditure Account) For the year ended 31 March 2010

		Unrestricted Funds 2010 £'000	Restricted Funds 2010 £'000	Total Funds 2010 £'000	Total Funds 2009 £'000
	Notes				
<b>Incoming resources</b>					
Voluntary income	4	34,403	11,558	45,961	44,321
Activities for generating funds		203	-	203	344
Investment income		58	-	58	126
<b>Total incoming resources</b>		<b>34,664</b>	<b>11,558</b>	<b>46,222</b>	<b>44,791</b>
<b>Resources expended</b>					
Cost of generating funds	5	1,398	-	1,398	1,513
Costs of activities in furtherance of the Group's objectives	5	30,128	11,937	42,065	38,257
Governance costs	5	1,504	-	1,504	1,375
<b>Total resources expended</b>		<b>33,030</b>	<b>11,937</b>	<b>44,967</b>	<b>41,145</b>
<b>Net incoming/(outgoing) resources before other recognised gains and losses</b>		<b>1,634</b>	<b>(379)</b>	<b>1,255</b>	<b>3,646</b>
Currency translation differences		(4)	-	(4)	128
Actuarial (losses)/gains	11	(758)	-	(758)	(2,767)
Transfers between Funds	23	(103)	103	-	-
<b>Net incoming/(outgoing) resources</b>		<b>769</b>	<b>(276)</b>	<b>493</b>	<b>1,007</b>
Fund balances brought forward at 1 April		<b>9,025</b>	<b>1,160</b>	<b>10,185</b>	<b>9,178</b>
<b>Fund balances carried forward at 31 March</b>		<b>9,794</b>	<b>884</b>	<b>10,678</b>	<b>10,185</b>

All activities are continuing.

There is no difference between the results for the year stated above and their historical cost equivalents. The Group has no recognised gains and losses other than the gains and losses above, and therefore no separate statement of total recognised gains and losses has been presented.

The notes on pages 17 to 45 form part of these financial statements.

## Balance sheet As at 31 March 2010

	Notes	Group 2010 £'000	2009 £'000	Company 2010 £'000	2009 £'000
<b>Fixed assets</b>					
Tangible assets	14	20,073	21,578	19,605	21,101
Investments	15,16	1	-	21	20
<b>Total fixed assets</b>		<b>20,074</b>	<b>21,578</b>	<b>19,626</b>	<b>21,121</b>
<b>Current assets</b>					
Stocks	17	10	22	-	-
Debtors: amounts falling due after one year	18	1,150	240	1,150	240
Debtors: amounts falling due within one year	18	2,617	4,565	2,363	5,010
Cash at bank and in hand		5,474	4,675	5,359	3,900
<b>Total Current Assets</b>		<b>9,251</b>	<b>9,502</b>	<b>8,872</b>	<b>9,150</b>
Creditors: amounts falling within one year	19	(7,855)	(8,394)	(7,648)	(8,331)
<b>Net current assets/(liabilities)</b>		<b>1,396</b>	<b>1,108</b>	<b>1,224</b>	<b>819</b>
<b>Total assets less current liabilities</b>		<b>21,470</b>	<b>22,686</b>	<b>20,850</b>	<b>21,940</b>
Creditors: amounts falling due after more than one year	20	(2,654)	(4,123)	(2,642)	(4,123)
<b>Provisions for liabilities and charges</b>					
Provisions	21	(1,180)	(1,607)	(1,180)	(1,576)
Defined benefit pension scheme liability	11	(6,958)	(6,771)	(6,958)	(6,771)
<b>Net assets</b>		<b>10,678</b>	<b>10,185</b>	<b>10,070</b>	<b>9,470</b>
<b>Funds:</b>					
Unrestricted funds excluding pension liability	22	16,752	15,796	16,287	15,731
Pension Reserve		(6,958)	(6,771)	(6,958)	(6,771)
<b>Total unrestricted funds</b>		<b>9,794</b>	<b>9,025</b>	<b>9,329</b>	<b>8,960</b>
<b>Restricted funds</b>		<b>884</b>	<b>1,160</b>	<b>741</b>	<b>510</b>
<b>Total funds</b>		<b>10,678</b>	<b>10,185</b>	<b>10,070</b>	<b>9,470</b>

Approved by the board of directors on 26 September 2010 and signed on its behalf by:

G Macfarlane  
Company Secretary

The notes on pages 17 to 45 form part of these financial statements.

## Consolidated Cash Flow Statement For the year ended 31 March 2010

	Notes	2010 £'000	2009 £'000
<b>Net cash inflows from operating activities</b>	27	<b>2,428</b>	<b>4,873</b>
<b>Return on investment and servicing of finance</b>			
Interest received		58	126
Interest paid		(212)	(363)
Interest element of finance lease rental payments		(104)	(119)
<b>Net cash outflow from returns on investments and servicing of finance</b>		<b>(258)</b>	<b>(356)</b>
<b>Taxation</b>		<b>(27)</b>	<b>(1)</b>
<b>Capital expenditure and financial investment</b>			
Purchase of tangible fixed assets		(397)	(626)
Receipt of insurance bond / Proceeds from sale of fixed assets		706	7
<b>Net cash outflow from capital expenditure and financial investments</b>		<b>309</b>	<b>(619)</b>
<b>Net cash inflow/(outflow) before financing</b>		<b>2,452</b>	<b>3,898</b>
<b>Financing</b>			
Capital element of finance lease rental payments		(448)	(555)
Repayments of borrowings		(1,205)	(1,513)
<b>Net cash outflow from financing</b>		<b>(1,653)</b>	<b>(2,068)</b>
<b>Increase in cash and cash equivalents</b>	27	<b>799</b>	<b>1,830</b>

The notes on pages 17 to 45 form part of these financial statements.

## **Notes to the financial statements**

### **For the year ended 31 March 2010**

#### **1 Basis of accounting**

##### **Basis of preparation**

The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006, applicable Accounting Standards in the United Kingdom and, voluntarily, the Statement of Recommended Practice – “Accounting and Reporting by Charities” (SORP) revised in March 2005. The directors have voluntarily adopted the substantive requirements of this SORP as if the Company were a charity as they consider that this is the most appropriate format to give a true and fair view of the Company’s and Group’s activities. As a result, the consolidated statement of financial activities presented on page 14 contains both an income and expenditure account in accordance with the Companies Act 2006 and a Statement of Total Recognised Gains and Losses required by FRS 3 “Reporting Financial Performance”. The only items that would appear in a separate Statement of Recognised Gains and Losses are the currency translation differences arising on the retranslation of opening reserves of subsidiaries and actuarial pension adjustments as shown in the Statement of Financial Activities.

After making enquires, the directors have reasonable expectation that the company has adequate resources to continue its activities for the foreseeable future as reflected in the Report of the Directors. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

##### **Basis of consolidation**

All companies over which the Company is able to exercise control are consolidated as subsidiary undertakings. Control is defined as the right to give directions as to operational and financial policies. Therefore Editorial Amnistía Internacional, S.L. sociedad unipersonal (EDAI), Amnesty International Asia-Pacific Regional Office Limited (AIAPROL) and Amnesty Human Rights Foundation Limited (AHRFL) have been consolidated into these Group financial statements. The subsidiaries have 31 March year-ends with the exception of EDAI which is legally required to have a 31 December year end under Spanish law and is consolidated as at that date as the difference is not material to these statements.

The Company carries out some operations overseas through a number of overseas offices that it controls as branches. These are located in New York, Geneva, Paris, Hong Kong, Dakar, Kampala, Costa Rica and Moscow. These financial statements include the results, assets and liabilities of these offices.

It also makes payments to two international branches. The office in Spain is a subsidiary. The office in France is controlled by representatives of the Sections which it services and is therefore not a subsidiary.

The financial statements do not include the activities of the sections of the Amnesty International movement, as these are all separate legal entities that are neither owned nor controlled by the Company.

##### **Company Income and Expenditure Account**

As permitted by section 408 of the Companies Act 2006, a separate income and expenditure account for the Company has not been included in these accounts. The Company’s net incoming resources for the current financial year totalled £600,000 (2009: £1,284,000).

## **2 Accounting policies**

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

### **Fund accounting**

The Company maintains two types of fund:

Restricted	where income is received from donors for use on specific projects, including relief.
Unrestricted	for use by the directors to further the general objects of the Company. The Directors, at their discretion, may set aside funds to cover specific future costs. Such funds are shown as designated funds within unrestricted funds. Where the Trustees decide such funds are no longer required for the purposes intended, they may be released by transfer to general unrestricted funds.

### **Incoming resources**

#### ***Contributions from Sections***

This share of income is calculated by the Group in the year following its receipt by Sections. The share of income payable by the Sections to the Group is based on their previous years' income.

The determination of the share is based on a scale of contribution rates (in £ sterling) set at the International Council Meeting (ICM) of Amnesty International.

Contributions from sections are payable quarterly in advance and are treated as deferred income and included in the balance sheet as a liability until released to income in the period to which they relate.

Provisions are made against unpaid contributions which sections have stated they may not be able to meet. The movement in the provision during the year is offset against the income assessed on the Sections.

From time to time, sections make contributions in advance of the due date as the cash flow of the Section permits. Such contributions are treated by the Group as deferred income and are included in the balance sheet as a liability until released to income in the year to which they relate.

Additional voluntary contributions from sections, which are not for specific activities, are accounted for when legal entitlement to them first arises and when the amount can be quantified with reasonable certainty.

#### ***Donations and bequests***

Donations and bequests are accounted for when legal entitlement to them first arises and when the amount can be quantified with reasonable certainty.

#### ***Sales income***

Sales income is derived from the sale of broadcast and video rights, publications and audio visual products, net of applicable VAT, to various organisations throughout the world and is accounted for on an accruals basis.

## 2 Accounting policies - continued

### Resources expended

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

Resources expended are classified over the activity headings shown below. Where expenditure cannot be directly attributed to particular headings (support costs) it is allocated based upon the proportion to the number of staff engaged in each area with the exception of grants. Support costs have been allocated to grant making activities based upon the ratio of grant expenditure to total grant and activity expenditure.

### Cost of generating funds comprise:

1. Costs incurred by the Company relating to the submission of funding proposals (including letters of interest, concept notes and full proposals) to grant giving bodies and support provided to AI sections for their own fundraising applications
2. Costs incurred by EDAI relating the purchase of merchandise and other supplies for fundraising trading purposes
3. Costs incurred by AHRFL relating to the promotion and sale of the Make Some Noise music products which incorporates assisting Amnesty International in its worldwide campaigning for the observance of human rights and its membership development

### Activities in pursuance of the group's objectives comprise:

1. **Charitable activities** undertaken on behalf of Amnesty International Charity Limited which include:
  - **Research into human rights violations** which represents the costs incurred in conducting research to highlight grave abuses of human rights and to demand justice for those whose rights have been violated and **publication of research**.
  - **Relief work** which represents costs incurred in providing relief assistance to prisoners of conscience or victims of other serious human rights violations who have not used or advocated violence
  - **Abolition of torture, extrajudicial execution and disappearance** which represents costs incurred in campaigning to hold governments accountable for their actions and to uphold international law and the absolute prohibition of torture, extrajudicial execution and disappearance under any circumstances.
2. Activities in pursuance of securing the observance of the Universal Declaration of Human Rights throughout the world which would not be considered to be charitable under United Kingdom law. Such activities principally comprise **campaigns undertaken with a view to influencing actions taken by sovereign governments**.

**Governance costs** represent costs that relate to the general running of the Group as opposed to the direct management functions inherent in the activities of the Group. They provide the governance infrastructure which allows the Group to operate and to generate the information required for public accountability and include the strategic planning processes that contribute to the future development of the Group.

## **2 Accounting policies - continued**

### **Grants**

Amounts payable to AI Country Sections to support research, publications and campaigning activities are charged to the Statement of financial activities when an obligation exists.

### **Tangible fixed assets**

Tangible fixed assets are stated at cost less accumulated depreciation. Assets costing less than £200 are written off in the year of acquisition.

Depreciation is provided so as to write off the cost of fixed assets less their estimated residual value on a straight line basis over the expected useful lives of the assets concerned. Freehold land is not depreciated. The building refurbishment costs were depreciated from 1 October 2007.

The estimated useful lives used for this purpose, which are consistent with those of the prior year, are:

Freehold buildings	- 50 years	Computer equipment	- 3 years to 5 years
Leasehold land and buildings	- Over length of lease	Leasehold improvements	- Over length of lease
Office equipment	- 3 years to 10 years	Motor vehicles	- 5 years

### **Leased assets**

Operating lease rentals are charged to expense on a straight line basis over the term of the lease. Tangible fixed assets acquired under finance leases are included in the balance sheet at their equivalent capital value and are depreciated over the shorter of the lease term and their useful life. The corresponding liabilities are recorded as a creditor and the interest element of the finance lease rentals is charged to the income statement over the period of the lease to produce a constant rate of charge on the balance of capital repayments outstanding.

### **Investments in Subsidiaries**

Investments in subsidiaries are shown in the Company balance sheet at cost less provision for impairment.

### **Other investments**

Other investments are shown in the Company balance sheet at cost.

### **Provisions**

A provision is recognised in the balance sheet when the Group or the Company has a present, legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are measured at the Directors' best estimate of the expenditure required to settle the obligation at the balance sheet date. Provisions are not discounted to the present value as they are expected to be settled within 12 months of the balance sheet date.

## **2 Accounting policies - continued**

### **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 held in Amnesty International bank accounts. As such the net gain or loss is included within incoming resources in the Statement of Financial Activities.

The results of overseas subsidiaries are translated at the average rates of exchange during the year and their balance sheets at the rates ruling at the balance sheet date. Exchange differences arising on translation of the opening net assets and results of overseas subsidiaries are reported in the Statement of Financial Activities as other gains and losses before net incoming/(outgoing) resources.

### **Forward exchange contracts**

Amnesty International has entered into forward exchange contracts with HSBC during the year to hedge forward currency exposure on future programme expenditure. Forward currency exchanges made under these contracts are recorded at the specified rate at the time of the transaction.

### **Pension costs**

Amnesty International Limited operates defined benefit and defined contribution pension schemes.

Under the defined benefit scheme, the pension liabilities and assets are recorded in line with FRS17, with a valuation undertaken by an independent actuary. FRS17 measures the value of pension assets and liabilities at the Balance Sheet date, determines the benefits accrued in the year and the interest on assets and liabilities. The value of benefits accrued is used to determine the pension charge in the Statements of Financial Activities and the expected return on scheme assets and interest cost on scheme liabilities are allocated across the appropriate incoming/outgoing resource categories. The change in value of assets and liabilities arising from asset valuation, changes in benefits, actuarial assumptions, or change in the level of deficit attributable to members is recognised in the Statements of activities within actuarial gains/losses on the benefit pension schemes. The resulting pension liability or asset is shown on the Balance Sheet.

Under the defined contribution scheme, pension contributions are charged to the Statements of Financial Activities as incurred.

### **Relief Funds**

The Company receives sums of money which are given for the purposes of providing relief. The Company is responsible for the administration and disbursement of these funds on behalf of the worldwide movement. Funds not yet applied to relief are held in separate bank accounts and are shown separately as a restricted fund.

### **Lennartz VAT**

Following the 1991 European Court case of Lennartz, under Lennartz VAT accounting, when VAT is incurred on the purchase of an asset for mixed business and non-business use, the VAT attributable to both the taxable and non-business use can be recovered in full and then output tax on the ongoing non-business use is repaid over the life of the asset (capped at 10 years).

### 3 Segmental Analysis

The Directors are of the opinion that the Group and the Company have 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.

#### Geographical segments

	Europe	Americas	Rest of World	Total
	£'000	£'000	£'000	£'000
Incoming resources	38,240	4,597	3,124	45,961

### 4 Voluntary income

	Unrestricted Funds	Restricted Funds	Total Funds	Total Funds
	2010	2010	2010	2009
	£'000	£'000	£'000	£'000
Contributions from sections	34,083	10,179	44,262	41,524
Additional voluntary contributions from sections	305	476	781	2,057
Donations and bequests	-	646	646	729
Other Income	15	257	272	11
<b>Total voluntary income</b>	<b>34,403</b>	<b>11,558</b>	<b>45,961</b>	<b>44,321</b>

“Contributions from Sections” is stated having made provisions against assessment income of £5,335,000.

Assessment contributions from AI UK, AI Canada (English) and AI Canada (French) are made directly to Amnesty International Charity Limited and subsequently a grant is made to Amnesty International Limited for charitable activities. These contributions are included within the disclosure on “Contributions from Sections” to reflect the substance of the transaction.

## 5 Resources expended

	Notes	Grants payable Note 6 2010 £'000	Direct costs 2010 £'000	Support costs Note 7 2010 £'000	Total Funds 2010 £'000	Total Funds 2009 £'000
<b>Cost of generating funds</b>						
Trust and foundations grant fundraising		-	971	400	1,371	1,512
Taxation		-	27	-	27	1
<b>Total cost of generating funds</b>		-	<b>998</b>	<b>400</b>	<b>1,398</b>	<b>1,513</b>
<b>Cost of activities in furtherance of the Group's objectives</b>						
Research and publications		3,986	11,885	10,310	26,181	28,826
Abolition of torture		-	796	-	796	857
Campaigning		-	13,512	1,576	15,088	8,574
<b>Total activities</b>		<b>3,986</b>	<b>26,193</b>	<b>11,886</b>	<b>42,065</b>	<b>38,257</b>
Governance	8	-	1,247	257	1,504	1,375
<b>Total resources expended</b>		<b>3,986</b>	<b>28,438</b>	<b>12,543</b>	<b>44,967</b>	<b>41,145</b>

During the year ended 31 March 2010, the Company made grants to certain AI country Sections. Grants payable to Sections are considered to be part of the costs of activities in furtherance of the Group's objectives as such grants are used by recipients to undertake research, publications and campaigning activities.

Amnesty International Limited is liable to corporation tax on investment income received during the year. The Company normally pays all of this income to Amnesty International Charity Limited in the form of a donation under Gift Aid. This year a tax charge of £Nil (2009: £1,000) arose on investment income not covered by the donation during the last financial year. Amnesty International Limited paid additional tax of £5,000 in the year. EDAI is liable to tax on any surplus in accordance with Spanish tax law and paid £22,000 (2009: £nil).

## 6 Grants

In the current and preceding financial years, the Company made grants to certain AI Country Sections, to be used by recipients to undertake research, publications and campaigning activities.

During the year the company made 107 grants totalling £3,986,000 (2009: 60 grants totalling £3,883,000). Details of individual grants are available from the Company's registered office.

## 7 Support Costs

	<b>Grants payable</b>	<b>Activities</b>	<b>Fundraising</b>	<b>Governance</b>	<b>Total</b>	<b>Total</b>
	<b>2010</b>	<b>2010</b>	<b>2010</b>	<b>2010</b>	<b>2010</b>	<b>2009</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Salaries and employment benefits	657	4,215	147	115	5,134	4,698
Occupancy costs	63	400	14	11	488	465
Professional fees	156	1,004	35	27	1,222	1,467
Publication costs	3	17	1	11	32	26
Information technology costs	58	358	56	10	482	419
Administration costs	225	1,384	51	40	1,700	2,032
Depreciation	154	975	34	27	1,190	1,239
Insurance	55	352	12	10	429	219
Other costs	205	1,605	50	6	1,866	1,104
	<b>1,576</b>	<b>10,310</b>	<b>400</b>	<b>257</b>	<b>12,543</b>	<b>11,669</b>

Amnesty International Limited in fulfilling its objectives as described in the directors' report allocates resources to these four categories of expenditure. Support costs include premises, communication, information technology and other general running and management costs of the Company. The support costs are spread over the other categories in proportion to the number of staff engaged in each area.

## 8 Governance Costs

	<b>Total</b>	<b>Total</b>
	<b>2010</b>	<b>2009</b>
	<b>£'000</b>	<b>£'000</b>
Salaries and employment benefits	441	371
Occupancy costs	7	7
Professional fees	264	215
Publication costs	76	64
Information technology costs	5	13
Administration costs	648	614
Other costs	63	91
	<b>1,504</b>	<b>1,375</b>

Governance costs consist of the costs of the operation of the International Executive Committee along with its support staff and International Committees, the Finance and Audit Committee, the International Council Meeting, audit fees, operational audit costs and a share of the support costs.

## 9 Donations to Amnesty International Charity Limited

As indicated in the report of the Directors, the activities of Amnesty International Charity Limited are mostly undertaken on its behalf by the Company. Amnesty International Charity Limited reimburses the Company for carrying on the commissioned work to such extent as the directors of Amnesty International Charity Limited may determine in accordance with an agreement first signed in June 1992, and receives the balance as a donation. The Company's directors consider that the services which it has donated to Amnesty International Charity Limited are consistent with the aims of the Company.

The Company provided services to the Charity to the value of £21,901,000 (2009:£20,688,000) which includes £11,636,000 (2009: £11,403,000) of costs for work done on behalf of the Charity for which it was not reimbursed and is therefore gifted to the Charity.

## 10 Employees and Directors

Group employee costs (including director's emoluments) during the year amounted to:

	<b>2010</b>	<b>2009</b>
	<b>£'000</b>	<b>£'000</b>
Salaries	18,974	17,894
Social security costs	2,129	1,808
Employer Pension Contributions	1,873	1,453
	22,976	21,155
Staff recruitment, training and welfare	672	1,363
	<b>23,648</b>	<b>22,518</b>

The average number of persons employed by the Group during the year was 474 (2009: 446).

	<b>2010</b>	<b>2009</b>
Fundraising	10	10
Research	194	137
Relief	6	8
Campaigning	170	122
Governance	12	4
Support	82	165
	<b>474</b>	<b>446</b>

The allocation of staff to categories of activity has been reviewed and only staff working within operational support areas have been allocated to "Support".

The number of employees whose emoluments during the year, including taxable benefits in kind but not employer pension contributions were over £60,000 was:

	<b>2010</b>	<b>2009</b>
£ 60,000 - 70,000	3	-
£ 70,000 - 80,000	1	-
£ 80,000 - 90,000	4	3
£100,000 - 110,000	-	1
£120,000 - 130,000	-	1
£130,000 - 140,000	1	1
£320,000 - 330,000	1	-
£530,000 - 540,000	1	-

The aggregate value of company contributions paid to the pension scheme in respect of the higher paid staff excluding the directors of the company amounted to £26,372.

The remuneration paid to the directors of the Company amounted to:

	<b>2010</b>	<b>2009</b>
	<b>£'000</b>	<b>£'000</b>
Salaries	1,239	702
Pension contributions	127	42
	<b>1,366</b>	<b>744</b>

The aggregate value of company contributions paid to the pension scheme in respect of Directors' qualifying services was £126,778 (2009: £42,134). Since the appointment of new directors on 7 February 2010, no directors are accruing benefits under the defined contribution scheme (2009: Eight). No directors are accruing benefits in relation to the previous defined benefit scheme (2009: None).

## 10 Employees and Directors – continued

Directors' pension costs for the year were as follows:

	<b>Amount (£)</b>
C Cordone	£10,357
G MacFarlane	£8,034
C O'Cuanachain	£7,381
M Poole	£7,840
I Khan	£28,633
K Gilmore	£57,745

The directors' emoluments shown above included the following emoluments and pension contributions for the highest paid director:

	<b>2010</b>	<b>2009</b>
	(£)	(£)
Emoluments	533,103	132,490
Company contributions to the pension scheme	28,633	8,420

### Directors' travel advances

Directors receive advances from the Company to cover travel expenditure whilst carrying out their duties. Some of these amounts may remain unutilised for periods exceeding two months. As at 31 March 2010, the following travel advances in relation to ex-directors of the company were due to / (to be reimbursed by) the Company:

	<b>2010</b>	<b>2009</b>
	(£)	(£)
Claudio Cordone	5,646	598
Widney Brown	(2,524)	(1,638)
Colm Ó Cuanacháin	(1,713)	(425)
Marcia Poole	(331)	(200)
Marj Byler	-	(1,147)
Irene Khan	-	491
George Macfarlane	-	(248)
Kate Gilmore	-	(1,346)

### Director's loans

The amounts disclosed below as owing from ex-directors are unsecured 0% loans and were made to enable these individuals to carry out their duties as directors.

The amount owing from Marj Byler was with respect to amounts loaned for settlement of US employment tax liabilities. During the year £15,020 was written off this loan balance it being determined that this amount should have been borne by the company and which was not therefore owed by Marj Byler.

## 10 Employees and Directors – continued

Director	Date of loan	Balance outstanding as at 31 March 2009 (£)	Loan advances during the year £	Loan repayments/write-offs during the year £	Balance outstanding as at 31 March 2010 (£)
Kate Gilmore	Apr 2008	66,480	-	(66,480)	-
Colm Ó Cuanacháin	Nov 2008	1,353	6,880	(2,693)	5,540
Marcia Poole	Nov 2008	565	-	(565)	-
Marj Byler	Sep 2007	20,504	-	(15,020)	5,484

In addition, from February 2010, nine members of the IEC were appointed as Directors and incurred £6,718 in travel related expenditure. The sum of £1,947 was paid to the Adams' Grammar School for the services of Mr Peter Pack, the chairman of the IEC.

## 11 Pension arrangements

The Company operates a pension scheme, the Amnesty International Superannuation Scheme (AISS, the Scheme). The Scheme comprises two sections. The first section contains all employees who were not members of the previous defined benefit scheme and the Company contributes to it at the standard rate of 7% of pensionable salaries, plus an additional 0.8% for death in service premiums and 0.8% for scheme expenses. The second section contains all employees, and former employees who either have retired or have deferred benefits, who transferred from the previous defined benefit scheme (Amnesty International Retirements Benefits Scheme – AIRBS), to the current defined contribution scheme in 1988. These people have fixed or final salary guarantees relating to service in the AIRBS which guarantees them a minimum pension and therefore the Company contributes at enhanced rates for them.

Employees may make contributions up to a maximum of 15% of their pensionable earnings at their own discretion, these additional contributions being matched by the Company to a maximum of an additional 3%.

The assets of the Scheme are held separately from those of the Company. Current contributions are allocated to members on a money purchase basis.

A sectionalisation between the defined contribution and the defined benefit elements of the Scheme was carried out as at 6 April 2006. This involved the Trustees reclaiming control of all assets, including the assets in members' individual money purchase account, that are backing members' final salary guarantees. The Trustees now hold all assets in respect of members' final salary guarantees centrally. The disclosures as at 31 March 2008 and 2009 and 2010 are in respect of the defined benefit element of the Scheme only. Care should be taken when comparing with earlier disclosures as the historical practice was to include the defined contribution section.

The pension cost for the defined benefit scheme was £421,000 (2009: £243,000). The pension costs for the defined benefit pension scheme are treated in accordance with FRS 17.

The following elements are charged to the SOFA:

- the service cost of pension provision relating to the period, together with the cost of any benefits relating to past service (allocated to staff costs);

## 11 Pension arrangements – continued

- the net return on financing which is a charge equal to the increase in the present value of the Scheme liabilities and a credit equivalent to the Companies' long-term expected return on assets (allocated to interest payable); and
- the actuarial gain or loss on the schemes assets and liabilities (allocated to other recognised gains and losses)

The difference between the market value of the assets of the scheme and the present value of accrued pension liabilities is shown as an asset or liability on the balance sheet. In preparation for the implementation of Financial Reporting Standard No 17 (FRS 17) reporting requirements, the actuarial valuation was updated to 31 March 2010 by a qualified independent actuary. The major assumptions used by the actuary for the purposes of this statement were:

	At 31/3/2010	At 31/3/2009	At 31/3/2008
	%	%	%
Rate of increase to guaranteed pensions in payment	3.00	3.00	3.00
Rate of increase of deferred pensions	5.00	5.00	5.00
Discount rate	5.50	6.70	6.70
Inflation assumption	3.60	3.00	3.50
Life expectancy	S1 tables projected by year of birth using the medium cohort and a 1% pa underpin to future improvements	S1 tables projected by year of birth using the medium cohort and a 1% pa underpin to future improvements	00 tables projected by year of birth using the medium cohort and a 1% pa underpin to future improvements

The amounts recognised in the balance sheet and the expected rates of return for scheme assets under this valuation were:

	Expected long-term rate of return at 31/3/2010 %	Fair value of assets at 31/3/2010 £'000	Expected long-term rate of return at 31/3/2009 %	Fair value of assets at 31/3/2009 £'000	Expected long-term rate of return at 31/3/2008 %	Fair value of assets at 31/3/2008 £'000
Equities (incl property)	7.50	8,814	7.50	5,769	7.50	6,450
Bonds (incl cash)	4.75	2,997	5.00	2,226	5.50	2,430
Total fair value of assets		11,811		7,995		8,880
Present value of scheme liabilities		<u>(18,769)</u>		<u>(14,766)</u>		<u>(13,936)</u>
Deficit in the scheme		<u>(6,958)</u>		(6,771)		(5,056)
Amounts in the balance sheet						
Liabilities		(6,958)		(6,771)		(5,056)
Assets		<u>-</u>		-		-
Net liability		<u>(6,958)</u>		(6,771)		(5,056)

## 11 Pension arrangements – continued

Scheme assets are taken at bid-value as at 31 March 2010 and 2009 and mid-value for earlier years. Scheme assets as at 31 March 2008 have not been restated from mid-market to bid values.

### Effect on the Consolidated Statement of Financial Activities

The effect on the Consolidated Statement of Financial Activities for the year to 31 March 2010 was as follows:

	<b>2010</b>	<b>2009</b>
	<b>£'000</b>	<b>£'000</b>
Expected return on pension scheme assets	561	688
Interest on pension scheme liabilities	(982)	(931)
Total amount charged within net incoming / (outgoing) resources	(421)	(243)
Actuarial (loss)/gain	(758)	(2,767)
Total amount (charged)/credited to the Statement of Financial Activities	<b>(1,179)</b>	<b>(3,010)</b>

The Company expects to contribute £1,041,862 to the defined benefit pension scheme for the coming year.

The cumulative total of recognised actuarial gains and losses is £7,184,000 as at 31 March 2010 (2009: £6,426,000)

*Analysis of the amount disclosed as actuarial gains and losses on defined benefit pension scheme:*

	<b>2010</b>	<b>2009</b>
	<b>£'000</b>	<b>£'000</b>
Actual return less expected return on pension scheme assets	2,491	(2,790)
Changes in assumptions underlying the present value of the scheme liabilities	(3,249)	23
Actuarial (loss)/gain recognised	<b>(758)</b>	<b>(2,767)</b>

*Changes in the fair value of the scheme assets are as follows:*

	<b>2010</b>	<b>2009</b>
	<b>£'000</b>	<b>£'000</b>
Opening fair value of scheme assets	7,995	8,880
Expected return	561	688
Actuarial gain	2,491	(2,790)
Additional Employer contributions	992	1,295
Benefits paid	(228)	(78)
<b>Fair value of scheme assets at the year end</b>	<b>11,811</b>	<b>7,995</b>

The additional employer contributions during the accounting period amounted to £992,250 and the employer is currently expected to contribute £1,041,862 for the coming year.

## 11 Pension arrangements – continued

Changes in the present value of the defined benefit obligation are as follows:

	<b>2010</b> <b>£'000</b>	<b>2009</b> <b>£'000</b>
Opening defined benefit obligation	(14,766)	(13,936)
Interest cost	(982)	(931)
Actuarial loss	(3,249)	23
Benefits paid	<u>228</u>	<u>78</u>
<b>Defined benefit obligation at end of year</b>	<b><u>(18,769)</u></b>	<b><u>(14,766)</u></b>

The major categories of scheme assets as a percentage of total Scheme assets are as follows:

	<b>2010</b>	<b>2009</b>
Equities (incl property)	75%	70%
Bonds (incl cash)	25%	30%
	100%	100%

	<b>2010</b> <b>£'000</b>	<b>2009</b> <b>£'000</b>
The actual return on the scheme assets in the year	3,052	(2,102)

The following table sets out the history of experience gains and losses:

The amounts for the current and previous periods are as follows:

	<b>2010</b> <b>£'000</b>	<b>2009</b> <b>£'000</b>	<b>2008</b> <b>£'000</b>	<b>2007</b> <b>£'000</b>	<b>2006</b> <b>£'000</b>
Defined benefit obligation	(18,769)	(14,766)	(13,936)	(16,212)	(16,566)
Scheme assets	11,811	7,995	8,880	8,641	7,294
Surplus / (deficit)	(6,958)	(6,771)	(5,056)	(7,571)	(9,272)
Experience adjustments on scheme liabilities	(3,249)	23	3,030	1,042	(1,887)
Experience adjustments on scheme assets	2,491	(2,790)	(1,139)	397	(546)

As detailed above, the Group administers a closed defined benefit scheme and operates a defined contribution pension scheme. The total pension costs for both during the year including administration and other fees totalled £2,197,000 (2009: £2,147,000). Employer contributions outstanding at the year end totalled £172,000 (2009: £107,000).

## 12 Interest payable and similar charges

	<b>2010</b> <b>£'000</b>	<b>2009</b> <b>£'000</b>
Group interest payable and similar charges		
on bank loans and overdrafts	212	361
on pension finance costs	421	243
on finance leases	104	121
	<b>737</b>	<b>725</b>

## 13 Net incoming / (outgoing) resources

The Group's net incoming/(outgoing) resources are arrived at after charging/(crediting):

	<b>2010</b> <b>£'000</b>	<b>2009</b> <b>£'000</b>
Depreciation of tangible fixed assets	1,179	1,284
Profit on disposal of tangible fixed assets	0	(8)
Foreign exchange losses	1,023	166

### Auditors Remuneration

	<b>2010</b> <b>£'000</b>	<b>2009</b> <b>£'000</b>
Fees payable to the group's auditors for the audit of the group's annual accounts	75	96
Fees payable to other auditors	14	14
Fees payable to the group's auditors for the audit of Amnesty International Charity Limited's annual accounts	13	12
<b>Total audit fees</b>	<b>102</b>	<b>122</b>
Other services	41	36
<b>Total non-audit fees</b>	<b>41</b>	<b>36</b>

## 14 Tangible fixed assets

Movements on the fixed assets during the year were:

Group	Freehold land and buildings £'000	Leasehold land and buildings £'000	Leasehold improve- ments £'000	Office furniture and equipment £'000	Computer equipmen t £'000	Motor vehicles £'000	Total £'000
<b>Cost</b>							
At 1 April 2009	24,028	293	40	4,331	2,430	36	31,158
Currency Revaluation	7	(14)	(1)	3	(5)	-	(10)
Additions	68	-	15	89	225	-	397
Disposals/Insurance bond receipt	(706)	-	(10)	-	(3)	-	(719)
<b>At 31 March 2010</b>	<b>23,397</b>	<b>279</b>	<b>44</b>	<b>4,423</b>	<b>2,647</b>	<b>36</b>	<b>30,826</b>
<b>Depreciation</b>							
At 1 April 2009	5,294	45	39	2,220	1,950	32	9,580
Currency revaluation	3	1	-	4	(2)	-	6
Charge for the year	420	6	2	395	352	4	1,179
Depreciation on disposals	-	-	-	-	(12)	-	(13)
<b>At 31 March 2010</b>	<b>5,717</b>	<b>52</b>	<b>41</b>	<b>2,619</b>	<b>2,288</b>	<b>36</b>	<b>10,753</b>
<b>Net book value</b>							
<b>At 31 March 2010</b>	<b>17,680</b>	<b>227</b>	<b>3</b>	<b>1,804</b>	<b>360</b>	<b>-</b>	<b>20,073</b>

Company	Freehold land and buildings £'000	Office furniture and equipment £'000	Computer equipment £'000	Motor vehicles £'000	Total £'000
<b>Cost</b>					
At beginning of year	23,672	4,280	2,368	37	30,357
Additions	69	81	221	-	371
Disposals/Insurance proceeds	(706)	-	-	-	(706)
<b>At 31st March 2010</b>	<b>23,035</b>	<b>4,361</b>	<b>2,589</b>	<b>37</b>	<b>30,022</b>
<b>Depreciation</b>					
At beginning of year	(5,158)	(2,177)	(1,889)	(32)	(9,256)
Charge for the year	(435)	(392)	(330)	(4)	(1,161)
<b>At 31st March 2010</b>	<b>(5,593)</b>	<b>(2,569)</b>	<b>(2,219)</b>	<b>(36)</b>	<b>(10,417)</b>
<b>Net Book Value</b>					
At beginning of year	18,514	2,103	479	5	21,101
<b>At 31st March 2010</b>	<b>17,442</b>	<b>1,792</b>	<b>370</b>	<b>1</b>	<b>19,605</b>

See note 19 for encumbrances.

## 15 Investments in Subsidiaries

Investments comprise:		<b>Percent age Owners hip</b>	<b>Cost at 31/03/2010 £'000</b>	<b>Cost at 31/03/2009 £'000</b>
Editorial Amnistía Internacional, S.L. sociedad unipersonal	(EDAI)	100%	19	19
Amnesty International Asia-Pacific Regional Office Limited	(AIAPROL)	100%	1	1
			20	20

Investments comprise the purchase cost, less any impairment in value, as recorded in the financial statements of Amnesty International Limited of the share capital of each subsidiary company.

Editorial Amnistía Internacional, S.L. sociedad unipersonal, a company incorporated in Spain, was formed in 1986 for the purpose of translating Amnesty International publications into Spanish and printing, publishing and distributing translated works and other publications within Spanish speaking countries.

Amnesty International Asia-Pacific Regional Office Limited, a company incorporated in Hong Kong, was formed in 1990 for the purpose of organising the local copying and distribution of Amnesty International publications. It also serves as a base for research and development activities.

Amnesty Human Rights Foundation Limited (AHRFL) is a UK company limited by guarantee and thus there is no investment. However AHRFL is effectively controlled by Amnesty International Limited and is therefore treated as a subsidiary.

A summary of incoming resources, resources expended, assets, liabilities and funds for the subsidiaries is presented below:

	<b>Incoming Resources 2010 £'000</b>	<b>Resources Expended 2010 £'000</b>	<b>Other recognised gains/losses 2010 £'000</b>	<b>Net incoming / outgoing resources 2010 £'000</b>
<b>EDAI</b>	992	(923)	(3)	66
<b>AIAPROL</b>	576	(576)	-	0
<b>AHRFL</b>	244	(208)	-	36

	<b>Total assets 2010 £'000</b>	<b>Total liabilities 2010 £'000</b>	<b>Total Funds 2010 £'000</b>
<b>EDAI</b>	536	(144)	392
<b>AIAPROL</b>	307	(72)	235
<b>AHRFL</b>	307	(164)	143

## 16 Other investments

A participating interest of £1,116 is held in the Berlin Civil Society Center, an organisation set up to provide advisory and support services from Germany for International Civil Society Organisations. It is not an Associate of Amnesty International Limited, AIL having no involvement in the strategic operating and financial policies of the organisation with all transactions being on a commercial basis.

## 17 Stock

<b>Group</b>	<b>2010</b>	<b>2009</b>
	<b>£'000</b>	<b>£'000</b>
Finished goods	10	22

## 18 Debtors

Amounts shown as debtors falling due after one year comprise:

	<b>Group</b>		<b>Company</b>	
	<b>2010</b>	<b>2009</b>	<b>2010</b>	<b>2009</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Amounts due from Sections	1,150	240	1,150	240
	<b>1,150</b>	<b>240</b>	<b>1,150</b>	<b>240</b>

Amounts shown as debtors falling due within one year comprise:

	<b>Group</b>		<b>Company</b>	
	<b>2010</b>	<b>2009</b>	<b>2010</b>	<b>2009</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Amount due from AHRFL	-	-	162	560
Amounts due from Sections	1,413	3,322	1,413	3,322
Other debtors	991	627	575	543
Prepayments and accrued income	213	616	213	585
	<b>2,617</b>	<b>4,565</b>	<b>2,363</b>	<b>5,010</b>

The amounts due from sections over all years include loans to sections. Some loans are interest bearing, with rates either being fixed or based on UK LIBOR, and all have individual repayment schedules ending from within the next financial year to during 2011.

## 19 Creditors: amounts falling due within one year

Amounts shown as creditors falling due within one year comprise:

	Group		Company	
	2010	2009	2010	2009
	£'000	£'000	£'000	£'000
Bank loans and overdrafts	1,199	1,203	1,180	1,157
Other loans (from Sections)	1,164	856	1,164	856
Trade creditors	951	925	816	925
Lennartz accounting VAT amount	169	164	169	164
Obligations under finance leases	59	450	59	450
Prepaid grant from AICL	-	918	-	918
Deferred contributions from Sections	2,033	1,464	2,033	1,464
Taxation and social security	586	476	533	476
Other creditors	310	296	310	287
Accruals	1,384	1,642	1,384	1,634
	<b>7,855</b>	<b>8,394</b>	<b>7,648</b>	<b>8,331</b>

The movement on the deferred contributions from Sections for both the Group and the Company is as follows:

	2010	2009
	£'000	£'000
Deferred contributions from Sections balance at 1 April	<b>1,464</b>	<b>1,617</b>
Income received	45,344	41,228
Income released to statement of financial activities	(44,775)	(41,381)
Deferred contributions from Sections balance at 31 March	<b>2,033</b>	<b>1,464</b>

EDAI has a mortgage with Banco Central Hispanoamericano, S.A. for the purchase of its offices. The €210,350 (£140,000) loan was taken out on 14 April 1999 for a period of 12 years. The loan liability as at 31 March 2010 totals £25,811 (2009:£33,077). Interest is payable at MIBOR (Madrid Interbank Offered Rate) plus 0.75%, revised on the anniversary of the loan and was 3.5% at the year end. The book value of the office premises totals €263,000 (£235,000) as at 31 March 2010 and hence the proportion of the mortgage to the value of the asset mortgaged is 59.64%.

The Company had a revolving credit line of £1,750,000 with HSBC Bank plc at the year end. This facility was secured by way of a charge against the freehold properties at 1-7 and 28-37 Easton Street. At the year-end £Nil was drawn down on this facility (2009: £Nil). Since the balance sheet date this revolving credit line has been removed, it no longer being required.

## 19 Creditors: amounts falling due within one year - continued

During the year repayments on the facility to finance the refurbishment project were made. The facility is secured against the value of the properties. At the year end the balance of this facility was £1,475,000 (2009: £2,665,000). (See also note 20)

Up to 2008 a repayment of £1,747,000 was obtained in relation to the refurbishment of the buildings, under what are known as the Lennartz accounting rules. This VAT is repayable in equal instalments and is due to be fully repaid by August 2018 (See also note 20).

## 20 Creditors: amounts falling due after more than one year

Amounts shown as creditors falling due after more than one year comprise:

	Group		Company	
	2010	2009	2010	2009
	£'000	£'000	£'000	£'000
Bank loans	307	1,508	295	1,508
Other loans (from Sections)	1,247	1,328	1,247	1,328
Lennartz accounting VAT amount	1,046	1,176	1,046	1,176
Obligations under finance leases	54	111	54	111
	<b>2,654</b>	<b>4,123</b>	<b>2,642</b>	<b>4,123</b>

The interest rate on the bank loan is 1.5% over the bank's Base Rate. The bank loan is repayable as follows:

	Group		Company	
	2010	2009	2010	2009
	£'000	£'000	£'000	£'000
Within one year	1,199	1,203	1,180	1,157
Between two and five years	307	1,508	295	1,508
<b>Total bank loan</b>	<b>1,506</b>	<b>2,711</b>	<b>1,475</b>	<b>2,665</b>

The security for the bank loan is a legal charge given by the Company on freehold properties at 28 -37 and 1-7 Easton Street, London; 45-47 Roseberry Avenue and 25, 26, and 27 Easton Street, London.

The loans from sections are all unsecured and interest bearing at fixed rates ranging from 2% to 3% or variable at 1% above UK LIBOR. The loans are scheduled for repayment at different times.

## 20 Creditors: amounts falling due after more than one year - continued

Lennartz VAT is repayable as follows:

	Group		Company	
	2010 £'000	2009 £'000	2010 £'000	2009 £'000
Within one year	169	164	169	164
Between two and five years	676	656	676	656
After five years	370	520	370	520
	<b>1,215</b>	<b>1,340</b>	<b>1,215</b>	<b>1,340</b>

## 21 Provisions

Group	Restructuring £'000	Other £'000	TOTAL £'000
At 1 April 2009	277	1,330	1,607
Charged / Released to the statement of financial activities	214	(641)	(427)
At 31 March 2010	<b>491</b>	<b>689</b>	<b>1,180</b>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Company	Restructuring £'000	Other £'000	TOTAL £'000
At 1 April 2009	282	1,294	1,576
Charged / Released to the statement of financial activities	209	(605)	(396)
At 31 March 2010	<b>491</b>	<b>689</b>	<b>1,180</b>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

### Restructuring Provision

The restructuring provision relates to employee severance costs to be incurred as part of the re-organisation of certain departments of Amnesty International Limited. It is expected that the majority of this expenditure will be incurred in the next 12 months.

### Other Provisions

The other provision balance as at 31 March 2010 relates to the provision for holiday pay (Group: £689,000, Company: £689,000)

The provision for holiday pay represents present obligations resulting from employees' services provided to the balance sheet date, calculated based upon remuneration rates that Amnesty International Limited expects to pay and which are expected to be settled within 12 months of the balance sheet date.

## 22 Share capital and funds

<b>Group</b>	<b>Unrestricted funds £'000</b>	<b>Restricted funds £'000</b>	<b>Total £'000</b>
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Fund balances at 31 March 2010 are represented by:

Tangible fixed assets	20,074	-	20,074
Current assets	8,367	884	9,251
Current and long term liabilities and provisions	(11,689)	-	(11,689)
Pension liability	(6,958)	-	(6,958)
<b>Total net assets at 31 March 2010</b>	<b>9,794</b>	<b>884</b>	<b>10,678</b>

<b>Company</b>	<b>Unrestricted funds £'000</b>	<b>Restricted funds £'000</b>	<b>Total £'000</b>
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Fund balances at 31 March 2010 are represented by:

Tangible fixed assets	19,626	-	19,626
Current assets	8,131	741	8,872
Current and long term liabilities and provisions	(11,470)	-	(11,470)
Pension liability	(6,958)	-	(6,958)
<b>Total net assets at 31 March 2010</b>	<b>9,329</b>	<b>741</b>	<b>10,070</b>

## 22 Share capital and funds - continued

### Group Restricted funds

The restricted funds are funds given for specific purposes. The movements on the restricted funds during the year were as follows:

	<b>1 April 2009</b>	<b>Income</b>	<b>Expenditure</b>	<b>Transfer from/(to) unrestricted funds</b>	<b>31 March 2010</b>
AI Norway	-	63	61	-	2
American Jewish World Service	-	120	18	-	102
AI Denmark	31	20	51	-	-
EuropeAid	-	241	4	-	237
AI Finland	-	9	9	-	-
Human Rights Defenders Placement Fund	10	-	-	-	10
AI France	201	185	285	-	101
AI Germany	-	18	18	-	-
Human Rights Foundation - Make Some Noise	748	244	208	(641)	143
Kampala Human Rights Defenders	(9)	-	1	-	(10)
Mauro Tunes	-	167	-	-	167
MacArthur Foundation (Moscow)	18	92	88	-	22
Major Projects: Standing Fund from Sections	7	-	-	(7)	-
AI USA: War on Terror	(7)	-	-	7	-
Nicholas Cage (Africa Projects)	9	-	-	(9)	-
AI Netherlands	25	51	42	-	34
Open Society Georgia Foundation	9	-	8	-	1
Relief Funds	(49)	-	-	49	-
OAK Foundation	-	12	12	-	-
Dutch Special Program on Africa	4	-	3	-	1
AI Spain	-	66	62	-	4
AI Sweden	42	-	48	-	(6)
AI Switzerland	12	-	710	704	6
AI United Kingdom	-	78	78	-	-
Vanguard Charitable Endowment Pr	109	13	52	-	70
AI Charity	-	10,179	10,179	-	-
	<b>1,160</b>	<b>11,558</b>	<b>11,937</b>	<b>103</b>	<b>884</b>

#### AI Norway

The group received funds from the AI Norway Section during the year totalling £63,000. This fund is considered restricted as it may only be used for the Amnesty International Human Rights Defenders in Moscow project, Amnesty International's human rights education work and the work of the International Mobilisation Trust.

## **22 Share capital and funds - continued**

The International Mobilisation Trust (IMT) is a project operated within Amnesty International Limited specifically to support the development of operations in smaller Amnesty sections and structures particularly in the Global South and East.

### **American Jewish World Service**

The group received funds from the American Jewish World Service during the year totalling £120,000. This fund is considered restricted as it may only be used to fund Amnesty International's Lesbian, Gay, Bisexual and Transgender programme.

### **AI Denmark**

The group received funds from the AI Denmark Section during the year totalling £20,000. This fund is considered restricted as it may only be used to fund the work of the International Mobilisation Trust.

### **EuropeAid**

The group received funds from EuropeAid during the year totalling £241,000. This fund is considered restricted as it may only be used to fund Amnesty International's Education for Human Dignity project which runs from 1 March 2010 to 28 February 2013.

### **AI Finland**

The group received funds from the AI Finland Section during the year totalling £9,000. This fund is considered restricted as it may only be used to fund the work of the International Mobilisation Trust.

### **AI France**

The group received funds from the AI France Section during the year totalling £185,000. This fund is considered restricted as it may only be used for certain Amnesty International projects including

Economic Relations, Georgia Crisis, Georgia ESCR of Internally Displaced People and Zimbabwe Human Rights Defenders amongst others.

### **AI Germany**

The group received funds from the AI Germany Section during the year totalling £18,000. This fund is considered restricted as it may only be used to fund the work of the International Mobilisation Trust.

### **Human Rights Foundation**

The group received funds from Amnesty Human Rights Foundation during the year totalling £244,000. This fund is considered restricted as it may only be used for the advancement of Amnesty International's Universal Declaration of Human Rights Campaign by lobbying for the speedy deployment of a peacekeeping force to Darfur and the funds and equipment to support the mission and the arrest of Sudanese officials indicted for war crimes by the International Criminal Court ("the Darfur Project").

### **Kampala Human Rights Defenders**

The group receives funds from various Amnesty International Sections to be used solely for provision of relief to needy victims of breaches of human rights. The fund balance is in deficit as at 31 March 2010 as resources expended in the current year exceeded incoming resources. The deficit balance of the fund is expected to be recovered by income received in the future.

### **Mauro Tunes**

The group received funds from Mauro Tunes during the year totalling £167,000. This fund is considered restricted as it may only be used to fund Amnesty International's programme of work on the Americas between 1 April 2010 and 31 March 2011.

## **22 Share capital and funds - continued**

### **MacArthur Foundation**

The group received funds from the MacArthur Foundation during the year totalling £92,000. This fund is considered restricted as it may only be used to fund Amnesty International's Moscow Office.

### **AI Netherlands**

The group received funds from the AI Netherlands Section during the year totalling £51,000. This fund is considered restricted as it may only be used for the Amnesty International project on Women Human Rights Defenders in Iraq and to fund the Special Advisor for Africa and the Growth Evaluation.

### **Oak Foundation**

The group received funds from the Oak Foundation during the year totalling £12,000. This fund is considered restricted as it may only be used to fund Amnesty International's work utilising satellite imagery and Geographic Information Systems (GIS) technology to document (civil and political) human rights crises in the global South.

### **AI Spain**

The group received funds from the AI Spain Section during the year totalling £66,000. This fund is considered restricted as it may only be used to fund the work of the International Mobilisation Trust.

### **AI Sweden**

This fund is considered restricted as it may only be used to fund the work of the International Mobilisation Trust and for Human Rights Relief programmes.

### **AI Switzerland**

The group received funds from the AI Switzerland Section last year totalling £704,000 which due to initial lack of clarity on its application was recorded as unrestricted income at that time. On subsequently clarifying the purpose with AI Switzerland it was confirmed that these were restricted funds with the specific aim of assisting AI USA in its development, hence the transfer from the unrestricted funds to the restricted fund. In addition, this fund is also considered restricted as it may only be used for certain Amnesty International projects (Colombia Economic Actors and Zimbabwe Human Rights Defenders) and to fund the work of the International Mobilisation Trust.

### **AI United Kingdom**

The group received funds from the AI United Kingdom Section during the year totalling £78,000. This fund is considered restricted as it may only be used for Amnesty International's 'Assessment to Distribution' taskforce.

### **Vanguard Charitable Endowment Program**

The group received funds from the Vanguard Charitable Endowment Program during the year totalling £13,000. This fund is considered restricted as it may only be used to fund Amnesty International's Discrimination in Europe programme.

### **Relief Funds**

This fund is considered restricted as it may only be used to provide relief assistance to prisoners of conscience or victims of other serious human rights violations who have not used or advocated violence. A transfer from unrestricted funds in the year has removed the deficit balance from the previous financial year, no more income being expected in the future.

### **AI Charity**

The group received funds from the Charity during this year for work performed by the Company on behalf of the Charity (see note 9). This fund is considered restricted as it may only be used to fund charitable activities.

## 23 Transfer between Funds

The transfer between funds of £103,000 from the unrestricted fund to the restricted funds is comprised of transfer from unrestricted fund to restricted fund of £704,000 representing the additional voluntary contribution from AI Switzerland which was recorded as unrestricted income in the previous year due to lack of clarity on the application of the funds at the time, a transfer of £641,000 to the unrestricted fund from the Human Rights Foundation-Make Some Noise to offset against expenditure made in previous years, transfer of £49,000 to the restricted funds to offset the deficit balance of the Relief funds and other funds.

## 24 Finance and operating leases

Finance lease commitments comprise obligations payable:

	Group		Company	
	2010 £'000	2009 £'000	2010 £'000	2009 £'000
Within one year	59	450	59	450
Within two to five years	55	110	55	110
	114	560	114	560

Commitments under operating leases to pay rentals during the year following the year of these accounts for the Group are given in the table below, analysed to the period in which the lease expires:

Group	2010	2009
	Land & buildings £'000	Land & buildings £'000
Expiring during the next year	-	48

The company held no commitments under operating leases as at 31 March 2010 (2009: £nil).

## 25 Capital and other commitments

At 31 March 2010 the Group and Company had no commitments for future capital expenditure not already provided in the financial statements (2009: £Nil for Group and Company).

The Group provides support to AI Country Sections primarily in the global South and East through the provision of grants for research, publications and campaigning activities. At the balance sheet date the charity had conditional grant commitments that have not been accrued in the accounts as the criteria relating to payment in subsequent years have not been met, as follows:

<b>Section</b>	<b>Total (£)</b>
AI Argentina	62,208
AI Benin	39,369
AI Burkina Faso	168,587
AI Chile	163,394
AI Cote D'Ivoire	25,183
AI Ghana PfG	58,852
AI Mali	175,796
AI Mauritius	44,606
AI Mexico	107,353
AI Mongolia	39,231
AI Morocco	193,913
AI Nepal	44,802
AI Paraguay	242,040
AI Peru	199,798
AI Philippines	76,888
AI Poland	70,808
AI Puerto Rico	6,455
AI Senegal	42,781
AI Sierra Leone	15,875
AI Slovakia	52,946
AI Slovenia	24,545
AI South Africa	25,189
AI Togo	46,984
AI Tunisia	29,396
AI Turkey	150,997
AI Uruguay	49,825
	<b>2,157,821</b>

All commitments are payable within twelve months.

Amnesty has entered into nine forward exchange contracts during the year to hedge forward currency exposure on future programme expenditure. These contracts to purchase Euros (€) using Sterling (GBP) are each for one month at €/GBP rates between 1.1400 and 1.1420. At the balance sheet date a combined purchase value of €11,700,000 remained on these nine contracts representing around 70% of forecast € income to December 2010.

Security is required by the UK clearing counterparty for these contracts and is provided under an agreement renewed in 2009 on the freehold property held by Amnesty at Easton Street, London. This agreement allows Amnesty to hedge an element of its currency exposure through the use of forward exchange contracts, whilst not drawing on cash holdings to support collateral requirements.

## 26 Related Party Transactions

As described in the report of the directors and note 1, the Company is funded by Sections in the worldwide Amnesty International movement. The Company also has arrangements with Sections, the Amnesty International Charity Limited and the Company's subsidiaries on an arm's length basis. The transactions with Sections and the Amnesty International Charity Limited during the year, and the balances due to or from them at the year end, are disclosed in the relevant notes to the financial statements.

Unsecured 0% loans were both made to certain directors of Amnesty International during the financial year ended 31 March 2010 or subsisted during the year. These loans are separately disclosed in note 10, Employees and Directors, to the financial statements.

## 27 Cash flow information

### Reconciliation of net movement in funds to net cash inflows from operating activities

	<b>2010</b>	<b>2009</b>
	<b>£'000</b>	<b>£'000</b>
Net movement in funds	493	1,007
Currency translation difference	16	(106)
Depreciation	1,179	1,284
Gain on disposal of fixed assets	0	(5)
(Increase)/decrease in stocks	12	(5)
(Increase) decrease in debtors	1,038	(1,003)
Increase / (decrease )in creditors	(355)	1,342
Increase/(decrease) in provisions	(427)	287
Increase/(decrease) in pensions liability	187	1,715
Investment income	(58)	(126)
Interest payable	316	482
Taxation	27	1
<b>Net cash inflow from operating activities</b>	<b>2,428</b>	<b>4,873</b>

### Reconciliation of net cash flow to movement in net funds/ (deficit)

	<b>2010</b>	<b>2009</b>
	<b>£'000</b>	<b>£'000</b>
Increase in cash and cash equivalents in the year	809	2,171
Cash inflow/(outflow) from increase in debt and lease financing	1,755	1,552
<b>Movement in net funds</b>	<b>2,564</b>	<b>3,723</b>
<b>Net funds/(deficit) at 1 April</b>	<b>76</b>	<b>(3,647)</b>
<b>Net funds/(deficit) at 31 March</b>	<b>2,640</b>	<b>76</b>

## 27 Cash flow information - continued

### Analysis of net funds / (deficit)

	<b>2009</b>	<b>Cash flow</b>	<b>2010</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Cash in hand, at bank	4,675	799	5,474
Overdrafts	(10)	10	-
		<b>809</b>	
Debt due after one year	(2,684)	1,331	(1,353)
Debt due within one year	(1,344)	(24)	(1,368)
Finance leases due after one year	(111)	57	(54)
Finance leases due within one year	(450)	391	(59)
		<b>1,755</b>	
<b>Total</b>	<b>76</b>	<b>2,564</b>	<b>2,640</b>