(a company limited by guarantee)

Report and financial statements for the year 1 January 2012 to 31 December 2012

Company No: 2007475

Charity No: 294230

Amnesty International Charity Limited (a company limited by guarantee)

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Legal and Administrative details

Directors (and Trustees): Melvin Coleman

Andrew Dick

George Macfarlane (appointed 21 June 2012) Jakob Diness (resigned 21 June 2012) Nancy Kinsbury (resigned 21 June 2012)

Company Secretary: Nicholas Williams

Address and Registered Office: 1 Easton Street

London WC1X ODW

Company Registration Number: 2007475

Charity Registration Number: 294230

Date of incorporation: 7 April 1986

Constitution: Company limited by guarantee, with articles of association.

Solicitors: Blake Lapthorn LLP

Seacourt Tower West Way Oxford OX2 OFB

Bankers: HSBC Bank plc

74 Goswell Road London EC1V 7DA

Auditors: Crowe Clark Whitehill LLP

St Bride's House 10 Salisbury Square London EC4Y 8EH

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Report of the Trustees for the year ended 31 December 2012

The Trustees, who are also the Directors of the Charity, present their annual report on the affairs of the Charity, together with the financial statements and auditors' report for the year ended 31 December 2012.

1. Change of reporting period

In order to align planning and reporting with other member entities of the Amnesty International movement, the accounting reference date of the Charity was changed to 31 December with effect from the period beginning 1 April 2011. The comparators shown in the Charity's annual report and financial statements are in respect of the nine month period 1 April 2011 - 31 December 2011.

2. Aims and activities

Amnesty International Charity Limited ("the Charity") is a registered charity. It was incorporated on 7 April 1986 to undertake certain of those aspects of the work of the Amnesty International, International Secretariat ("the IS") which are charitable under the law of England and Wales.

The governing documents of the Charity are its Articles of Association. With effect from 21 June 2012, the Articles were amended by special resolution to reflect governance changes described in section 4 below; the Charity's objects were unchanged.

The Charity largely commissions Amnesty International Limited to undertake charitable activities of the kind described below on its behalf. The Charity's objects are as follows:

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

Monitoring abuses of human rights;

Obtaining redress for the victims of human rights abuse;

Relieving need among the victims of human rights abuse (and in particular medical, rehabilitational or financial assistance);

Research into human rights issues;

Providing technical advice to government and others on human rights matters;

Contributing to the sound administration of human rights law;

Commenting on proposed human rights legislation;

Raising awareness of human rights issues;

Promoting public support for human rights;

Promoting respect for human rights among individuals and corporations;

International advocacy of human rights;

Eliminating infringements of human rights, including without limitation procuring the abolition of torture, extrajudicial execution and disappearance.

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3. Public Benefit

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

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

4. Relationship between Amnesty International, Amnesty International Charity Limited and Amnesty International Limited

Amnesty International (AI) is an unincorporated, international movement, which has as its objective securing the observance of the provisions of the Universal Declaration of Human Rights and other human rights instruments throughout the world. The AI movement consists of national sections in different countries throughout the world, an International Secretariat (IS) whose main office is in London and overseas offices that the IS controls as branches undertaking specific functions. Delegates of the national sections meet on a biennial basis at International Council Meetings to co-ordinate their activities and to elect an International Executive Committee to implement the Council's decisions and appoint a Secretary General. The IS is responsible through the Secretary General to the International Executive Committee.

During 2012 the work of the IS was undertaken primarily by Amnesty International Limited (including activities not deemed to be charitable in England and Wales) and the Charity, Amnesty International Charity Limited (wholly charitable activities).

The Charity commissioned Amnesty International Limited ("AIL") 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. The Charity granted funds to AIL for carrying out such commissioned work as the Trustees of the Charity determined.

Following resolutions approved by board meeting and general meetings in June 2012, Amnesty International Limited was appointed as the sole member of the Charity as part of changes implemented to reduce the administrative costs of the Charity, as follows:

- Amnesty International Limited entered into direct grant arrangements with those members of the Amnesty movement then making contributions to the Charity (shown in section four below), under which the organisations elected to pay assessment contributions direct to Amnesty International Limited from March 2012 (Al Canada English Speaking and Al Canada French Speaking) and April 2012 (Al UK Section Charitable Trust);
- 2) Amnesty International Limited was appointed as the sole member of the Charity by the adoption of the updated Articles of Association.
- 3) The number of Trustees was reduced from four to three, by the resignation of Jakob Diness and Nancy Kingsbury and the appointment of George Macfarlane. As a result all 3 remaining Trustees are now UK resident.

As a result of the first change above the Trustees expect that the income of the Charity will be significantly reduced in future.

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The Charity will continue to grant funds to AIL insofar as these are available through legacies, grants and donations in future periods, while retaining an appropriate level of free reserves to manage the risk of unforeseen expenditure in the future.

5. Connected charities

In addition to the relationship with Amnesty International Limited described above, during the year the Charity held agreements with the following organisations to carry out charitable work on their behalf and received grants from them for that purpose.

Amnesty International UK Section Charitable Trust (United Kingdom)
The Human Rights Action Centre
17-25 New Inn Yard
London EC2A 3EA

Amnesty International Canadian Section (English Speaking) 312 Laurier Avenue East Ottawa Ontario K1N 1H9 Canada

Amnistie internationale, section canadienne francophone 6250 Boulevard Monk Montreal Quebec H4E 3H7 Canada

6. Governance

The Charity is a company limited by guarantee and does not have share capital. In June 2012 the members of Amnesty International's International Executive Committee (IEC) were replaced as guarantors of the Charity by Amnesty International Limited as the sole member.

The IEC is an elected body which normally consists of nine individuals. The members of the IEC are elected by the representatives of the country sections of Amnesty International for a four year term at biennial International Council Meetings. The IEC has appointed a Finance & Audit Committee which also reports directly to Trustees on matters pertaining to the Charity.

The Trustees, who are also Directors of the Charity, are appointed by the IEC (from June 2012, in their capacity as the directors of Amnesty International Limited). New Trustees are provided with an induction in the Charity's activities by the Company Secretary.

7. Management

The Trustees have responsibility for the oversight of the Charity. They have commissioned AIL to carry out charitable work on behalf of the Charity.

The activities of AIL are managed by the Secretary General, Salil Shetty, supported by a senior management team and approximately 500 staff based in London and in a number of IS offices around the world.

8. Principal Risks and Uncertainties

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

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Risks are reviewed by the Board of Trustees and appropriate processes put in place to monitor and mitigate them. Key risks affecting the Charity are set out below:

Reputational risk

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

Trustees rely on quality control measures on research matters within AIL and on AIL's suitably experienced and qualified professional staff to mitigate this risk. In addition, the IS has agreed a crisis management strategy to deal with adverse media coverage.

Financial risks

The Trustees believe that the Charity does not have any significant exposure to price, credit, liquidity or cash flow financial risks as:

- The Charity does not trade;
- The Charity's principal financial assets are cash at bank and investments;
- To maintain liquidity to ensure that sufficient unrestricted funds are available for ongoing and future activities, the Charity regularly reviews the programme of AIL commissioned research projects;
- The Charity has appointed Amnesty International's Finance and Audit Committee to act as its expert audit committee.

Regulatory / compliance risks

Compliance risk may arise if the Charity fails to comply with the Charity Commission or HMRC requirements. This may lead to adverse publicity, censure or penalties, and as a result may lead to reduced future donations. These risks are mitigated by careful scrutiny of projects funded by the Charity's grants and by the active management of the Charity's affairs by appropriately qualified legal and finance staff employed by AIL on behalf of the Charity.

9. Activities during the period

In a short report of this nature it is not possible to detail in its entirety the volume and variety of charitable initiatives undertaken around the world by the Charity working through AIL during the period. This report provides a brief overview of the Charity's work while more detailed information on the work of AI for the year ended 31 December 2012 is available in the Amnesty International Report 2013, from AI Sections and on the website: www.amnesty.org.

The ability of the Charity 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 its charitable aims.

Global Priorities

• Crisis and transition in the Middle East and North Africa (MENA)

Campaigning within the MENA Crisis Response and Transition saw ongoing planned and reactive work throughout the year with significant emphasis around marking the anniversaries of the MENA uprisings.

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Campaigning for an Arms Trade Treaty

The Campaign for the Arms Trade Treaty (ATT) aimed to secure the adoption of an ATT text by the majority of states. Campaigning, mobilization and a strong media-communications strategy was undertaken to affect public and political opinion to ensure respect for International Human Rights and Humanitarian Law. While the treaty was not adopted during 2012, considerable progress was made - we will continue our efforts and remain hopeful that it will be adopted in 2013.

End Forced Evictions

Campaigning on End Forced Evictions had a variety of country-specific campaign peaks throughout the year and culminated in major activities for the period around World Habitat Day on 1 October 2012.

2012-13 Global Campaigns

- Demand Dignity: Claiming rights has been the strategic focus for Demand Dignity. Al has been campaigning for governments to adopt and implement standards and has been demanding that those whose rights are undermined can seek an effective remedy.
- Security with Human Rights (SHR): The SHR campaign continued to build its thematic focus around the agreed campaign strands: unlawful detentions, accountability and victims of terrorism and other human rights abuses by armed groups.
- International Justice: In 2012, the Campaign for International Justice broadened its efforts to promote an effective system of international justice by campaigning for justice, truth, and reparation for victims of crimes under international law in a number of target countries and on an array of obstacles to ending impunity.
- **Death Penalty:** The Campaign objectives have been to push retentionist countries to adhere to and implement the international prohibitions and standards on the use of the death penalty, to achieve moratoriums on executions and abolition in a limited number of countries, and to stop executions in specific individual cases.
- Refugee and Migrant Rights: Al addressed labour exploitation and abusive migration control policies and increasingly explored abuses within the migration cycle and refugee protection.

10. Plans for future periods

The International Secretariat Operational Plan for two years ending 31 December 2013 was presented to the International Executive Committee (IEC) in December 2011. This plan addresses the work of Amnesty International Limited, and of Amnesty International Charity Limited to the extent that it continues to provide funding for this work. The plan is organized under three main categories of work:

Critical Pathways

- Addressing Human Rights Violations in Slums Making Corporate Actors Accountable Ending the Use of the Death Penalty Security with Human Rights
 - Campaign for International Justice Promoting Freedom of Expression, Assembly and Association
 - People on the Move Ending Abuses in Areas of Armed Conflict and Discrimination
 - Ending abuses in the Criminal Justice System
 - Regulation of the Trade in Arms

- Sexual, Reproductive and Maternal Health Rights

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Operational Enablers

•	Movement Growth	Strategy, Impact and Accountability
	Fundraising	Organizational Development
•	Information Systems and Management	

Support and Governance

•	Working towards better Financial and Legal Systems	Strengthening Leadership and Governance Mechanisms
	Ensuring a Suitable Working Environment for IS Staff	

The IS will also continue to invest greater resources into new national offices in Brazil and India, and increase its grant funding to existing national offices or Sections in the global south and east. During this period, considerable preparation was undertaken for change to organisational structure that will be rolled out in 2013. The IS will be establishing regional hubs in strategic locations mostly in the global south, where integrated human rights teams will work across research, campaigns, communications and movement building to deliver greater human rights impact on the ground. As part of this process the Directors approved a plan to market one of the AIL's administrative buildings in London.

11. Restricted Grant Income

The Charity received a grant of £708,000 (being part of a four year award) from the UK Department for International Development (Governance and Transparency funds) during the period. This grant is considered restricted as it may only be used by the Charity in support of its human rights education work in Africa.

12. Financial review

The results for the Charity show net outgoing resources of £1,229,000 (April – December 2011: net outgoing resources of £214,000). The deficit is the result of a policy adopted by the Trustees to apply excess free reserves accumulated in previous years to charitable purposes. In light of the changes to grant arrangements with Amnesty member sections described above, both income and expenditure are expected to be substantially reduced in 2013 as member sections make assessment payments direct to Amnesty International Limited and not to the Charity. The Trustees intend that simpler grant arrangement will result in lower administration costs for the Charity and for the Amnesty movement as a whole.

The principal sources of funding for the Charity in 2012 were contributions received from Sections. Incoming resources, which principally comprise income from Al United Kingdom, Al Canada and the Department for International Development, fell to 37% of the prior period level (pro rated for 12 months). This was due to the change in grant agreements with Al Canada and United Kingdom sections, which from March and April 2012 respectively began to pay assessment directly to Amnesty International Limited (AIL).

The Charity has net current assets of £203,000 as at 31 December 2012 (31 December 2011: £1,431,000). The Charity has unrestricted funds totalling £114,000 at the balance sheet date (31 December 2011: £1,343,000).

Net cash outflow from operating activities for the period was £1,025,000 (April – December 2011: £230,000); the Charity has net funds of £205,000 as at 31 December 2012 (31 December 2011: £1,229,000).

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Reserves policy

As at 31 December 2012 the level of free reserves of the Charity was £114,000.

As the Charity's activities are largely carried out on its behalf by AIL under the memorandum of agreement, and as AIL waives the right to charge for the services it provides, the Charity has no requirement for significant reserves. In light of the changes to grant arrangements described above a target level of reserves has been set at £42,000 to cover annual expenditure not met by AIL and a contingency amount for unforeseen costs required to be met directly by the Charity.

The Directors anticipate that free reserves will be further applied to charitable activities through grants made to AIL in 2013 so as to reach the target level.

Investment policy

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

13. Going concern

We have set out above a review of financial performance and the Charity's reserves position. While voluntary income is expected to reduce substantially from 2013 onwards, the Charity continues to receive administrative support from Amnesty International Limited (AIL) for which AIL waives its right to charge. The Charity also continues to receive donations and legacies, which totalled £237,000 in 2012 (April – December 2011: £151,000). As a result we have adequate financial resources and are well placed to manage business risks. Our planning process, including financial projections, has taken into consideration the grant changes described above. We have a reasonable expectation that we have adequate resources to continue in operational existence for the foreseeable future.

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

14. Trustees

The Trustees of the Charity during the year were as follows:

Mr Melvin Coleman Mr Andrew Dick Mr Jakob Diness (resigned 21 June 2012) Ms Nancy Kingsbury (resigned 21 June 2012) Mr George Macfarlane (appointed 21 June 2012)

15. Auditors

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

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15. Statement of Trustees' responsibilities

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

Charity law requires the trustees to prepare financial statements for each financial period in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law.

Under charity law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of its net incoming/outgoing resources for that period. In preparing these financial statements, the trustees are required to:

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

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

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

BY ORDER OF THE BOARD

Melvin Coleman Trustee

22 May 2013 1 Easton Street London WC1X ODW

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

We have audited the financial statements of Amnesty International Charity Limited for the period ended 31 December 2012 set out pages 14 to 25. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

Respective responsibilities of trustees and auditor

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purpose of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the 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.

In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2012 and of
 its incoming resources and application of resources, including its income and expenditure, for the year
 then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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Opinion on other matter prescribed by the Companies Act 2006

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

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; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Pesh Framjee Senior Statutory Auditor For and on behalf of Crowe Clark Whitehill LLP Statutory Auditor London

Date: 27 June 2013

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Statement of Financial Activities (Incorporating an Income and Expenditure Account) For the year ended 31 December 2012

	Notes	Unrestricted Funds 2012	Restricted Funds 2012	Total Funds 2012	Total Funds Apr 11 - Dec 11
		£'000	£'000	£'000	£'000
Incoming resources from generated funds					
Voluntary income	3	236	3,537	3,773	7,728
Investment income		2	-	2	3
Total incoming resources		238	3,537	3,775	7,730
Resources expended					
Charitable activities	4	1,441	3,537	4,979	7,921
Governance costs	4	25	-	25	23
Total resources expended	4	1,467	3,537	5,004	7,944
Net outgoing resources		(1,229)	_	(1,229)	(213)
Fund balances brought forward at start of pe	eriod	1,343	88	1,431	1,645
Fund balances carried forward at end of per		114	88	203	1,431

All amounts relate to continuing activities.

There is no difference between the net outgoing resources for the year ended 31 December 2012 and the 9 month period ended 31 December 2011 stated above and their historical cost equivalents.

There are no recognised gains and losses in either period other than the net (outgoing)/incoming resources for that period and therefore no separate statement of total recognised gains and losses has been presented.

The notes on pages 17 to 25 form part of these financial statements.

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Balance Sheet As at 31 December 2012

Company No: 2007475 Charity No: 294230

	Notes	Dec-12 £'000	Dec-11 £'000
Current assets			
Debtors Investments Cash at bank and in hand	9 10 —	41 101 103 246	322 300 929 1,551
Creditors: amounts falling due within one year	11	(43)	(119)
Net current assets, total assets less liabilities and net assets	_	203	1,431
Funds Unrestricted funds Restricted funds Total Funds	14 12,14	114 88 203	1,343 88 1,431

Approved by the board of directors on 22 May 2013 and signed on its behalf by:

Melvin Coleman Trustee

The notes on pages 17 to 25 form part of these financial statements.

Amnesty International Charity Limited (a company limited by guarantee)

Cash Flow Statement For the period ended 31 December 2012

	Notes	Dec-12	Apr 11 - Dec 11
		£'000	£'000
Reconciliation of net outgoing resources to net cash outflow from operating activities			
Net outgoing resources		(1,229)	(214)
Interest receivable		(2)	(3)
Decrease/(increase) in debtors		281	(87)
(Decrease)/increase in creditors		(76)	74
Net cash outflow from operating activities		(1,025)	(230)
Cash flow statement			
Net cash outflow from operating activities		(1,025)	(230)
Returns on investment and servicing of finance Interest received		1	3
Management of liquid resources			
Sale of short term investments		199	1,151
Net cash (outflow) / inflow	13	(825)	924

The notes on pages 17 to 25 form part of these financial statements.

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Notes to the financial statements for the period ended 31 December 2012

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 the Statement of Recommended Practice – "Accounting and Reporting by Charities" (SORP) revised in March 2005.

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

Scope

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

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

2 Accounting Policies

Incoming resources

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

Legacies

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

Grant income

Where the entitlement to project or grant income is performance related the income is recognised when the conditions for entitlement have been fulfilled.

Contributions from Sections

The Canadian and UK Sections of Amnesty International agreed to contribute a share of their income towards the funding of the Charity until March and April 2012 respectively. This contribution was for expenditure on specific charitable activities as determined by AICL in conjunction with the Canadian and UK sections.

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2 Accounting Policies (continued)

The Canadian Sections' agreed contribution for the period was fixed in their local currency and was payable in advance. The income received by the Charity may therefore differ from the sterling amount calculated at the contribution rate. These differences result in gains and losses from foreign exchange rate movements which are taken to the Statement of Financial Activities.

From time to time, the Sections have made make contributions in advance of the due date. Such contributions are treated by the Charity as deferred income and are included in the balance sheet as a liability until released to the Statement of Financial Activities as income in the period to which they relate.

Investments

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

Fund accounting

The Charity maintains the following types of fund:

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

Resources expended

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

Resources expended are classified by the activity headings shown below. Where expenditure cannot be directly attributed to particular headings (support costs) it is allocated based upon expenditure in each category for the period ended 31 December 2012 as a proportion of total resources expended.

Charitable activities comprise:

- **Research** which represents the costs incurred in conducting research to highlight grave violations of human rights.
- 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.

Governance costs represent costs that relate to the general running of the Charity as opposed to the direct management functions inherent in the activities of the Charity. They provide the governance infrastructure which allows the Charity 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 Charity.

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2 Accounting Policies (continued)

Grants

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

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

Irrecoverable VAT

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

Foreign currency

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

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

Segmental analysis

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

Liquid resources

Liquid resources comprise cash held in current accounts and call deposit accounts.

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3 Voluntary Income

	Unrestricted Funds 2012	Restricted Funds 2012	Total Funds 2012	Total Funds Apr 11 - Dec 11
	£'000	£'000	£'000	£'000
Contributions from Sections	-	2,748	2,748	6,785
Donations and bequests	156	81	237	151
Government grant funding	-	708	708	743
Grant under Gift Aid from Amnesty International Limited	80	-	80	49
Total voluntary income	236	3,537	3,773	7,728

4 Resources Expended

	Direct costs	Support costs	Total Funds	Total Funds
	2012	2012	2012	Apr 11 - Dec 11
	£'000	£'000	£'000	£'000
Research into human rights violations Abolition of torture, extrajudicial execution and disappearance	4,285 134	551 9	4,836 143	5,783 2,138
Total charitable activities	4,419	560	4,979	7,921
Governance	21	5	25	23
Total resources expended	4,439	565	5,004	7,944

Support costs include premises, communication, information technology and other general running and management costs of the Charity. The support costs are allocated to the other categories based upon AlL's expenditure in each category for the year ended 31 December 2012 as a proportion of AlL's total resources expended.

Governance costs consist of the statutory audit fee met by Amnesty International Limited; the staff costs of legal, financial and other support provided to Charity Trustees by Amnesty International Limited staff during the period; and a share of expenses relating to the organisation of committee and Board meetings, plus related support costs.

Auditors' remuneration is borne by AIL and is not directly recharged to the Charity. The audit fee for the Charity is £6,000 + VAT (April – December 2011: £10,000 + VAT).

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5 Support costs

	2012	2012	2012	Apr 11 - Dec 11
	Charitable activities	Governance	Total	Total
	£'000	£'000	£'000	£'000
Salaries and employment benefits	189	2	191	423
Occupancy costs	128		129	96
Professional fees	100	1	101	108
Information technology costs	22		22	47
Administration costs	61	1	62	162
Depreciation	43		43	75
Insurance	7		7	26
Other costs	10		10	40
	560	5	565	978

6 Grants

The Charity granted funds to AIL in the period for work performed on behalf of the Charity. The figure granted was £4,908,000 and included the amounts related to the grant received from the Department for International Development (DfID).

The grant received from DFID is part of a four-year award commencing in 2008 and totalling £3,149,000. It is used by the Charity in support of its human rights education work in Africa. The Charity works with partner organisations, reimbursing them for reported expenditure on a quarterly basis. Additionally, costs incurred on coordinating this project from the IS office in Dakar and on monitoring and evaluation are met from the grant.

The following expenditure was reimbursed from the grant directly to partner organisations or the Dakar office:

	£'000
WILDAF Benin	56
Al Burkina-Faso	76
Al Cote d'Ivoire	90
Maata-N-Tudu Association Ghana	44
Legal Resources Foundation Kenya	47
Al Mali	68
Al Senegal	55
Al Sierra Leone	52
Al Togo	66
EHAHRDP Uganda	23
Dakar office	130
	708

(a company limited by guarantee)

7 Employees and Directors

The Charity had no employees during the year (April - December 2011: Nil). All salaries and related costs are charged or donated to the Charity by the employer, AlL. In the current year, employee costs borne by AlL on behalf of the Charity totalled £2,393,000 (April – December 2011: £5,109,000).

The directors of the Charity did not receive any remuneration during the period (April – December 2011: Nil) from the Charity for their services as directors and Trustees of the Charity.

The directors did not receive any reimbursement of expenses from the Charity during the period. (April – December 2011: Nil)

8 Taxation

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

9 Debtors

	31 Dec 12	31 Dec 11
	£'000	£'000
Due from Sections	41	322
	41	322

10 Investments

Investments comprise money market deposits.

	31 Dec 12	31 Dec 11
	£'000	£'000
Carrying value at start of period	300	1,451
Additions to investment at cost	-	-
Disposal of investments at cost	(199)	(1,151)
Carrying value at end of period	101	300

11 Creditors

Creditors comprise an accrued grant commitment to Amnesty International Limited at the year end. Deferred income at 31 December 2011 related to section contributions received in 2011 but relating to the 2012 reporting period.

	31 Dec 12 £'000	31 Dec 11 £'000
Deferred income	-	119
Accruals	43	-
	43	119

(a company limited by guarantee)

12 Restricted funds

	31 Dec 11 £'000	Income £'000	Expenditure £'000	31 Dec 12 £'000
AI UK (ESR)	80	-	-	80
Al Canada (Dignity)	9	-	-	9
Department for International Development	-	708	(708)	-
AI UK 2012 Assessment		2,287	(2,287)	-
Al Canada (Eng) 2012 Assessment		429	(429)	-
Al Canada (Fr) 2012 Assessment		32	(32)	-
Security and Human Rights		80	(80)	-
India		1	(1)	-
	88	3,537	(3,537)	88

AI UK (ESR)

The Charity received funds from AI UK in previous years to fund its economic and social relations project.

Al Canada (Dignity)

The Charity received funds from AI Canada during 2010 for work associated with the Dignity campaign.

Department for International Development (DfID)

The Charity received a grant of £708,000 (being the final tranche of a four year award) from DfID during the period. This grant is restricted as it may only be used by the Charity in support of its human rights education work in Africa.

2012 Assessment

Funds received from Amnesty International member entities in the period were restricted to specific projects, expenditure on which is reported to the grantors. These projects were in furtherance of specific programmes of work covering the following core issues or Critical Paths:

AI UK	Corporate accountability; maternal health and sexual rights;
	slums; refugees and migrants; arms control; security with
	human rights; international justice; criminal justice;

freedom of expression; discrimination and persecution; and

armed conflict.

Al Canada (Eng) and
Discrimination and persecution; freedom of expression including Prisoners of Conscience; abuses in the justice

system; and abolition of the death penalty.

Security and Human Rights

The Charity received funds of £80,000 from an individual donor to be applied to the movement's Security and Human Rights campaign from 2012 - 2013.

India

The Charity received a donation of £1,250 restricted to costs associated with the establishment of Amnesty International India.

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13 Cash flow information

Reconciliation of net cash flow to movement in net funds

Reconciliation of net cash flow to movement in net funds		
	2012	Apr 11 - Dec 11
	£'000	£'000
(Decrease) / increase in cash in the period	(825)	924
Cash outflow from decrease in liquid resources	(199)	(1,151)
Movement in net funds resulting from cash flows	(1,024)	(227)
Net funds at start of period	1,229	1,456
Net funds at end of period	205	1,229
Analysis of net funds		
31 Dec 1		31 Dec 12
£'00'£		£'000
Cash at bank and in hand 92	9 (825)	104
Liquid resources 30) (199)	101
1,22	9 (1,024)	205

Liquid resources comprise short-term deposits with banks which mature within 12 months of date of inception.

14 Analysis of Net Assets between Funds

	Unrestricted Fund	Restricted Fund	Total 31 Dec 2012
Current assets	£'000	£'000	£'000
Debtors Short term investments	41 101		41 101
Cash at bank and in hand	103	88	191
	246	88	334
Creditors: amounts falling due within one year	(43)	-	(43)
Net current assets and net assets	203	88	291
Total funds as at 31 December 2012	114	88	203

(a company limited by guarantee)

15 Related Party Transactions

As described in the report of the directors, the Charity has been funded during the year by Amnesty International Limited, Amnesty International UK Section Charitable Trust, Amnesty International Canadian Section (English Speaking) and Amnistie Internationale, Section Canadienne Francophone. The amounts involved are disclosed in note 12.