

Amnesty International Limited

(a company limited by guarantee)

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

Company No: 1606776

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Legal and Administrative details

Directors:	Pietro Antonioli Rune Arctander Nicole Bieske Zuzanna Kulinska Sandra Lutchman Guadalupe Rivas Bernard Sintobin Julio Torales
Company Secretary:	Nick Williams
Secretary General	Salil Shetty
Address and Registered Office:	1 Easton Street London WC1X 0DW
Company Registration Number:	1606776
Date of incorporation:	6 January 1982
Constitution:	Company limited by guarantee, with memorandum and articles of association.
Solicitors:	Blake Lapthorn LLP Seacourt Tower West Way Oxford OX2 0FB
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

Report of the Directors for the year ended 31 December 2012

The directors present their report on the affairs of the Group, together with the financial statements and auditors' report for the period 1 January - 31 December 2012. The Group consists of Amnesty International Limited and its subsidiaries, details of which are provided in note 1 to the financial statements.

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 Company was changed to 31 December with effect from the period beginning 1 April 2011. The comparators shown in the Company's annual report and financial statements are in respect of the nine month period 1 April 2011 – 31 December 2011.

2. 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.

3. Organization 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. During the year the work of the IS was undertaken through two United Kingdom registered companies: Amnesty International Limited ("the Company") and Amnesty International Charity Limited (AICL).

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

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

- 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;
- 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.

During the period 1 January - 31 December 2012 the Company was commissioned by AICL to carry out charitable activities on its behalf under the terms of the memorandum of agreement first signed in June 1992. A revised memorandum of agreement was signed in December 2010 to clarify the scope of activities which fall under this commission. 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 period the Company donated £80,000 (2011: £49,000) to the Charity under the Gift Aid scheme.

4. Offices overseas

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

The Company also makes payments to two international language resource entities, one in France and one in Spain. Centre de Ressources Linguistiques d'Amnesty International – Unité Chargée de la Langue Française (AILRC-Fr) is an association registered in France in 1986 which is controlled by the Company. Editorial Amnistía Internacional, S.L. sociedad unipersonal, a company incorporated in Spain, was formed in 1986 and is a wholly owned subsidiary of the Company. Both entities translate and distribute Amnesty publications in the relevant language and form part of the wider Amnesty International Language Resource Centre.

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.

5. Principal risks and uncertainties

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

The directors performed a review of strategic risks in 2012; key risk areas include the following:

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.

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

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). The Group maintains in-house 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.

Resourcing and change management risk

The planned changes to the organisational structure of the Group detailed in Section 8, involving the opening of regional hubs, constitute a significant change to the Group's operations. In assessing the risks associated with this restructure the directors have regard to the Group's ability to attract and retain suitably qualified and motivated staff. The directors regularly monitor the progress and attendant risks of the change management project. Organisational Development and Human Resources policies and processes have been reviewed and developed in order to support the change process.

Financial risks

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

The Group's exposure to liquidity risk arises from potential non-payment of assessment income from AI Sections. This risk is mitigated by regular communication with late-paying Sections, and a prudent policy on providing against doubtful debts.

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 mitigate this risk for a proportion of income. 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.

The Group is dependent upon voluntary income from other Amnesty member entities and from third party donors to adequately fund core human rights work. Amnesty International Limited carries out regular income forecasting to inform the planning and budgeting process.

6. Governance

The Company is limited by guarantee and does not have share capital. The members (guarantors) are the elected members of the International Executive Committee (IEC) of Amnesty International, individuals who are elected by representatives of the country sections of Amnesty International at the biennial International Council Meeting, in accordance with the Statute of Amnesty International. The members are elected for a four year term, except for Zuzanna Kulinska who was elected for a two year term only in 2011.

The governing documents of the Company are its Memorandum and Articles of Association, last updated in February 2010.

New AIL directors receive an induction at the International Secretariat shortly after their appointment, covering a general overview of the organization and administrative details; fiduciary responsibilities; and legal/statutory responsibilities.

The Chair of the IEC receives coaching from an external consultant, and the IEC Board Development Committee identifies the general training needs for the entire board and handles specific requests for training from individual IEC members.

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

Management

The International Executive Committee is responsible for agreeing 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 AIL.

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

7. Financial Review

The results for the Group show net outgoing resources after other recognised gains and losses of £2,589,000 (2011: net incoming resources of £3,657,000). Of this total, £1,036,000 relates to the actuarial loss incurred on revaluation of the Company's defined benefit pension scheme: further detail is provided in note 10 to the financial statements. A further £1,195,000 relates to non-recurring restructuring costs as described below. The results also include £1,217,000 in respect of grants to AI Sections which were paid in 2013 and intended for 2013 activity, but which have been accrued as 2012 expenditure in line with applicable accounting standards. Further information is provided in note 6 to the financial statements.

The Group is principally funded by contributions from country sections as assessed by the International Council. Incoming resources for the period were £54,865,000 (2011 - 9 months: £38,106,000), consisting primarily of assessment income, net of provisions, of £50,145,000.

Total resources expended were £55,224,000 (2011 - 9 months: £39,137,000) before exceptional restructuring costs incurred in the period of £1,195,000 in relation to the reorganisation of Campaigns and Communications functions. These costs form part of the change in organisational structure and development of regional hubs described in Section 8. The restructure has been planned and undertaken in line with the Operational Plan for the two years ended 31 December 2013, as approved by the International Executive Committee.

The Group has net current assets of £5,659,000 as at 31 December 2012 (31 December 2011: £5,968,000). The Group has unrestricted funds totalling £12,532,000 at the balance sheet date (31 December 2011: £14,843,000).

Net cash inflow from operating activities for the year was £2,597,000 (2011 - 9 months: £1,287,000). The Group has net funds of £7,487,000 as at 31 December 2011 (31 December 2011: £6,478,000).

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

	January - December 2012	April - December 2011 pro rata to 12 months	April - December 2011
Total voluntary income	£54,507,000	£49,996,000	£37,497,000
Net current assets	£5,659,000	£5,968,000	£5,968,000

8. Activities during the year and planned activities

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 the Company during the period. This report provides a brief overview of the Company's work in the period. More detailed information on the work of AI for the period ended 31 December 2012 is available in the Amnesty International Report 2013, from AI sections and on the website: www.amnesty.org.

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

The ability of the Company to achieve its objectives is dependent upon many factors, including 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. During this period, key priorities for the global organisation included:

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.
- **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. AI 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:** AI addressed labour exploitation and abusive migration control policies and increasingly explored abuses within the migration cycle and refugee protection.

The International Secretariat Operational Plan for two years ending 31 December 2013 was presented to the International Executive Committee (IEC) in December 2011. We are therefore half way through implementation of this plan. This plan addresses the work of the Group and of Amnesty International Charity Limited which will continue to fund a proportion of the charitable objectives that arise. The plan is organized under three main categories of work:

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Report of the Directors (continued)

Critical Pathways

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

· Movement Growth · Fundraising · Information Systems and Management	· Strategy, Impact and Accountability · Organizational Development
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Support and Governance

· Working towards better Financial and Legal Systems · Ensuring a Suitable Working Environment for IS Staff	· Strengthening Leadership and Governance Mechanisms
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The Group 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 Group 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 Company's administrative buildings in London.

9. Volunteers

Volunteers and interns increasingly make a highly significant contribution towards Amnesty's global objectives. Volunteers typically commit to volunteer between two and three days a week for a minimum of three months. Interns undertaking specific projects generally volunteer their time for three to five days per week for a minimum of 4 months. For the year ended 31 December 2012, there were on average 96 volunteers and interns supporting the activities of the IS. This was the equivalent of 52 full time staff.

The support we receive from volunteers and interns is therefore invaluable. Volunteers help our members of staff with a variety of aspects of their work and are involved in activities across the International Secretariat. These tasks include monitoring the international press, translating, undertaking research, designing web pages, raising funds and supporting legal, 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.

10. Reserves policy

At 31 December 2012 the Company's free reserves were £1,278,000 (31 December 2011 £3,308,000).

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Report of the Directors (continued)

The directors have set a target level of free reserves based upon an analysis of the potential financial impacts of significant risks identified through the Company's risk management framework, weighted for likelihood and impact.

In setting a target level, directors also consider the level of reserves held by Amnesty International Charity Limited in excess of its own target that, subject to agreement by the Charity's Trustees, may be made available to the Company in the form of additional grant for core activities. At 31 December 2012 the level of such excess reserves held by Amnesty International Charity Limited was £71,000.

The principal sources of information which were taken into account when setting reserves target included:

- The Company's risk management framework;
- Income budgets/forecasts and analyses of the stability of sources of income;
- Expenditure budgets; forecasts, including staff costs, grants to sections/structures, and capital expenditure;
- Cash flow forecasts including the required contributions in respect of the defined benefit pension scheme;
- Levels of reserves held by IS branches and subsidiaries, including any practical restrictions on access to those reserves and the appropriate levels which are required for liquidity and the mitigation of financial risk at the level of the branch or subsidiary.

In consideration of these factors the target for the Company has been set at between £4.7m and £9.0m.

At 31 December 2012 the total level of reserves available to the Company, including those held by the Charity in excess of its own reserves target, was £1,349,000.

The directors have approved a programme of monitoring and reporting on the level of free reserves in conjunction with the budgeting process in order to achieve the desired target over the course of the Company's five year financial plan.

11. Going concern

We have set out above a review of financial performance and the Company's reserves position. Our risk assessment and planning processes, including financial projections, have taken into consideration the current economic climate and its potential impact on the various sources of income and planned expenditure. The directors have a reasonable expectation that adequate resources are available to enable the Company to continue in operational existence for the foreseeable future. The directors believe that there are no material uncertainties that call into doubt the Company's ability to continue. The accounts have therefore been prepared on the basis that the Company is a going concern.

12. Investment policy

The Company invests surplus funds in short term deposits. These are managed in line with its Treasury Management Policy. The Policy's aim is to provide assurance, through appropriate controls, that the Company operates strictly within a minimum risk framework and ethical investment policy with no use of speculative products.

13. Grant making policy

The Group provides support to other AI entities (primarily in the global South and East) through the provision of grants for research, publications and campaigning activities. Grants payable to other AI entities are made in line with the Company's strategic objectives. The Group monitors all grants in accordance with the relevant grant agreement.

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

14. Pension fund

The FRS 17 valuation of the AIL defined benefit pension scheme as at 31 December 2012 supplied by AIL's actuaries showed a deficit figure of £7,359,000 (31 December 2011: £7,396,000).

The FRS17 results can change significantly from year to year depending on market conditions. The liabilities are linked to yields on AA-rated corporate bonds, whereas some of the assets of the Scheme are invested in growth assets, such as equities and property. Changing market values in conjunction with discount rate variability can lead to volatility in the funded status of the Scheme and thus to volatility in the net pension liability.

A full actuarial valuation is carried out every three years. The most recent was carried out as at 30 September 2011 which revealed a funding shortfall of £12,055,000 (September 2008: £10,226,000). The Company is currently making annual contributions of £1,206,000, increasing by 5% per year, as agreed with the Trustees of the pension scheme, to eliminate this shortfall.

15. Directors and directors' interests

The directors of the Company who served throughout the financial period were as follows:

Pietro Antonoli (Chair)
Rune Arctander
Nicole Bieske
Euntae Go (resigned 21 March 2013)
Zuzanna Kulinska
Sandra Lutchman
Guadalupe Rivas
Bernard Sintobin
Julio Torales

19. 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.

20. Employee involvement

The Company provides internal written updates on activities and there are also frequent staff information and consultative meetings. An elected employee council instituted in 2012 allows for improved consultation between a representative group of staff and senior management. 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.

21. 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.

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

23. 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. Crowe Clark Whitehill LLP has expressed its willingness to continue as auditor for the next financial year.

BY ORDER OF THE BOARD

P Antonioli
Director

2 June 2013

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 December 2012 which are set out on pages 15 to 43. 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.

In addition, we read all the financial and non-financial information in the Report of the Directors 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 group's and the parent company's affairs as at 31 December 2012 and of its profit for the period 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
- 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
Statutory Auditor
London, UK.

Date: 27 June 2013

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

		Unrestricted Funds	Restricted Funds	Total Funds	Total Funds
		2012	2012	2012	Apr - Dec 2011
	Notes	£'000	£'000	£'000	£'000
Incoming resources					
Voluntary income	4	40,378	14,129	54,507	37,497
Activities for generating funds		294	-	294	569
Investment income		64	-	64	40
Total incoming resources		40,736	14,129	54,865	38,106
Resources expended					
Cost of generating funds	5	1,442	-	1,442	1,301
Costs of activities in furtherance of the Group's objectives	5	38,182	14,408	52,590	36,585
Governance costs	5	1,192	-	1,192	1,251
Total resources expended before exceptional restructuring costs		40,816	14,408	55,224	39,137
Net incoming / (outgoing) resources before exceptional restructuring costs and other recognised gains and losses		(79)	(279)	(358)	(1,032)
Exceptional restructuring costs	5	(1,195)	-	(1,195)	
Net (outgoing) / incoming resources before other recognised gains and losses		(1,274)	(279)	(1,553)	(1,032)
Currency translation differences			-		(30)
Actuarial (losses) / gains	10	(1,036)	-	(1,036)	(2,595)
Net (outgoing) / incoming resources		(2,310)	(279)	(2,589)	(3,657)
Fund balances brought forward		14,843	309	15,152	18,809
Fund balances carried forward		12,532	30	12,562	15,152

All activities are continuing.

There is no difference between the results for the period 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 18 to 43 form part of these financial statements.

Balance sheet

As at 31 December 2012

Company no: 1606776

		Group		Company	
	Notes	Dec-12 £'000	Dec-11 £'000	Dec-12 £'000	Dec-11 £'000
Fixed assets					
Tangible assets	13	18,454	18,888	17,956	18,428
Intangible assets	14	17	18	-	-
Investments	15,16	48	1	21	21
Total fixed assets		18,519	18,907	17,978	18,449
Current assets					
Assets held for sale	13	621	-	621	-
Stocks	17	7	14	-	-
Debtors: amounts falling due after one year	18	1,190	861	1,165	861
Debtors: amounts falling due within one year	18	4,065	2,399	3,940	2,511
Short term investments		2,500	-	2,500	-
Cash at bank and in hand		6,872	7,922	6,431	7,462
Total Current Assets		15,256	11,197	14,657	10,834
Creditors: amounts falling within one year	19	(9,597)	(5,229)	(9,291)	(5,146)
Net current assets/(liabilities)		5,659	5,968	5,366	5,688
Total assets less current liabilities		24,178	24,875	23,344	24,137
Creditors: amounts falling due after more than one year	20	(1,810)	(1,424)	(1,805)	(1,419)
Provisions for liabilities and charges					
Provisions	21	(2,446)	(903)	(2,398)	(903)
Defined benefit pension scheme liability	10	(7,359)	(7,396)	(7,359)	(7,396)
Net assets		12,563	15,152	11,782	14,420
Funds:	22				
Unrestricted funds excluding pension reserve		19,892	22,239	19,111	21,586
Pension reserve	10	(7,359)	(7,396)	(7,359)	(7,396)
Total unrestricted funds		12,532	14,843	11,752	14,190
Restricted funds		30	309	30	229
Total funds		12,562	15,152	11,782	14,420

Approved by the board of directors on 2 June 2013 and signed on its behalf by:

P Antonioli, Director.

The notes on pages 18 to 43 form part of these financial statements.

Consolidated Cash Flow Statement For the period ended 31 December 2012

	Notes	2012 £'000	Apr - Dec 2011 £'000
Net cash inflows from operating activities	27	2,597	1,287
Return on investment and servicing of finance			
Interest received		44	40
Interest paid		(34)	(61)
Interest element of finance lease rental payments		(8)	(17)
Net cash outflow from returns on investments and servicing of finance		2	(38)
Taxation		(14)	17
Capital expenditure and financial investment			
Purchase of tangible fixed assets		(1,464)	(506)
Receipt of insurance bond		-	53
Net cash outflow from capital expenditure and financial investments		(1,464)	(453)
Net cash inflow before management of liquid resources and financing		1,119	812
Management of liquid resources and financing			
Payments into short-term deposits		(2,500)	-
Raising of loans		409	-
Gain on revaluation of loans from Sections		(23)	-
Capital element of finance lease rental payments		(55)	(13)
Net cash outflow from management of liquid resources and financing		(2,170)	(13)
(Decrease) / increase in cash & cash equivalents	27	(1,050)	799

The notes on pages 18 to 43 form part of these financial statements.

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, 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 15 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), Centre de Resources Linguistiques d’Amnesty International – Unité Chargée de la Langue Française (AILRC-Fr), Amnesty International Asia-Pacific Regional Office Limited (AIAPROL) and Amnesty Human Rights Foundation Limited (AHRFL) have been consolidated into these Group financial statements. The accounting reference date of the Company and its subsidiaries is 31 December.

The Company was appointed as sole member of Amnesty International Charity Limited (the Charity) on 21 June 2012, and the Charity became a wholly owned subsidiary of the Company from this date. Payments in respect of contributions from Sections received from the Charity are disclosed under "contributions from Sections" in the Group's accounts. The Charity's results for the period 21 June - 31 December 2012 have not been consolidated as the impact on the Group is not material as most of the transactions have been reported in the Company financial 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, Dakar, Kampala, Kiev, Nairobi, Beirut and Moscow. These financial statements include the results, assets and liabilities of these offices.

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 outgoing resources for the year ended 31 December 2012 totalled £2,638,000 (2011:outgoing resources of £1,099,000).

2 Accounting policies

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

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 directors decide such funds are no longer required for the purposes intended, they may be released by transfer to general unrestricted funds.

Incoming resources

Assessment income

Assessment contributions from Sections are calculated based on a Section's income two years prior to the year the contribution is made and applying a scale of contribution rates (in Euros) set at the 2011 International Council Meeting (ICM) of Amnesty International.

Assessment contributions are invoiced on 1st January in the financial year to which they relate. Payment plans are agreed on a Section-by-Section basis, with the majority of payments being made quarterly in advance.

Contributions are treated as deferred income and recorded on the balance sheet, until released to income over the period to which they relate.

Provisions are made against assessment contributions that are deemed unlikely to be met, either due to agreed assessment relief arrangements or by the opinion of the IS. The movement in provision during the period is offset against the assessment income. Contributions from sections are payable quarterly or monthly.

Additional Voluntary Contributions

Where there are no Section imposed conditions relating to the time period in which Additional Voluntary Contributions ("AVCs") may be spent, AVCs will be recognised as income on receipt.

Where Sections impose conditions relating to the time period(s) in which the expenditure of AVCs can take place, incoming resources are matched with expenditure such that AVCs relating to expenditure in future periods will be recorded as deferred revenue on receipt.

Donation income

Donations are recognised when legal entitlement to them first arises and when the amount can be quantified with reasonable clarity. Where there is no notification from the donor prior to cash being received, income is recognised on a cash receipt basis.

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 through the world and is accounted for on an accruals basis.

2 Accounting policies - continued

External 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 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.

Where there is uncertainty over the period to which the revenue grant relates or where the period is not yet known, revenue grants are recognised when received.

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 (i.e. support costs) it is allocated based upon the proportion to the number of staff engaged in each area.

Cost of generating funds comprise 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.

Exceptional costs

Exceptional costs are included in the Consolidated Statement of Financial Activities with the item to which they relate, except where they relate to a fundamental restructuring, in which case they are identified separately from net incoming/outgoing resources before other gains and losses. In 2012 redundancy costs associated with the reorganisation of the Campaigns and Communications organisational cluster were considered to represent a fundamental restructure.

2 Accounting policies - continued

Activities in pursuance of the group's objectives comprise:

1. **Charitable activities**, including those 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.
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. AIL also bears Governance costs that relate to the entire Amnesty International movement, such as the cost of the International Council Meeting (ICM). They provide the governance infrastructure which allows the Group to operate and to generate the information required for public accountability, which includes the strategic planning processes that contribute to the future development of the Group.

Grants

Amounts payable to AI Country Sections and partners 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 £1,000 are written off in the period 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 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
Leasehold land and buildings	- Over length of lease	Leasehold improvements	- Over length of lease
Office furniture and equipment	- 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.

2 Accounting policies - continued

Investments in subsidiaries and other companies

Investments in subsidiaries and other companies are shown in the Company balance sheet at historical cost.

Cash and cash equivalents

Cash and cash equivalents include deposits repayable on demand without penalty. Short term money market deposits, and fixed term cash deposits which do not meet this criterion are held under current assets as short term deposits.

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. With the exception of the defined benefit pension scheme deficit, provisions are not discounted to the present value as they are expected to be settled within 12 months of the balance sheet date.

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 period 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.

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 period and the interest on assets and liabilities. The expected return on scheme assets and interest cost on scheme liabilities are allocated across the appropriate incoming/outgoing resource categories in the Statement of Financial Activities. 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 within actuarial gains/losses in the Statement of Financial Activities. The resulting pension liability is shown on the Balance Sheet.

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

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.

	Europe	Americas	Rest of World	Total
	£'000	£'000	£'000	£'000
Voluntary income	41,288	8,109	5,111	54,507

4 Voluntary income

	Unrestricted Funds 2012	Restricted Funds 2012	Total Funds 2012	Total Funds Apr - Dec 2011
	£'000	£'000	£'000	£'000
Contributions from sections (net of provisions)	38,396	11,749	50,145	35,979
Additional voluntary contributions from sections	1,883	1,025	2,909	1,111
Donations	80	1,355	1,434	395
Other income	19	-	19	11
Total voluntary income	40,378	14,129	54,507	37,497

Contributions from Sections is stated net of provisions against income of £2,859,000. Assessment contributions from AI UK, AI Canada (English) and AI Canada (French) were made directly to Amnesty International Charity Limited until March 2012 (Canada) and April 2012 (UK) and subsequently a grant was made from Amnesty International Charity Limited 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. From May 2012 all three entities paid their assessment contributions direct to Amnesty International Limited.

5 Resources expended

	Notes	Grants payable	Direct costs	Support costs	Total Funds	Total Funds
		Note 6		Note 7		
		2012	2012	2012	2012	Apr - Dec 2011
		£'000	£'000	£'000	£'000	£'000
Cost of generating funds						
Grant fundraising and translation		-	1,012	415	1,427	1,318
Taxation		-	14	-	14	(17)
Total cost of generating funds		-	1,027	415	1,442	1,301
Cost of activities in furtherance of the Group's objectives						
Research and publications		173	21,406	7,220	28,798	21,279
Campaigning		8,535	9,492	5,765	23,792	15,306
Total activities		8,708	30,898	12,984	52,590	36,585
Governance	8	-	972	220	1,192	1,251
Total resources expended		8,708	32,897	13,619	55,224	39,137

The Company makes 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 pays all of this income to Amnesty International Charity Limited in the form of a donation under Gift Aid.

Exceptional restructuring costs were incurred in the period of £1,195,000 (2011:£nil) in relation to the reorganisation of Campaigns and Communications functions. These costs form part of the change in organisational structure and development of regional hubs described in Section 8 of the Directors' Report. The restructure has been planned and undertaken in line with the Operational Plan for the two years ended 31 December 2013, as approved by the International Executive Committee.

6 Grants

In the current and preceding financial periods, the Company made grants to certain AI Sections, to be used by recipients to undertake research, publications and campaigning activities. During the period the company made grants totalling £8,708,000 (2011: £4,919,000). At the balance sheet date, the Company had awarded and communicated but not yet paid grants to the value of £1,217,000: these grants were awarded to fund 2013 activity but have been included in 2012 expenditure because fulfilment of the grant conditions was considered highly likely and outside of the direct control of the Company at year end. In addition to these grants, conditional grant commitments of £730,000 existed at the year end (31 Dec 2011: £nil). Details of individual grants are available from the Company's registered office.

7 Support Costs

	Activities 2012	Fundraising 2012	Governance 2012	Total 2012	Total Apr - Dec 2011
	£'000	£'000	£'000	£'000	£'000
Salaries and employment benefits	5,299	169	90	5,558	4,481
Occupancy costs	901	29	15	945	286
Professional fees	2,786	89	47	2,922	1,141
Information technology costs	604	19	10	633	496
Administration costs	1,709	55	29	1,793	1,718
Depreciation	1,204	38	20	1,262	802
Insurance	199	6	3	209	274
Other costs	283	9	5	296	434
	12,984	415	220	13,619	9,633

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

	2012	Apr - Dec 2011
	£'000	£'000
Salaries and employment benefits	544	368
Occupancy costs	15	3
Professional fees	225	69
Publication costs	74	130
Information technology costs	15	12
Administration costs	275	643
Insurance	16	9
Other costs	29	16
	1,192	1,251

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 and a share of the support costs.

9 Employees and Directors

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

	2012	Apr - Dec 2011
	£'000	£'000
Salaries	24,793	17,868
Social security costs	3,050	2,000
Employer pension contributions	2,078	1,470
Staff recruitment, training and welfare	868	701
	30,789	22,041

The average number of persons employed by the Group during the period was 505 (2011: 518).

	2012	Apr - Dec 2011
Fundraising	12	13
Research and Regions	207	225
Campaigning and Communications	165	169
Governance	6	5
Support	114	107
	505	518

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

	12 months ended Dec 12	9 months ended Dec 11
£ 60,000 - 70,000	30	1
£ 70,000 - 80,000	18	4
£ 80,000 - 90,000	3	2
£ 90,000 - 100,000	1	1
£100,000 - 110,000	5	-
£150,000 - 160,000	-	1
£200,000 - 210,000	1	-

The above figures for the current period show emoluments earned in the year 1 January 2012 – 31 December 2012, compared to emoluments earned in the 9 month period 1 April 2011 – 31 December 2011.

The aggregate value of company contributions paid to the pension scheme in respect of the staff disclosed in the above table amounted to £350,359 (2011: £56,586). This increase is principally due to the low number of staff with remuneration over £60,000 in the preceding period as it ran for nine months only (2012: 58 employees; 2011: 9).

The directors of the company received no remuneration for their services (2011: £nil). No company contributions were paid to the pension scheme in respect of directors' qualifying services (2011: £nil), and no director is accruing benefits under the defined contribution scheme (2011: none). No directors are accruing benefits in relation to the previous defined benefit scheme (2011: none).

9 Employees and Directors - continued

Transactions with Directors

Expenses for travel related expenditure of £47,104 were paid to 13 Directors (2011: £72,701 to 13 Directors). Other than the above expenditure, there were no transactions with directors in the year and no director has any loan amounts outstanding to the company.

10 Pension arrangements

The Company operates a pension scheme, the Amnesty International Superannuation Scheme (AISS, the Scheme). The Scheme comprises a defined contribution section and a defined benefit section.

Defined contribution

The Company contributes to the defined contribution scheme it at the standard rate of 7.5% of pensionable salaries, plus an additional 0.8% for death in service premiums and 0.8% for scheme expenses.

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. The Company's contributions in the year were £2,078,000 (2011 £1,470,000).

Defined benefit

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.

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 2011, 31 December 2011, and 31 December 2012, 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 £76,000 (2011: £68,000). 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);
- 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 scheme's assets and liabilities (allocated to other recognised gains and losses).

10 Pension arrangements – continued

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. The major assumptions used by the actuary for the purposes of the valuation were:

	At 31 Dec 12	At 31 Dec 11
	%	%
Pensions increasing in payment at CPI (max 3.0% pa)	2.0	1.9
Discount rate	4.3	4.8
Expected return on scheme assets	6.4	6.5
Life expectancy	S1 tables projected by year of birth using CMI 2011 improvements and a 1% long term improvement rate	S1 tables projected by year of birth using the medium cohort and a 1% pa underpin to future improvements

The overall expected return on assets is derived from the average of the long term expected returns on each asset class. 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 Dec 12	Fair value of assets at 31 Dec 12 £'000	Expected long-term rate of return at 31 Dec 11	Fair value of assets at 31 Dec 11 £'000	Expected long-term rate of return at 31 Mar 11	Fair value of assets at 31 Mar 11 £'000
Equities (incl property)	7.50%	11,821	7.50%	10,424	7.50%	10,741
Bonds (incl cash)	3.70%	5,115	4.00%	3,954	4.75%	3,318
Total fair value of assets		16,936		14,378		14,059
Present value of scheme liabilities		(24,295)		(21,774)		(19,339)
Deficit in the scheme		(7,359)		(7,396)		(5,280)
<i>Amounts in the balance sheet</i>						
Liabilities		(7,359)		(7,396)		(5,280)
Net liability		(7,359)		(7,396)		(5,280)

Scheme assets are taken at bid-value.

10 Pension arrangements – continued

Effect on the Consolidated Statement of Financial Activities

The effect on the Consolidated Statement of Financial Activities for the period to 31 December 2012 was as follows:

	31 Dec 12 £'000	31 Dec 11 £'000
Expected return on pension scheme assets	959	727
Interest on pension scheme liabilities	(1,035)	(795)
Total amount charged within net outgoing resources	(76)	(68)
Actuarial loss	(1,036)	(2,595)
Total amount charged to the Statement of Financial Activities	(1,112)	(2,663)

The cumulative total of recognised actuarial losses is £10,550,000 as at 31 December 2012 (31 December 2011: £9,514,000)

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

	31 Dec 12 £'000	31 Dec 11 £'000
Actual return less expected return on pension scheme assets	860	(813)
Changes in assumptions underlying the present value of the scheme liabilities	(1,896)	(1,782)
Actuarial loss recognised	(1,036)	(2,595)

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

	31 Dec 12 £'000	31 Dec 11 £'000
Opening fair value of scheme assets	14,378	14,059
Expected return	959	727
Actuarial gain / (loss)	860	(813)
Additional Employer contributions	1,149	547
Benefits paid	(410)	(142)
Fair value of scheme assets at the year end	16,936	14,378

The additional employer contributions during the accounting period amounted to £1,149,000 and the employer is currently expected to contribute £1,206,000 for the coming year.

10 Pension arrangements – continued

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

	31 Dec 12 £'000	31 Dec 11 £'000
Opening defined benefit obligation	(21,774)	(19,339)
Interest cost	(1,035)	(795)
Actuarial loss	(1,896)	(1,782)
Benefits paid	410	142
Defined benefit obligation at end of year	(24,295)	(21,774)

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

	31 Dec 12	31 Dec 11
Equities (incl property)	69.8%	72.5%
Bonds (incl cash)	30.2%	27.5%
	100%	100%

	31 Dec 12 £'000	31 Dec 11 £'000
Actual return on the scheme assets in the period	1,819	(73)

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

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

	31 Dec 2012 £'000	31 Dec 2011 £'000	31 Mar 2011 £'000	2010 £'000	2009 £'000
Defined benefit obligation	(24,295)	(21,774)	(19,339)	(18,769)	(14,766)
Scheme assets	16,936	14,378	14,059	11,811	7,995
Deficit	(7,359)	(7,396)	(5,280)	(6,958)	(6,771)
Experience adjustments on scheme liabilities	-	23	-	-	(515)
Effect of change in assumptions on scheme liabilities	(1,896)	(1,805)	234	(3,249)	538
Experience adjustments on scheme assets	860	(813)	31	2,491	(2,790)

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 period including administration and other fees totalled £2,418,000 (2011: £1,597,000). Employer contributions outstanding at the year end totalled £226,000 (2011: £208,000).

11 Interest payable and similar charges

	2012	Apr - Dec 2011
	£'000	£'000
Group interest payable and similar charges:		
on bank loans and overdrafts	-	37
on loans from Sections	34	25
on pension finance costs	76	68
on finance leases	8	17
	118	146

12 Net outgoing resources

The Group's net outgoing resources are arrived at after charging:

	2012	Apr - Dec 2011
	£'000	£'000
Depreciation of tangible fixed assets	1,297	803
Loss on disposal of tangible fixed assets	-	40
Foreign exchange losses	35	113

Auditor's Remuneration

	2012	Apr - Dec 2011
	£'000	£'000
Fees payable to the group's auditors for the audit of the group's statutory accounts for the period	65	50
Fees payable to the group's auditors for the audit of Amnesty International Charity Limited for the period	5	10
Fees payable to the group's auditors for grant certification	3	
Total audit fees payable to the group's auditor	73	60
Non-audit services from the group's auditor	5	2

13 Tangible fixed assets

Movements on the fixed assets during the period were:

Group	Freehold land and buildings	Leasehold land and buildings	Leasehold improve- ments	Office furniture and equipment	Computer equipment	Motor vehicles	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cost							
At 1 January 2012	23,264	285	44	4,417	2,614	36	30,660
EFAI opening balances	32			1	21		55
Adjusted at 1 January 2012 to include EFAI opening balances	23,297	285	44	4,418	2,636	36	30,715
Currency revaluation	-	-	-	(15)	-	-	(15)
Additions	-	-	-	546	919	-	1,464
Disposals/Insurance bond receipt	-	-	-	-	(21)	-	(21)
Transfer to assets held for sale	(1,183)	-	-	-	-	-	(1,183)
At 31 Dec 2012	22,114	285	44	4,949	3,533	36	30,961
Depreciation							
At 1 January 2012	(6,318)	(73)	(41)	(3,202)	(2,091)	(36)	(11,761)
EFAI opening balances	(10)			(1)	(20)		(31)
Adjusted at 1 January 2012 to include EFAI opening balances	(6,329)	(73)	(41)	(3,203)	(2,111)	(36)	(11,792)
Currency revaluation	-	-	-	-	-	-	-
Charge for the year	(424)	(9)	-	(448)	(416)	-	(1,297)
Disposals	-	-	-	-	21	-	21
Transfer to assets held for sale	561						561
At 31 Dec 2012	(6,191)	(82)	(41)	(3,650)	(2,506)	(36)	(12,507)
Net book value							
At 1 Jan 2012	16,946	212	3	1,215	523	-	18,900
At 31 Dec 2012	15,923	203	3	1,299	1,027	-	18,454

13 Tangible fixed assets - continued

Company	Freehold land and buildings	Office furniture and equipment	Computer equipment	Motor vehicles	Total
	£'000	£'000	£'000	£'000	£'000
Cost					
At beginning of period	22,934	4,317	2,541	36	29,829
Additions	-	491	915	-	1,406
Disposals	-	-	-	-	-
Transfer to assets held for sale	(1,183)	-	-	-	(1,183)
At 31st December 2012	21,752	4,809	3,456	36	30,052
Depreciation					
At beginning of period	(6,194)	(3,144)	(2,026)	(36)	(11,401)
Charge for the year	(422)	(427)	(407)	-	(1,256)
Disposals	-	-	-	-	-
Transfer to assets held for sale	561	-	-	-	561
At 31st December 2012	(6,055)	(3,571)	(2,434)	(36)	(12,096)
Net Book Value					
At beginning of period	16,740	1,173	515	-	18,428
At 31st December 2012	15,697	1,238	1,022	-	17,956

The net book value of office furniture and equipment at 31 December 2012 includes £154,000 relating to equipment held through finance leases. Depreciation of £59,000 was charged in the period in respect of these assets.

Assets held for sale

Assets held for sale comprise land and buildings at 25-27 Easton Street, part of the group of properties forming the Company's head office in London. The property was being actively marketed at the balance sheet date. The depreciated historical cost of the assets at 31 December 2012 was £621,428; an independent valuation obtained in August 2012 provided an open market value of £1,265,000.

14 Intangible assets

Intangible assets of £17,000 represent a deferred tax asset held by the EDAI subsidiary.

15 Investments in Subsidiaries

Investments comprise:	Percentage ownership	Cost at 31 Dec 12 £'000	Cost at 31 Dec 11 £'000
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) 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.

Centre de Ressources Linguistiques d'Amnesty International – Unité Chargé de la Langue Française (AILRC-FR), an association registered in France, was formed for the purpose of translating Amnesty International publications into French and printing, publishing and distributing translated works and other publications within French speaking countries. While there is no investment in AILRC-FR, the association is effectively controlled by Amnesty International Limited and is treated as a subsidiary.

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. AHRFL was dissolved in April 2012 as it was non-trading.

15 Investments in Subsidiaries - continued

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

	Incoming Resources 2012 £'000	Resources Expended 2012 £'000	Other recognised gains / (losses) 2012 £'000	Net incoming / (outgoing) resources 2012 £'000
EDAI	871	(868)	(6)	(2)
AIAPROL	945	(866)	(4)	75
AHRFL	-	(80)	-	(80)
AILRC-FR	1,065	(1,009)	-	56
		Total assets 2012 £'000	Total liabilities 2012 £'000	Total Funds 2012 £'000
EDAI		490	(98)	392
AIAPROL		467	(114)	353
AHRFL		-	-	-
AILRC-FR		236	(180)	56

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.

Further Group investments of £47,000 relate to various long term deposits totalling €57,521 owing to the AILRC-FR subsidiary at the balance sheet date.

17 Stock

	Group		Company	
	31 Dec 12 £'000	31 Dec 11 £'000	31 Dec 12 £'000	31 Dec 11 £'000
Finished goods	7	14	-	-

18 Debtors

Amounts shown as debtors falling due after one year comprise:

	Group		Company	
	31 Dec 12	31 Dec 11	31 Dec 12	31 Dec 11
	£'000	£'000	£'000	£'000
Amounts due from Sections	1,165	861	1,165	861
Prepayments	25	-	-	-
	1,190	861	1,165	861

Amounts shown as debtors falling due within one year comprise:

	Group		Company	
	31 Dec 12	31 Dec 11	31 Dec 12	31 Dec 11
	£'000	£'000	£'000	£'000
Amounts due from Sections	2,726	1,041	2,700	1,025
Other debtors	964	974	871	945
Prepayments and accrued income	375	384	369	540
	4,065	2,399	3,940	2,511

The amounts due from sections include loans to sections, mainly for investment in fundraising. 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 2019.

19 Creditors: amounts falling due within one year

Amounts shown as creditors falling due within one year comprise:

	Group		Company	
	31 Dec 12	31 Dec 11	31 Dec 12	31 Dec 11
	£'000	£'000	£'000	£'000
Trade creditors	1,011	759	938	709
Obligations under finance leases	80	25	80	25
Deferred income	4,917	2,785	4,917	2,785
Taxation and social security	184	35	109	35
Other creditors	666	204	508	171
Grant accruals	1,217	-	1,217	-
Other accruals	1,521	1,420	1,521	1,420
	9,597	5,229	9,291	5,146

Deferred income comprises £4,367,000 in contributions received from AI Sections carrying a requirement that related expenditure takes place in future years; and £551,000 in grants from external donors where conditions for recognition have not yet been met.

Grant accruals comprise grants in respect of 2013 planned activity, which were communicated to recipients in 2012 but paid in 2013.

20 Creditors: amounts falling due after more than one year

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

	Group		Company	
	31 Dec 12	31 Dec 11	31 Dec 12	31 Dec 11
	£'000	£'000	£'000	£'000
Bank loans	-	-	-	-
Deferred taxation	5	5	-	-
Other loans (from Sections)	1,763	1,377	1,763	1,377
Obligations under finance leases	42	42	42	42
	1,810	1,424	1,805	1,419

The loans from Sections are unsecured and interest bearing. Loans from Sections comprise:

Counterparty	31 Dec 12	Rate	Repayment year
	£'000		
AI Austria	409	EURIBOR + 1.5%	2017
AI Switzerland	1,354	2%	2020

21 Provisions

Group	Restructuring	Other	Total
	£'000	£'000	£'000
At 1 January 2012	179	724	903
Charged / released to the statement of financial activities	1,442	101	1,544
At 31 December 2012	1,621	825	2,446
Company	Restructuring	Other	Total
	£'000	£'000	£'000
At 1 January 2012	179	724	903
Charged / released to the statement of financial activities	1,442	53	1,496
At 31 December 2012	1,621	777	2,398

Restructuring Provision

The restructuring provision relates to employee severance costs, which are recognised when the reorganisation of certain departments of Amnesty International Limited are formally announced by the Company. It is expected that the majority of this expenditure will be incurred in the next 12 months.

Other Provisions

Other provisions relate to holiday pay (£764,000) and appeals by current and former staff including backdated salary reviews (£61,000).

22 Share capital and funds

Group	Unrestricted funds	Restricted funds	Total
	£'000	£'000	£'000
Fund balances at 31 December 2012 are represented by:			
Fixed assets	18,519	-	18,519
Current assets	15,384	30	15,414
Current and long term liabilities and provisions	(14,012)	-	(14,012)
Pension liability	(7,359)	-	(7,359)
Total net assets at 31 December 2012	12,533	30	12,563

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:

	1 January 2012	Income	Expenditure	31 December 2012
American Jewish World Service	-	50	(50)	-
Anker-Petersen	-	50	(50)	-
BRICS countries	-	287	(287)	-
EuropeAid	(1)	219	(215)	4
Human Rights Defenders Placement Fund	10	-	-	10
Human Rights Foundation - Make Some Noise	80	-	(80)	-
India	-	62	(62)	-
MacArthur Foundation	1	-	-	1
MacArthur Grant 2010-12	1	70	(71)	-
MENA countries	-	710	(710)	-
Open Society Foundation	-	115	(115)	-
Postcode Lottery (AI Netherlands)	-	340	(340)	-
Postcode Lottery Africa Fund	2	-	(2)	-
Row For Rights	-	10	(10)	-
Security and Human Rights	-	10	(10)	-
Stichting Adessium Foundation	-	395	(395)	-
Swedish Postcode Lottery	-	33	(33)	-
Syria (Deadly Reprisals)	-	5	-	5
AI Canada (Eng) Assessment	-	1,303	(1,303)	-
AI Canada (Fr) Assessment	-	101	(101)	-
AI UK Assessment	-	5,438	(5,438)	-
AI Charity	-	4,908	(4,908)	-
AI France	47	-	(35)	12
AI Germany	4	-	(4)	-
AI Netherlands	125	-	(125)	-
AI Norway	9	-	(9)	-
AI Spain	31	24	(55)	-
	309	14,129	(14,407)	31

American Jewish World Service

The American Jewish World Service fund is restricted to Amnesty International's Lesbian, Gay, Bisexual and Transgender programme.

Anker-Petersen

This funding was provided to support human rights work in Sudan.

BRICS

The group received donations from certain AI Sections to be restricted for establishing Amnesty International presences in India and Brazil ("BRICS"). These donations represent a contribution towards the total BRICS spend for the period ended 31 December 2012.

22 Share capital and funds - continued

EuropeAid

The EuropeAid fund is restricted to Amnesty International's Education for Human Dignity project which runs from 1 March 2010 to 28 February 2013.

Human Rights Foundation

The Amnesty Human Rights Foundation fund is restricted to 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").

India

The fund is restricted to costs associated with the establishment of Amnesty International India.

MacArthur Grant 2010-12

The fund is restricted for projects on the protection and promotion of human rights in the Russian Federation.

MENA countries

This funding is restricted to the group's activities in the Middle East and North Africa.

Open Society Foundation

These funds are restricted to a Human Rights campaign project in the Caucasus region.

Postcode Lottery (AI Netherlands)

This represents the group's share of the funds granted from the Netherlands Postcode Lottery for the "Human Rights Live Here Now: Stopped Forced Evictions in Africa" project (jointly implemented by AI Netherlands and Amnesty International Limited).

Row For Rights

The fund is restricted to costs relating to AI Slovakia.

Security and Human Rights

The group received funds of £10,000 from an individual donor, in addition to £80,000 provided to Amnesty International Charity Limited, to be applied to the movement's Security and Human Rights campaign from 2012 - 2013.

Stichting Adessium Foundation

The fund is restricted to the development and strengthening of Amnesty International's China Programme. The grant was for the period 1 January 2011 to 31 December 2012.

Swedish Postcode Lottery

The fund is restricted to the Human Rights project 'Women's Rights, Women's Lives' in South Africa, Nepal and Burkina Faso.

Syria (Deadly Reprisals)

This represents funding from AI France to be restricted on human rights work on Syria.

AI Charity

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

22 Share capital and funds - continued

Restricted funds from Amnesty International Sections

The Company held funds provided by AI sections during the period, with the following restrictions:

AI France	Restricted to certain Amnesty International projects including, amongst others, the economic, social and cultural rights of Internally Displaced People in Georgia, Discrimination Against Palestinian Citizens of Israel, Corporate Accountability, Combating Human Rights Violations and Impunity in the North Caucasus and Freedom of Expression in Russia.
AI Germany	Restricted to the work of the International Mobilisation Trust.
AI Netherlands	Restricted to certain Asia Network and Youth Projects.
AI Norway	Restricted to Maternal Mortality projects in Sierra Leone and Burkina Faso.
AI Spain	Restricted to the work of the International Mobilisation Trust.

23 Finance leases

Finance lease commitments comprise obligations payable in respect of office furniture and equipment:

	Group		Company	
	31 Dec 12	31 Dec 11	31 Dec 12	31 Dec 11
	£'000	£'000	£'000	£'000
Within one year	80	25	80	25
Within two to five years	42	42	42	42
	<u>122</u>	<u>67</u>	<u>122</u>	<u>67</u>

24 Capital and other commitments

At 31 December 2012 the Group and Company had commitments of £32,000 for future capital expenditure not already provided in the financial statements (31 December 2011: £Nil for Group and Company).

At the balance sheet date the Company had entered into 24 forward exchange contracts in order to hedge its anticipated future income from Sections. These contracts to purchase sterling comprise those which must be exercised on a fixed date; and those which must be exercised by the Company between an agreed range of dates. All of these exercise dates fall between January and December 2013. Security is required by one of the counterparties for contracts totalling a value in GBP of £17.9 million and is provided under an agreement renewed in 2009 on the freehold property held by the Company at Easton Street, London. The value of each of these contracts is shown below:

Currency	Value in contract currency	Average contract rate	Value in GBP
	000s		000s
Euro	22,000	1.26	17,492
Australian Dollar	5,969	1.60	3,725
Swiss Franc	4,362	1.52	2,878
Danish Krone	22,320	9.37	2,383
Swedish Krona	22,300	10.76	2,074
Norwegian Krone	17,750	9.23	1,923
Canadian Dollar	2,864	1.60	1,786
			32,261

Details of the Group's grant commitments at year end are provided at note 6.

25 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, 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.

During the period the Company donated £80,000 (2011: £49,000) under the Gift Aid scheme.

26 Events after the balance sheet date

On 26 February 2013 as part of a plan approved by the International Executive Committee, the Group formally announced to employees the details of a consultation process covering a significant planned restructure of the Group's activities. The consultation addresses the establishment of four regional Hub offices in Africa and Hong Kong; changes in IT, Strategy Evaluation, Europe and Central Asia, Asia, and Global Thematic Issues programmes of work; and additional changes in the Campaigns and Communications programme further to those already announced in 2012. The Group estimates the cost of these redundancies announced in 2013 to be £1,935,000.

27 Cash flow information

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

	2012	2011
	£'000	£'000
Net movement in funds	(2,590)	(3,657)
Restatement of opening fixed assets through grant expenditure	(35)	
Currency translation difference in fixed assets	15	4
Depreciation	1,297	803
Loss on disposal of fixed assets	-	40
(Increase)/decrease in stocks	7	
(Increase)/decrease in debtors	(2,021)	1,229
Increase/(decrease) in creditors	4,424	1,081
Increase/(decrease) in provisions	1,544	(351)
Increase/(decrease) in pension deficit	(37)	2,116
Investment income	(64)	(40)
Interest payable	42	78
Taxation	14	(17)
Net cash inflow from operating activities	2,597	1,287

Reconciliation of net cash flow to movement in net funds

	2012	2011
	£'000	£'000
Increase in cash and cash equivalents in the year	(1,050)	799
(Increase) / decrease in debt and lease financing	(441)	672
Increase in liquid resources	2,500	-
Movement in net funds	1,009	1,471
Net funds at start of period	6,478	5,020
Net funds at period end	7,487	6,478

Analysis of net funds

	31-Dec-11	Cash flow	31-Dec-12
	£'000	£'000	£'000
Cash at bank and in hand	7,922	(1,050)	6,872
Short-term deposits	-	2,500	2,500
Debt due after 1 year	(1,377)	(386)	(1,763)
Debt due within 1 year	-	-	-
Finance leases due after one year	(42)	-	(42)
Finance leases due within one year	(25)	(55)	(80)
	(1,444)	2,059	615
Net funds	6,478	1,009	7,487