

**Amnesty International Irish  
Section Company Limited by Guarantee**

**Reports and Financial Statements  
for the financial year ended  
31 December 2016**



**AMNESTY INTERNATIONAL IRISH SECTION COMPANY LIMITED BY GUARANTEE**

**DIRECTORS, NATIONAL BOARD AND OTHER INFORMATION**

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**DIRECTORS**

David White Chairperson  
Mary Quinn Honorary Secretary  
Shane Darcy  
James Kelly Honorary Treasurer  
Donal Prior  
Cliona O'Farrelly  
Sadhbh Sheeran  
Niall Cowley  
Brid Cannon

**COMPANY SECRETARY**

James Kelly

**EXECUTIVE DIRECTOR**

Colm O'Gorman

**INDEPENDENT AUDITORS**

Deloitte  
Chartered Accountants and Statutory Audit Firm  
Deloitte & Touche House  
Earlsfort Terrace  
Dublin 2

**REGISTERED OFFICE**

Seán MacBride House  
48 Fleet Street  
Dublin 2

**PRINCIPAL BANKER**

Bank of Ireland  
College Green  
Dublin 2

**SOLICITORS**

Drumgoole Solicitors  
102 Upper Drumcondra Road  
Drumcondra  
Dublin 9

Ardagh Solicitors  
St. Agnes Road  
Dublin 12

**AMNESTY INTERNATIONAL IRISH SECTION COMPANY LIMITED BY GUARANTEE**

**REPORTS AND FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016**

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**CONTENTS**

|   | <b>PAGE</b> |
|---|-------------|
| DIRECTORS, NATIONAL BOARD AND OTHER INFORMATION | 2           |
| DIRECTORS' REPORT                               | 3 - 7       |
| DIRECTORS' RESPONSIBILITIES STATEMENT           | 8           |
| INDEPENDENT AUDITORS' REPORT                    | 9 - 10      |
| STATEMENT OF INCOME AND RETAINED EARNINGS       | 11          |
| BALANCE SHEET                                   | 12          |
| STATEMENT OF CASH FLOWS                         | 13          |
| NOTES TO THE FINANCIAL STATEMENTS               | 14 - 24     |

## **AMNESTY INTERNATIONAL IRISH SECTION COMPANY LIMITED BY GUARANTEE**

### **DIRECTORS' REPORT**

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The directors present their annual report and the audited financial statements of the company for the financial year ended 31 December 2016.

#### **PRINCIPAL ACTIVITIES**

Founded in 1962, Amnesty International Irish Section Company Limited by Guarantee ("Amnesty International Ireland") is the country's largest human rights organisation with over 20,000 members and supporters. We are part of a global movement of more than 7 million people who campaign for a world where human rights are enjoyed by all. We reach almost every country in the world and have:

- More than 2 million members and supporters who drive forward our fight for rights and;
- More than 5 million activists who strengthen our calls for justice.

Our vision is for every person to enjoy all the rights enshrined in the Universal Declaration of Human Rights and other international human rights standards.

In pursuit of this vision Amnesty International undertakes research and action focused on preventing and ending grave human rights abuses. The organisation is independent of any political ideology, economic interest or religion. We do not support or oppose any government or political system. Our sole concern is the protection of the fundamental human rights guaranteed to each one of us by the Universal Declaration of Human Rights. We are a democratic organisation where our members set our policies and strategies. At a national level our members make key decisions on strategy and organisational focus at Annual Conference every year and elect a National Board to run the organisation. Our National Board appoints an Executive Director to run the organisation at an operational level.

At the global level, our International Board takes the major decisions for the global movement and sets policy. It is elected by an International Council meeting held every two years attended by representatives from every national section. The Council elects an International Board to govern the International Movement on its behalf. The International Board appoints a Secretary General to run our head office, the International Secretariat (IS), based in London and in regional hub offices across the globe.

Amnesty International, as a membership-based organisation, observes a formal system of accountability as set out in the organisations constitution, which can be viewed on [www.amnesty.ie](http://www.amnesty.ie).

We are also committed to meeting best practice standards in operational and governance excellence, public reporting and transparency.

We seek to comply fully, for example, with public standards for financial reporting and with the International Non-Governmental Organisations' (INGO) Accountability Charter and the Governance Code for the Community Voluntary and Charitable Sector in Ireland. We are also fully committed to achieving the standards contained within the Statement of Guiding Principles for Fundraising.

However, it is work for and with individuals whose rights are at risk that lays at the heart of our mission and so it is to them that we owe our deepest accountability.

Methodologies such as impact assessment and stakeholder's analysis enable us to ensure Amnesty International is delivering real and positive change for those people for whom we work.

At the heart of Amnesty International is a simple idea: that we are at our most powerful when we stand together for human rights. We work together in many different ways, so that all our supporters can be involved, wherever they live and whatever their age, background or skills.

**DIRECTORS' REPORT (CONTINUED)**

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**PRINCIPAL ACTIVITIES (CONTINUED)**

In 2016, as a national section of the Global Amnesty International Movement, Amnesty International Ireland worked on a range of global campaigns including:

- The protection of individuals at risk of grave human rights violations
- Seeking the freedom of Prisoners of Conscience
- Stop Torture
- Abolition of the death penalty
- I Welcome: Rights of Migrants, Refugees and Asylum Seekers
- My Body My Rights: Sexual and Reproductive Rights
- Anti-discrimination campaigns

At the national level we also worked on a range of issues, including:

- Sexual and Reproductive Rights
- Promotion of Ireland's domestic human rights compliance
- Human Rights Education

Amnesty International Ireland is headquartered in Fleet Street, Dublin 2.

Amnesty International Ireland has experienced significant membership growth in the past year, with 6,594 people signing up to join the organisation in 2016. We have more than one hundred member groups around the country, comprising of local activist groups, schools groups and college and university societies.

A total of 355,493 individual actions were taken by Amnesty International Ireland members, supporters and activists across the full range of our campaigns. Some 15,744 activists worked with us on those campaigns.

**REVIEW OF FINANCIAL AND OPERATIONAL PERFORMANCE**

In 2016 Amnesty International Ireland continued to invest significantly in growth of both membership and income. This strategy was adopted in response to the challenges faced by the organisation by the impact of the economic crisis in Ireland over the past number of years. In line with this strategy, income and expenditure levels increased on the previous year. As planned, in order to grow the membership and supporter base Amnesty International Ireland continued with its Face-to-Face (F2F) member recruitment campaign. Campaigns such as this are designed to recruit new members who will support us for many years to come. These campaigns can be costly in the beginning with costs incurred in year 1 and income earned over many future years.

The company finances its general activities from income from subscriptions and donations, fundraising activities. In addition it receives grants from philanthropic foundations towards specific projects and campaigns.

**REVIEW OF FINANCIAL AND OPERATIONAL PERFORMANCE (CONTINUED)**

Total income in 2016 amounted to €3,000k an increase of €214k over 2015.

Income from subscriptions and donations increased from €2,569k in 2015 to €2,735k in 2016.

Income from Amnesty International (Ireland) Foundation, an Irish registered connected trust, increased from €99k to €137k. This income derives from legacies and bequests.

Amnesty International spends this income on core human rights activities and campaigns, on specifically funded projects, on activities for generating funds, on supporter care, on investment in supporter recruitment. In addition Amnesty International Ireland makes a contribution to Amnesty International global activities.

Total expenditure before related party loan was written off in 2016 was €2,712k compared to €2,822k in 2015.

Expenditure on programmes and campaigns was €1,089k (2015: €1,297k).

The significant membership growth achieved in 2015 and 2016 was as a result of an investment in a Face-to-Face membership recruitment campaign. Such campaigns require a heavy outlay in year 1 with income accruing in future years. Accordingly the Company regards part of this investment as an investment in future income and has split the cost between current and future years. In 2016 the company spent €790k of which €263k was current year and €527k in future years.

The company spent €444k in generating funds and supporter care. Expenditure on administration, depreciation, finance costs and governance amounted to €321k.

**Contribution to the International Movement**

The International Board of Amnesty International has agreed to allow Amnesty International Ireland to continue with its current level of activities by reducing the contribution in 2016 to 25% of the amount due. The Company paid €101k in 2016 (2015: €209k).

The Company has agreed not to collect €207k due from Amnesty International Ireland Foundation. This amount has been written off in the Statement of Income.

The result for the year was a surplus of €814k from current year activities compared to €479k in 2015 and after providing for the future costs and related party write offs; it was a surplus of €80k compared to a deficit in 2015 of €191k.

The balance sheet has accumulated deficits of €1,270k (2015: €1,351k). The directors are committed to increasing income from fundraising, member's subscriptions and donations so that the Company can continue its core mission of the promotion and protection of human rights. The directors have prepared budgeted income and expenditure projections for 2017 and 2018 and have agreed a revised repayment plan for the fundraising investment loan from Amnesty International Limited. The directors are satisfied that the company will generate sufficient income to cover future cash requirements.

**DIRECTORS' REPORT (CONTINUED)**

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**REVIEW OF FINANCIAL AND OPERATIONAL PERFORMANCE (CONTINUED)**

**Salaries & Wages**

The company's main resource is its staff whose commitment and dedication to the organisation has been one of its strengths in the difficult recessionary times of recent years. During 2016 we had an average of 28 employees on programmes, campaigns, fundraising and support administration and an average of 20 on the F2F recruitment programme. Total salary, wages and related costs of these employees in 2016 was €1,737k (2015 €1,774k).

Details of salary bands are published on our website. The position at January 2017 was as follows:

|                   |                        |
|-------------------|------------------------|
| €26,000 - €35,000 | 13                     |
| €35,001 - €40,000 | 7                      |
| €40,001 - €57,000 | 8                      |
| €115,498          | 1 (Executive Director) |

**Reserves and Financial position**

The Company's policy is to have reserves sufficient to meet the costs and liabilities of the organisation for a period of 6 months. In recent years this has not been possible due to the impacts of the recession and the need to invest in membership and income growth as part of the organisations long-term growth strategy. However The Company has been able to maintain sufficient cash balances to meet its continuing operations and liabilities. As at 31 December 2016 the cash balances was €231k (2015: €298k).

**Investment policy**

The bulk of Amnesty's cash balances are held in demand deposit accounts with our principal bankers Bank of Ireland.

**Balance Sheet**

The assets of the Company amount to €1,021k with liabilities of €2,291k resulting in an accumulated revenue deficit of €1,270k.

**Governance**

To meet the Governance standards outlined above the Company Board has been strengthened by the addition of new Board members. The new Board members are to be drawn from diverse backgrounds and bring a broad range of experience and skills to the Board deliberations.

**DIRECTORS AND SECRETARY**

The current directors and secretary are listed on page 2. The directors and secretary, who served at any time during the financial year except as noted, were as follows:

**Directors:**

|                   |                            |
|-------------------|----------------------------|
| Jacinta Kelly     | (Resigned 21 July 2016)    |
| David White       | Chairperson                |
| Shane Darcy       |                            |
| James Kelly       | Honorary Treasurer         |
| Donal Prior       |                            |
| Mary Quinn        | Honorary Secretary         |
| Cliona O'Farrelly | (Appointed 21 July 2016)   |
| Sadhbh Sheeran    | (Appointed 1 May 2017)     |
| Niall Cowley      | (Appointed 1 May 2017)     |
| Brid Cannon       | (Appointed 25 August 2017) |

**Secretary:**

James Kelly



**AMNESTY INTERNATIONAL IRISH SECTION COMPANY LIMITED BY GUARANTEE**

**DIRECTORS' REPORT (CONTINUED)**

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**RISKS AND UNCERTAINTIES**

The directors perceive the main risks and uncertainties to be those that pertain in the general economic environment and in particular the management of cash flows, and membership subscriptions and donations. The board is aware of the need to assess these and other risks faced by the organisation and respond to manage those risks appropriately. A register of risks has been compiled and management has taken responsibility for each significant risk area.

**GOING CONCERN**

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future on the basis of the continued support and revised repayment plan for the fundraising loan from Amnesty International Limited, the budgeting and reforecasting of income and costs for future years, and the careful management of cash reserves. Thus they continue to adopt the going concern basis in preparing the annual financial statements.

Further details regarding the adoption of the going concern basis can be found in note 1 to the financial statements.

**ACCOUNTING RECORDS**

The measures that the directors have taken to secure compliance with the requirements of sections 281 to 285 of the Companies Act 2014 with regard to the keeping of accounting records, are the employment of appropriately qualified accounting personnel and the maintenance of computerised accounting systems. The company's accounting records are maintained at the company's registered office at Seán MacBride House, 48 Fleet Street, Dublin 2.

**RELEVANT AUDIT INFORMATION**

So far as each of the directors in office at the date of approval of the financial statements are aware:

- There is no relevant audit information of which the company's auditors are unaware; and
- The directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 330 of the Companies Act 2014.

**POST BALANCE SHEET EVENT**

On 9 August 2017 the company agreed a revised repayment plan for the fundraising investment loan repayments with Amnesty International Limited, and the loan repayments were deferred until 2020-2027.

There have been no other significant events affecting the company since the financial year end.


**AUDITORS**

The auditors, Deloitte, Chartered Accountants and Statutory Audit Firm, continue in office in accordance with Section 383(2) of the Companies Act 2014.


Approved by the Board and signed on its behalf by:

  
\_\_\_\_\_

David White  
Director

  
\_\_\_\_\_

James Kelly  
Director

  
\_\_\_\_\_

Date

## **AMNESTY INTERNATIONAL IRISH SECTION COMPANY LIMITED BY GUARANTEE**

### **DIRECTORS' RESPONSIBILITIES STATEMENT**

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The directors are responsible for preparing the directors' report and the financial statements in accordance with the Companies Act 2014 and the applicable regulations.

Irish company law requires the directors to prepare financial statements for each financial year. Under the law, the directors have elected to prepare the financial statements in accordance with FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland ("relevant financial reporting framework"). 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 assets, liabilities and financial position of the company as at the financial year end date and of the profit or loss of the company for the financial year and otherwise comply with the Companies Act 2014.

In preparing those financial statements, the directors are required to:

- select suitable accounting policies for the Company Financial Statements and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with the applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards; and
- 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 ensuring that the company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the company, enable at any time the assets, liabilities, financial position and profit or loss of the company to be determined with reasonable accuracy, enable them to ensure that the financial statements and directors' report comply with the Companies Act 2014 and enable the financial statements to be audited. 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.

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AMNESTY INTERNATIONAL IRISH SECTION COMPANY LIMITED BY GUARANTEE (A company limited by guarantee)**

We have audited the financial statements of Amnesty International Irish Section Company Limited by Guarantee for the financial year ended 31 December 2016 which comprise the Statement of Income and Retained Earnings, the Balance Sheet, the Statement of Cash Flows, and the related notes 1 to 20. The relevant financial reporting framework that has been applied in their preparation is the Companies Act 2014 and FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland ("relevant financial reporting framework").

This report is made solely to the company's members, as a body, in accordance with Section 391 of the Companies Act 2014. 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 auditors' 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.

### **Respective responsibilities of directors and auditors**

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and otherwise comply with the Companies Act 2014. Our responsibility is to audit and express an opinion on the financial statements in accordance with the Companies Act 2014 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 Reports and Financial Statements for the financial year ended 31 December 2016 to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **Opinion on financial statements**

In our opinion, the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the company as at 31 December 2016 and of the surplus for the financial year then ended; and
- have been properly prepared in accordance with the relevant financial reporting framework and, in particular, with the requirements of the Companies Act 2014.

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF  
AMNESTY INTERNATIONAL IRISH SECTION COMPANY LIMITED BY GUARANTEE  
(A company limited by guarantee)**

**Matters on which we are required to report by the Companies Act 2014**

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion the accounting records of the company were sufficient to permit the financial statements to be readily and properly audited.
- The financial statements are in agreement with the accounting records.
- In our opinion the information given in the directors' report 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 provisions in the Companies Act 2014 which require us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by law are not made.



Marguarita Martin  
For and on behalf of Deloitte  
Chartered Accountants and Statutory Audit Firm  
Dublin

Date: 12 October 2017

**AMNESTY INTERNATIONAL IRISH SECTION COMPANY LIMITED BY GUARANTEE****STATEMENT OF INCOME AND RETAINED EARNINGS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016**

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|   | <i>Notes</i> | <b>2016<br/>€</b>  | <b>2015<br/>€</b> |
|---|--------------|--------------------|-------------------|
| Turnover  | 4            | <b>2,999,573</b>   | 2,786,336         |
| Administrative expenses   |              | <b>(2,592,835)</b> | (2,590,763)       |
| <b>Operating Surplus</b>  |              | <b>406,738</b>     | 195,573           |
| Contribution to the International Movement                      | 13           | <b>(100,598)</b>   | (209,636)         |
| Related party loan written off                                  | 13           | <b>(207,249)</b>   | (156,345)         |
| Finance cost (net)  | 7            | <b>(18,479)</b>    | (21,444)          |
| <b>Surplus/(deficit) on ordinary activities before taxation</b> | 5            | <b>80,412</b>      | (191,852)         |
| Taxation  | 8            | -                  | -                 |
| <b>Surplus/(deficit) for the financial year</b>                 |              | <b>80,412</b>      | (191,852)         |
| Retained deficit at the beginning of reporting period           |              | <b>(1,350,755)</b> | (1,158,903)       |
| <b>Retained deficit at the end of reporting period</b>          |              | <b>(1,270,343)</b> | (1,350,755)       |


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**AMNESTY INTERNATIONAL IRISH SECTION COMPANY LIMITED BY GUARANTEE**

**BALANCE SHEET  
AS AT 31 DECEMBER 2016**

|  | Notes | 2016<br>€          | 2015<br>€   |
|--|-------|--------------------|-------------|
| <b>Fixed Assets</b>  |       |                    |             |
| Tangible fixed assets  | 9     | <b>323,772</b>     | 330,757     |
| <b>Current Assets</b>  |       |                    |             |
| Debtors  | 10    | <b>466,155</b>     | 126,380     |
| Cash at bank and in hand                                       |       | <b>231,213</b>     | 297,654     |
|  |       | <b>697,368</b>     | 424,034     |
| <b>Creditors: Amounts falling due within one year</b>          | 11    | <b>(1,189,005)</b> | (503,068)   |
| <b>Net current liabilities</b>                                 |       | <b>(491,637)</b>   | (79,034)    |
| <b>Creditors: Amounts falling due after more than one year</b> | 12    | <b>(1,102,478)</b> | (1,602,478) |
| <b>NET LIABILITIES</b>   |       | <b>(1,270,343)</b> | (1,350,755) |
| <b>Financed by:</b>  |       |                    |             |
| Retained deficit   |       | <b>(1,270,343)</b> | (1,350,755) |

The financial statements were approved and authorised for issue by the Board of Directors on 25-9-17 and signed on its behalf by:

  
 \_\_\_\_\_  
 David White  
 Director

  
 \_\_\_\_\_  
 James Kelly  
 Director

**AMNESTY INTERNATIONAL IRISH SECTION COMPANY LIMITED BY GUARANTEE**

**STATEMENT OF CASH FLOWS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016**

|   | <i>Note</i> | <b>2016<br/>€</b> | 2015<br>€ |
|---|-------------|-------------------|-----------|
| <b>NET CASH FLOWS (USED BY)/FROM<br/>OPERATING ACTIVITIES</b> | <b>15</b>   | <b>(37,104)</b>   | 51,390    |
| <b>CASH FLOWS USED BY INVESTING ACTIVITIES</b>                |             |                   |           |
| Interest received   | 7           | 34                | 50        |
| Payments to acquire tangible fixed assets                     | 9           | <b>(10,858)</b>   | (24,027)  |
| Net cash flows used by investing activities                   |             | <b>(10,824)</b>   | (23,977)  |
| <b>CASH FLOWS USED BY FINANCING ACTIVITIES</b>                |             |                   |           |
| Interest paid   | 7           | <b>(18,513)</b>   | (21,494)  |
| Net cash flows used by financing activities                   |             | <b>(18,513)</b>   | (21,489)  |
| <b>NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>   |             | <b>(66,441)</b>   | 5,919     |
| Cash and cash equivalents at beginning of financial year      |             | <b>297,654</b>    | 291,735   |
| Cash and cash equivalents at end of financial year            |             | <b>231,213</b>    | 297,654   |

**AMNESTY INTERNATIONAL IRISH SECTION COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016**

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**1. ACCOUNTING POLICIES**

**General information and basis of accounting**

The significant accounting policies adopted by the company are as follows:

Amnesty International Irish Section Company Limited by Guarantee is a company incorporated in Ireland under the Companies Act 2014. The address of the registered office is Seán MacBride House, 48 Fleet Street, Dublin 2. The nature of the company's operations and its principal activities are set out in the directors' report on pages 3 to 7.

The financial statements have been prepared under the historical cost convention, in accordance with the Companies Act 2014 and Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council.

The functional currency of the company is considered to be Euro because that is the currency of the primary economic environment in which the company operates.

The financial statements do not include the activities of societies affiliated to Amnesty International Ireland as they are not controlled by Amnesty International Ireland. Amnesty International Ireland societies are affiliated members only.

**Tangible Fixed Assets**

Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment.

Provision is made for depreciation on all tangible assets at rates calculated to write off the cost, less estimated residual value, of each asset over its expected useful life on a straight line basis as follows:

|                       |                      |
|-----------------------|----------------------|
| Leasehold premises    | 1% per annum         |
| Fixtures and fittings | 20% per annum        |
| Computer              | 33⅓% per annum       |
| Office equipment      | 20% & 33⅓% per annum |

Residual value represents the estimated amount which would currently be obtained from disposal of an asset, after deducting estimated costs of disposal, if the asset were already of the age and in the condition expected at the end of its useful life.

**Foreign Currencies**

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date.

Exchange differences are recognised in Statement of Income and Retained Earnings in the period in which they arise except for exchange differences arising on gains or losses on non-monetary items which are recognised in the Statement of Income and Retained Earnings.



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

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1. ACCOUNTING POLICIES (CONTINUED)

**Turnover and Revenue Recognition**

*Fundraising Income, Subscriptions and Donations*

Income from fundraising, subscriptions and donations is recognised when received.

Public donations and similar income arising from fundraising events are accounted for when received. Income tax recoverable in relation to donations received under an "Approved Body" described in Section 209 of The Taxes Consolidation Act, 1997, is recognised on a receivable basis.

As with many similar organisations, independent groups from time to time organise fundraising activities. However, as amounts collected this way are outside the control of the company, and they are not included in the financial statements until received by the company.

*Project Income and Deferred Income*

Income received to fund specific projects and activities is recognised in the year in which the costs for the project or the activity takes place. Any income not utilised at the balance sheet date is deferred to future periods.

**Taxation**

The company is exempt from corporation tax under Section 209 of The Taxes Consolidation Act, 1997, as a company that has consultative status with the United Nations and the Council of Europe and has its sole or main object, the promotion of the observance of the provisions of the Universal Declaration of Human Rights or the implementation of the European Convention for the protection of Human Rights and Fundamental Freedoms.

**Pension Costs**

Certain company employees are members of a pension scheme. The scheme is a defined contribution pension scheme and the assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the Statement of Income and Retained Earnings.

**Operating Leases**

Operating lease rentals are charged to the Statement of Income and Retained Earnings on a straight line basis over the lease term.

**Financial instruments**

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the instrument.

Financial liabilities are classified according to the substance of the contractual arrangements entered into.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016**

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**1. ACCOUNTING POLICIES (CONTINUED)**

**Financial instruments (continued)**

*(i) Financial assets and liabilities*

Basic financial assets and liabilities are initially measured at transaction price (including transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a finance transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the company, despite having retained some significant risks and rewards of ownership, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Balances are classified as payable or receivable within one year if payment or receipt is due within one year or less. If not, they are presented as falling due after more than one year. Balances that are classified as payable or receivable within one year on initial recognition are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

**2. GOING CONCERN**

The company has, after providing for contributions of €100,598 (2015: €209,636) to the International Movement and writing off a loan from Amnesty International (Ireland) Foundation of €207,249 (2015: €156,345), a surplus for the financial year ended 31 December 2016 amounting to €80,412 (2015: deficit of €191,852). The company had net current liabilities of €491,637 (2015: net current liabilities of €79,034) and net liabilities of €1,270,343 (2015: net liabilities of €1,350,755) at the balance sheet date.

Subsequent to the year end, the company agreed a revised repayment plan in respect of the fundraising investment loan of €1.6m (Note 12). This results in €500k repayable within one year, being deferred until 2020-2027, and the revised balance now shows a net current asset position of €8,363.

The directors have prepared budgeted income and expenditure projections for 2017 and are satisfied that the company will generate funds which together with the deferral of loan payments until 2020-2027 will be sufficient to meet its working capital needs for a period of not less than 12 months from the date of approval of the financial statements and to enable the company to meet its liabilities as they fall due.

On that basis, the directors consider it appropriate to prepare the financial statements on a going concern basis. The financial statements do not include any adjustments to the carrying amount and classification of assets and liabilities that would arise if the company was unable to continue as a going concern.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

**3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

In the application of the company's accounting policies, which are described in note 1, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the accounting policies and the notes to the financial statements. Given the nature of the company's business, there are no areas of significant estimate and judgement in the current year apart from the need for the directors to assess the going concern and residual value of and useful lives of the fixed assets at the year end.

**4. TURNOVER**

Income represents proceeds from subscriptions, donations, project income and fundraising income, and is derived from its principal activities undertaken in Ireland.

|                    | 2016<br>€        | 2015<br>€        |
|--------------------|------------------|------------------|
| Subscriptions      | 97,165           | 103,382          |
| Donations          | 814,340          | 763,802          |
| Project income     | 339,998          | 427,511          |
| Fundraising income | 1,748,070        | 1,491,641        |
|                    | <u>2,999,573</u> | <u>2,786,336</u> |

Project income includes contributions of €137k (2015: 99k) received from Amnesty International (Ireland) Foundation during the financial year.

**5. SURPLUS/(DEFICIT) ON ORDINARY ACTIVITIES BEFORE TAXATION**

|                                      | 2016<br>€     | 2015<br>€     |
|--------------------------------------|---------------|---------------|
| Directors' remuneration (Note 5 (a)) | -             | 32,491        |
| Directors' pension (Note 5 (a))      | -             | 1,942         |
| Depreciation                         | 17,843        | 21,602        |
| Loan interest                        | 18,513        | 21,494        |
|                                      | <u>36,356</u> | <u>77,529</u> |

(a) Colm O'Gorman resigned as director of the company on 15 April 2015 and no other directors were paid during the current and previous financial years.

**AMNESTY INTERNATIONAL IRISH SECTION COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016**

| <b>6. EMPLOYEE INFORMATION</b> | <b>2016</b>             | <b>2015</b>      |
|--------------------------------|-------------------------|------------------|
|                                | <b>€</b>                | <b>€</b>         |
| Staff costs:                   |                         |                  |
| Salaries and wages             | <b>1,527,060</b>        | 1,571,170        |
| Social welfare costs           | <b>151,750</b>          | 152,633          |
| Pension costs                  | <b>58,083</b>           | 50,115           |
|                                | <b><u>1,736,893</u></b> | <u>1,773,918</u> |

The average monthly number of persons employed by the company (including the directors) during the financial year was as follows:

|                           | <b>No.</b>       | <b>No.</b> |
|---------------------------|------------------|------------|
| Programmes and activities | <b>16</b>        | 14         |
| Fundraising               | <b>5</b>         | 5          |
| Administration            | <b>7</b>         | 7          |
| Recruitment               | <b>20</b>        | 20         |
|                           | <b><u>48</u></b> | <u>46</u>  |

Employee costs are allocated to membership recruitment costs, campaign and programme costs and personnel costs as appropriate.

| <b>7. FINANCE COSTS (NET)</b> | <b>2016</b>          | <b>2015</b>   |
|-------------------------------|----------------------|---------------|
|                               | <b>€</b>             | <b>€</b>      |
| Loan interest (Note 13)       | <b>18,513</b>        | 21,494        |
| Deposit interest              | <b>(34)</b>          | (50)          |
|                               | <b><u>18,479</u></b> | <u>21,444</u> |

**8. TAXATION**

The company is exempt from corporation tax under Section 209 of The Taxes Consolidation Act, 1997, as a company that has consultative status with the United Nations and the Council of Europe and has its sole or main object, the promotion of the observance of the provisions of the Universal Declaration of Human Rights or the implementation of the European Convention for the protection of Human Rights and Fundamental Freedoms.

AMNESTY INTERNATIONAL IRISH SECTION COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

9. TANGIBLE FIXED ASSETS

|                            | Leasehold<br>Premises<br>€ | Fixtures &<br>Fittings<br>€ | Computer<br>€  | Office<br>Equipment<br>€ | Total<br>€     |
|----------------------------|----------------------------|-----------------------------|----------------|--------------------------|----------------|
| <b>Cost:</b>               |                            |                             |                |                          |                |
| At 1 January 2016          | 315,824                    | 53,720                      | 210,966        | 35,085                   | 615,595        |
| Additions                  | -                          | 912                         | 1,437          | 8,509                    | 10,858         |
| <b>At 31 December 2016</b> | <b>315,824</b>             | <b>54,632</b>               | <b>212,403</b> | <b>43,594</b>            | <b>626,453</b> |
| <b>Depreciation:</b>       |                            |                             |                |                          |                |
| At 1 January 2016          | 9,475                      | 48,740                      | 192,498        | 34,125                   | 284,838        |
| Charge for financial year  | 3,158                      | 3,797                       | 9,109          | 1,779                    | 17,843         |
| <b>At 31 December 2016</b> | <b>12,633</b>              | <b>52,537</b>               | <b>201,607</b> | <b>35,904</b>            | <b>302,681</b> |
| <b>Carrying Value:</b>     |                            |                             |                |                          |                |
| <b>At 31 December 2016</b> | <b>303,191</b>             | <b>2,095</b>                | <b>10,796</b>  | <b>7,690</b>             | <b>323,772</b> |

Leasehold premises as stated in the balance sheet represent the contribution made by Amnesty International Irish Section Company Limited by Guarantee to enable Amnesty International (Ireland) Foundation to purchase the property at 48 Fleet Street, Dublin 2. By agreement dated 21 April 2010 the company has been granted a 200 - year lease from the Foundation at an annual rent of €600, together with a beneficial entitlement to 80% of the value of the property on any sale. The company is also entitled to a renewal of the lease on the same terms as the current lease including payment of an agreed rent.

**AMNESTY INTERNATIONAL IRISH SECTION COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016**

**9. TANGIBLE FIXED ASSETS (CONTINUED)**

**In respect of prior financial year:**

|                           | Leasehold<br>Premises<br>€ | Fixtures &<br>Fittings<br>€ | Computer<br>€  | Office<br>Equipment<br>€ | Total<br>€     |
|---------------------------|----------------------------|-----------------------------|----------------|--------------------------|----------------|
| <b>Cost:</b>              |                            |                             |                |                          |                |
| At 1 January 2015         | 315,824                    | 51,914                      | 189,364        | 34,466                   | 591,568        |
| Additions                 | -                          | 1,806                       | 21,602         | 619                      | 24,027         |
| At 31 December 2015       | <u>315,824</u>             | <u>53,720</u>               | <u>210,966</u> | <u>35,085</u>            | <u>615,595</u> |
| <b>Depreciation:</b>      |                            |                             |                |                          |                |
| At 1 January 2015         | 6,317                      | 39,906                      | 183,372        | 33,641                   | 263,236        |
| Charge for financial year | 3,158                      | 8,834                       | 9,126          | 484                      | 21,602         |
| At 31 December 2015       | <u>9,475</u>               | <u>48,740</u>               | <u>192,498</u> | <u>34,125</u>            | <u>284,838</u> |
| <b>Carrying Value:</b>    |                            |                             |                |                          |                |
| At 31 December 2015       | <u>306,349</u>             | <u>4,980</u>                | <u>18,468</u>  | <u>960</u>               | <u>330,757</u> |

**10. DEBTORS: Amounts falling due within one year**

|                               | 2016<br>€      | 2015<br>€      |
|-------------------------------|----------------|----------------|
| Other debtors                 | 176,993        | 110,570        |
| Prepayments                   | 16,243         | 15,810         |
| Amounts owed by related party | 272,919        | -              |
|                               | <u>466,155</u> | <u>126,380</u> |

**AMNESTY INTERNATIONAL IRISH SECTION COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016**

| <b>11. CREDITORS: Amounts falling due within one year</b>           | <b>2016</b>      | <b>2015</b> |
|---|------------------|-------------|
|   | <b>€</b>         | <b>€</b>    |
| Creditors and accruals  | <b>256,760</b>   | 145,421     |
| PAYE/PRSI   | <b>34,703</b>    | 39,276      |
| Accrued interest on loan from Fundraising Investment Fund (Note 13) | <b>83,482</b>    | 64,968      |
| Loan from Fundraising Investment Fund (Note 12 & 13)                | <b>500,000</b>   | -           |
| Amnesty International Limited (Note 13)                             | <b>310,234</b>   | 209,636     |
| HRE funders   | <b>3,826</b>     | 43,767      |
|   | <b>1,189,005</b> | 503,068     |

| <b>12. CREDITORS: Amounts falling due after more than one year</b> | <b>2016</b>      | <b>2015</b> |
|--|------------------|-------------|
|  | <b>€</b>         | <b>€</b>    |
| Loan from Fundraising Investment Fund (Note 13)                    | <b>1,102,478</b> | 1,602,478   |

On 9 August 2017 Amnesty International Limited agreed a revised repayment agreement for the fundraising investment loan repayments and a deferral of loan payments until 2020-2027.

Loan repayments schedules are as follows:

| Loan from Fundraising Investment Fund | <b>As at<br/>09/08/2017<br/>Revised Agreement<br/>€</b> | <b>As at<br/>31/12/2016<br/>€</b> | <b>2015<br/>€</b> |
|---------------------------------------|---|-----------------------------------|-------------------|
| Less than one year                    | -   | <b>500,000</b>                    | -                 |
| Between one and two years             | -   | <b>650,000</b>                    | 500,000           |
| Between two and five years            | <b>450,000</b>  | <b>452,478</b>                    | 1,102,478         |
| After five years                      | <b>1,152,478</b>  | -                                 | -                 |
|                                       | <b>1,602,478</b>  | <b>1,602,478</b>                  | 1,602,478         |

**13. RELATED PARTIES TRANSACTIONS**

Amnesty International (Ireland) Foundation, an Irish registered connected trust made contributions to projects undertaken by the company amounting to €137,477 (2015: €99,000).

During the financial year Amnesty International Irish Section Company Limited by Guarantee waived an amount of €207,249 (2015: €156,345) due from Amnesty International (Ireland) Foundation.

At 31 December 2016, the balance owed by Amnesty International (Ireland) Foundation was €272,919 (2015: €Nil).

During the financial year the company incurred contributions in respect of the International Movement amounting to €100,598 (2015: €209,636) to Amnesty International Limited, a United Kingdom registered connected company. The balance due to Amnesty International Limited at the financial year end is €310,234 (2015: €209,636).

**AMNESTY INTERNATIONAL IRISH SECTION COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016**

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**13. RELATED PARTIES TRANSACTIONS (CONTINUED)**

The company incurred accrued loan interest of €18,513 (2015 €21,494) on a loan from Amnesty International Limited. This loan is denominated in euro and interest is payable at LIBOR plus 1.25%. The loan balance including interest due to Amnesty International Limited at the financial year end is €1,685,960 (2015: €1,667,446).

The company incurred contributions amounting to €24,219 (2015: €20,470) payable to the Amnesty International (AI) EU Association in Brussels.

The total remuneration for key management personnel including employers PRSI and pension for the financial year amounted to €519,357 (2015: €472,173). The number of key management personnel during the financial year was seven (2015: seven).

**14. PENSION**

Amnesty International Irish Section Company Limited by Guarantee operates an externally managed defined contribution scheme. The pension cost is charged to the Statement of Income and Retained Earnings in the financial year in which it arises. The pension cost charge represents contributions payable by the company to the fund and amounted to €65,380 (2015: €56,910).

**15. RECONCILIATION OF SURPLUS/(DEFICIT) FROM ORDINARY ACTIVITIES BEFORE TAXATION TO NET CASH FLOWS FROM OPERATING ACTIVITIES**

|  | 2016<br>€       | 2015<br>€     |
|--|-----------------|---------------|
| Surplus/(deficit) from ordinary activities before taxation | 80,412          | (191,852)     |
| Finance cost   | 18,479          | 21,444        |
| Depreciation   | 17,843          | 21,602        |
| Increase in debtors  | (339,775)       | (67,424)      |
| Increase in creditors                                      | 185,937         | 267,620       |
| <b>NET CASH FLOWS (USED IN)/FROM OPERATING ACTIVITIES</b>  | <b>(37,104)</b> | <b>51,390</b> |



**AMNESTY INTERNATIONAL IRISH SECTION COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016**

**16. FINANCIAL INSTRUMENTS**

The carrying values of the company's financial assets and liabilities are summarised by category below:

|  | <b>2016</b>      | 2015      |
|--|------------------|-----------|
|  | €                | €         |
| <b>Financial assets</b>                    |                  |           |
| Measured at undiscounted amount receivable |                  |           |
| • Trade and other debtors                  | <b>176,993</b>   | 110,570   |
| • Amounts owed by related party            | <b>272,919</b>   | -         |
| <b>Financial liabilities</b>               |                  |           |
| Measured at amortised cost                 |                  |           |
| • Other loan                               | <b>1,685,960</b> | 1,667,446 |
| Measured at undiscounted amount payable    |                  |           |
| • Trade and other creditors                | <b>570,820</b>   | 254,156   |

**17. OPERATING LEASES COMMITMENTS**

Total future minimum lease payments exist under non-cancellable operating leases as follows:

|                                 | <b>Leasehold premises</b> |         |
|---------------------------------|---------------------------|---------|
| Payable on leases which expire: | <b>2016</b>               | 2015    |
|                                 | €                         | €       |
| Within one year                 | <b>25,600</b>             | 25,600  |
| Between one and five years      | <b>102,400</b>            | 102,400 |
| After five years                | <b>146,333</b>            | 171,933 |
|                                 | <b>274,333</b>            | 299,933 |

**18. LEGAL STATUS OF AMNESTY INTERNATIONAL IRISH SECTION COMPANY LIMITED BY GUARANTEE**

The company is limited by guarantee (€1 per member), and has no share capital.

**19. SECURITY**

As part of loan facilities entered into by Amnesty International (Ireland) Foundation with the trust's bankers, the company is jointly and severally liable for amounts outstanding on these facilities. The guarantees outstanding at 31 December 2016 in respect of these facilities were €2,435,890 (2015: €2,630,798).

**20. POST BALANCE SHEET EVENT**

On 9 August 2017 the company agreed a revised repayment plan for the fundraising investment loan repayments with Amnesty International Limited, and the loan repayments were deferred until 2020-2027.

There have been no other significant events affecting the company since the financial year end.