

Annual Report 2020 – Appendix 1 – Finance Report & Operational Budgets 2021 & 2022

FINANCIAL REPORT 2020

Income

Our income can be split into two broad categories: fundraising income (member subscriptions, donations, and fundraising events) and other income, including rental income and interest received.

Overall in 2020 our total fundraising income decreased by €642K (-21%) compared with 2019. If we include the support we received in the form of the Employee Wage Subsidy Scheme, the decrease in income is €440k. This support has been categorized as other income due to regulatory requirements.

Legacy income, by its nature an unpredictable income stream, was €11k in 2020, and €61k in 2019.

We have invested significantly in our F2F membership recruitment program in recent years to grow our membership and supporter base. However, we struggled to invest in 2020 due to onset of the pandemic. As a result, our acquisition and growth targets were not achieved, and our final result was -79% against our budgeted forecast.

Expenditure - Salaries & Wages

During 2020, we had an average of 30 employees across our core staff teams (programs, campaigns, fundraising, support, and administration) and an average of 15 fundraisers on the F2F membership recruitment program. The total salary, wages, and related costs of these employees in 2020 were €1.846m (2019: €1.825m).

Details of staff salary bands are published on our website. As of **January 2021**, the office-based salary bands were:

€26,000 - €35,000 9 posts
€35,001 - €40,000 6 posts
€40,001 - €57,000 9 posts
€57,001- €63,000 5 posts
€123,598 1 post (Executive Director)

Salary and employee costs are allocated to the relevant cost centers in the financial summary to provide an accurate picture of our activity-based costs.

In addition to staffing costs, expenditure can be categorised in four broad headings:

- Programme and campaign activity costs
- Investment in future income
- Fundraising and donor care costs
- Administrative and management costs

Expenditure on programs and campaign activities was €1,198k, which includes salaries, overheads, and our contribution to the international movement.

To maintain high levels of investment in membership growth, we agreed reductions in the contributions due to the international movement. In 2020, we provided a total of €248k to Amnesty International's global budget.

Expenditure on fundraising and recruitment for 2020 was €1,089k, which included investment in diversifying income streams such as digital campaigns. It also included investment in improving donor care and reducing donor attrition, as well as recruiting and maintaining a telemarketing team to work remotely.

Expenditure on administrative and management expenses which were not allocated to campaigns and other activities was €273k. Financial costs, depreciation, and interest amounted to a further €131k.

Financial status

The net outcome for 2020 was a surplus of €198k in current year activities, compared to a €558k surplus in 2019.

After providing for the costs of raising future income, and Intercompany write off with the foundation, the combined balance carried forward to reserves was a deficit of €406k in 2020 compared with a combined deficit of €108k in 2019.

Our reserves and general financial position

Amnesty International Ireland's policy is to have sufficient reserves to meet the costs and liabilities of the organisation for a period of 6 months. In doing so, we have been able to maintain sufficient cash balances to meet our continuing operational costs and liabilities. At the end of 2020 the closing cash balance was €655k.

The balance sheet on 31 December 2020

The assets of the Section amount to €1.251m with liabilities of €3.044m resulting in negative reserves of €1.793m. Our current assets are €932k against the current liability of €1.742m.

To present a full picture of the finances of the Amnesty International movement in Ireland, we publish a combined balance sheet for two separate Amnesty International Ireland entities, Amnesty International Ireland (the Section) and the Amnesty International Ireland Foundation. This combined balance sheet on 31 December 2020 showed Positive reserves of €453k.

Please note: the figures presented are post audit.

Governance

Amnesty International Ireland is a democratic organisation where our members decide our human rights priorities and policies. At a national level, our members make such decisions at the annual conference and elect a board to run the organisation between conferences. The board appoints an Executive Director to run the organisation at an operational level.

Amnesty International Ireland, as a membership-based organisation observes a formal system of accountability as set out in the organisations constitution which is available

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at www.amnesty.ie. We are committed to meeting best-practice standards in operational excellence, governance, confidentiality, public reporting, and transparency. We seek to comply fully with public standards for financial reporting and with the International Non-Governmental Organisations (INGO) Accountability Charter.

As the promotion and protection of human rights are not recognised as a charitable purpose under Irish law, we cannot register as a charity in Ireland. However, to ensure best practice and the highest possible standards in how we raise funds for our work, we apply the principles and guidelines for best practice in fundraising activities that apply to the charity and voluntary sector.

We are committed to achieving the standards outlined in the Charities Regulator's Guidelines for Charitable Organisations on Fundraising, including:

- All fundraising from the public is carried out in an open, transparent, honest, respectful, and accountable manner.
- Fundraising should always be underpinned by an appropriate legal framework.
- Fundraising will be done in a way that protects the reputation of the organisation and encourages public trust and confidence in the sector more generally, following the law and recognised standards showing respect for beneficiaries, donors, and the public.

Risk

A risk register has been compiled and management has taken responsibility for each significant risk area.

Outlook for 2021

The budgeted forecast for 2021 is a reduction in growth in both membership and income. This incorporates the loss of income due to the continued impact of the COVID-19 pandemic in 2021.

The budget for 2021 is presented in the financial summary.

Total budgeted income for 2021 is €1.872m.

Income from subscriptions and donations is budgeted at €1.683m.

Total expenditure is budgeted at €2.202m

Expenditure on campaigns and projects is budgeted at €1.065m. Fundraising costs are budgeted at €793k, a reduction from €1.4m in last year. The costs of the F2F recruitment program are budgeted at €486k from €810k in the previous year

Other costs including administration, support, finance, depreciation, and interest are budgeted at €344k. (2020: €452k)

The Section budget for 2021 forecasts a deficit of €330k. If combined with Foundation, the overall deficit will be €290k.

Outlook for 2022

As per the Constitutional Amendment passed at AC 2017, we are presenting a projected budget for 2022.

The high-level budget for 2022 is presented in the financial summary.

This budget for 2022 reflects the impact of COVID-19 on our income over the past two years. It also forecasts our new renewed investment in growth, with a higher investment compared to the last couple of years.

Total income is budgeted to increase from €1.871m to €2.382m in 2022. Fundraising Income from subscriptions and donations is budgeted to increase from €1.682m to €2.023m in 2022.

Total expenditure is budgeted to increase from €2.202m to €2.730m in 2022. This includes increases in investment and activities.

Expenditure on campaigns and projects is budgeted to increase from €1.065m to €1.259m. Most of the cost in campaigns is salary-related cost.

Fundraising costs are budgeted to increase from €793k to €1,038k. The costs of the F2F recruitment program are budgeted at €590k (2021: €486k).

Other costs including administration, support, finance, depreciation, and interest are budgeted at €433k. (2021: €344k).

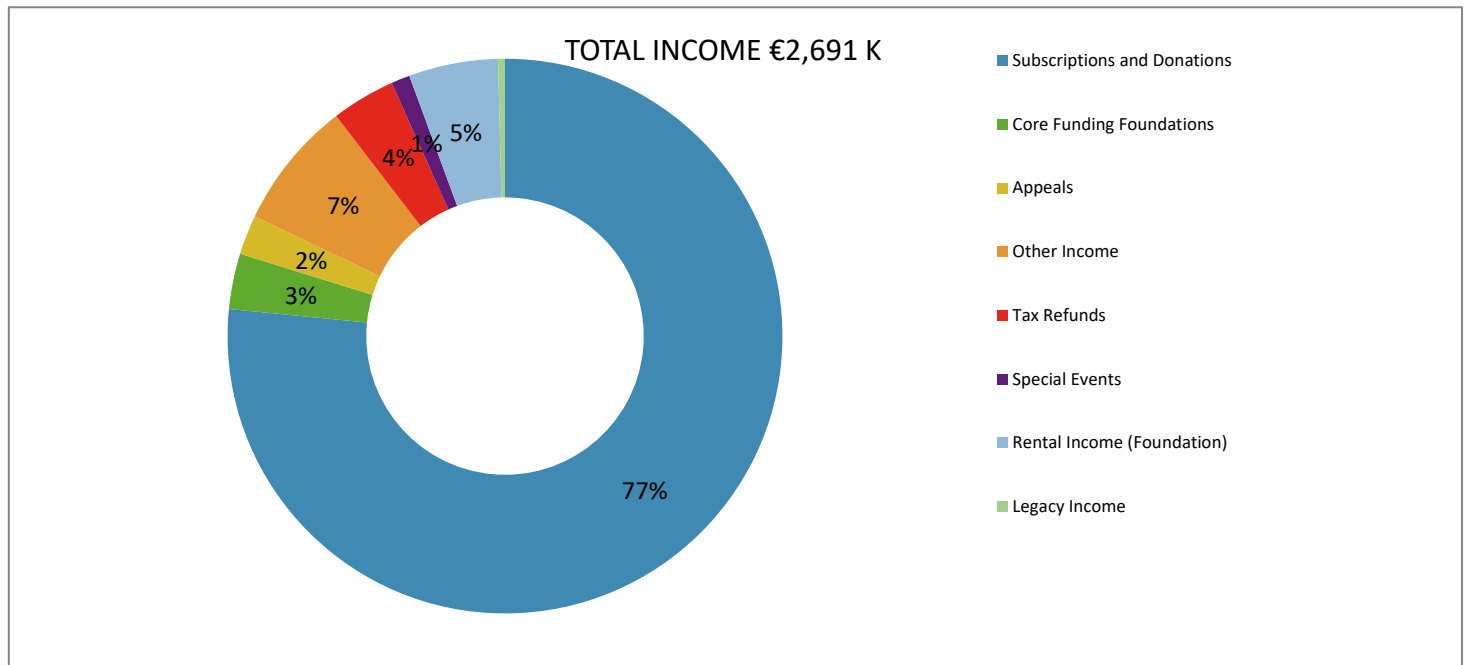
The projected Section budget for 2022 sees a deficit of €348k. This deficit will be managed by with the support of the IS via non-payment or significantly reduced payment of our contribution to the international budget. We are also in a process of finalising terms for the repayment of other long-term liabilities with the IS.

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Amnesty International Irish Section Financial Review	Accounts 2020			TOTAL €
	IRISH SECTION		FOUNDATION	
	€	€	€	
INCOME				
Subscriptions and Donations		2,060,003		2,060,003
Core Funding		87,194		87,194
Tax refunds		100,000		100,000
Externally funded projects				0
Direct Mail Appeals		61,951		61,951
Amnesty Foundation		10,845	(11,000)	(155)
Special Events		29,284		29,284
Legacy income			11,000	11,000
Rental Income			140,030	140,030
Interest receivable		0		0
		2,349,278	140,030	2,489,308
Externally Funded Project				
Other Income (EWSS Support)		201,519		201,519
		2,550,797		2,690,827
EXPENDITURE				
Direct costs of Fundraising and Recruitment				
Fundraising salaries and related costs	249,067			249,067
Fundraising other costs	121,475			121,475
		370,542		
Recruitment salaries	208,752			208,752
Recruitment other costs	77,305			77,305
		286,057		0
		656,599		656,599
Campaign and Programme costs				
Salaries and related costs	733,229			733,229
Materials and other costs: C & P	193,302			193,302
Annual Conference	7,050			7,050
Annual review	15,983			15,983
International Movement	248,147			248,147
		1,197,711		1,197,711
Human Rights Education Projects				
Salaries and related costs	54,599			54,599
Materials and other costs - HRE	39,525			39,525
		94,124		94,124
Total Campaigns and Projects		1,291,835		1,291,835
Administrative and Management expenses				
Salaries and related costs	183,412			183,412
Overheads and expenses A & M	89,534		(1,399)	88,135
		272,946		
Depreciation		17,670	0	17,670
Financial costs		98,941	9,190	108,132
Interest		14,286	59,727	74,013
Total Expenditure before interest		2,352,276	67,519	2,419,795
Surplus / (Deficit) from Activities		198,521	72,511	271,032
Inter co Foundation write off		171,884	(171,884)	0
International Movement credit				
Costs invested in future income				
Salaries and related costs		417,503		417,503
Overheads and expenses		14,922		14,922
Balance carried forward		(405,789)	244,395	(161,393)

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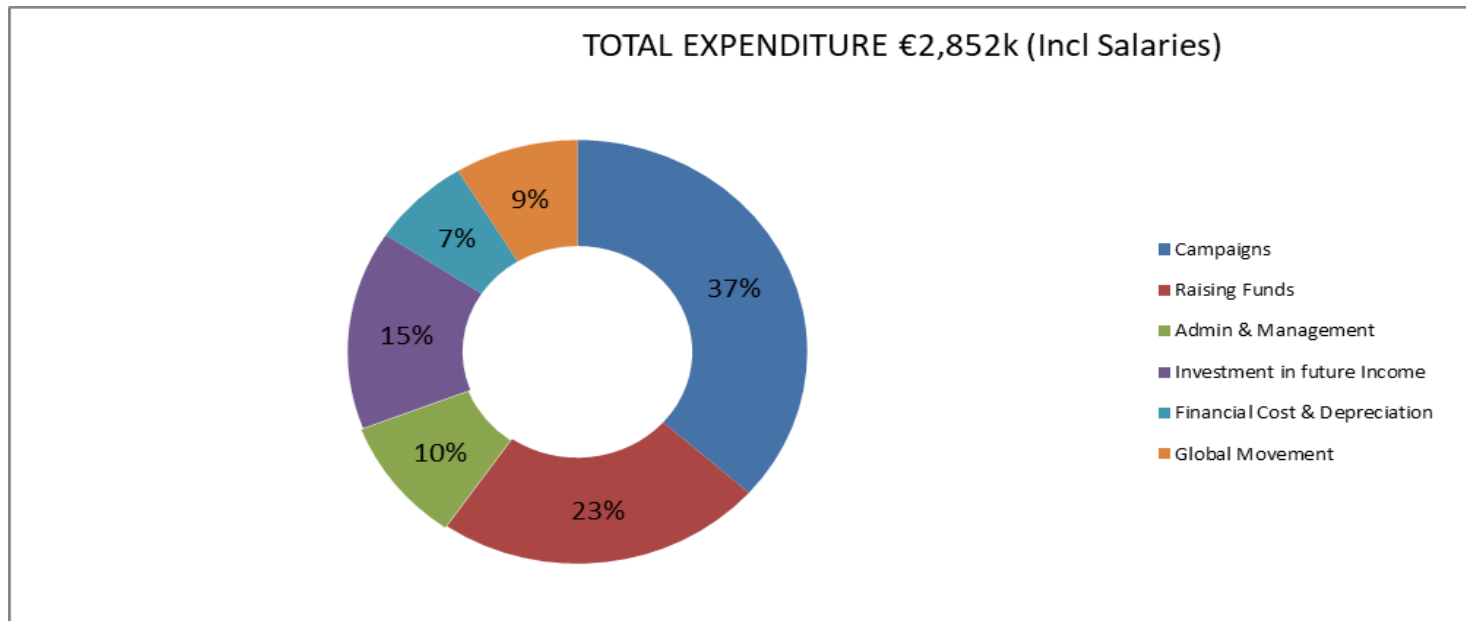
TOTAL INCOME €2,691K



Total Income %

Subscriptions & Donations	77%	Core Funding Foundations	3%
Appeals	2%	Other Income	2%
Tax Refunds	4%	Special Events	1%
Rental Income (Foundation)	5%	Legacy Income	0.4%

TOTAL EXPENDITURE €2,852K



Total Expenditure %

Campaigns	37%	Raising Funds	23%
Admin & Management	10%	Investment in Future Income	15%
Financial Cost & Depreciation	7%	Global Movement	9%

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Amnesty International Irish Section Financial Review	Budget 2021				Budget 2022			
	IRISH SECTION		FOUNDATION	TOTAL	IRISH SECTION		FOUNDATION	TOTAL
	€	€	€	€	€	€	€	€
INCOME								
Subscriptions and Donations		1,682,652		1,682,652		2,024,645		2,024,645
Core Funding				0				0
Tax refunds		75,000		75,000		100,000		100,000
Externally funded projects		0		0		0		0
Direct Mail Appeals		82,971		82,971		135,549		135,549
Amnesty Foundation		13,014	(13,014)	0		50,000	(50,000)	0
Special Events		18,203		18,203		71,900		71,900
Legacy income			13,014	13,014			50,000	50,000
Rental Income			106,600	106,600			122,375	122,375
Interest receivable		0		0		0		0
		1,871,841	106,600	1,978,441		2,382,094	122,375	2,504,469
Externally Funded Project								
Other Income (EWSS Support)		0		0		0		0
		1,871,841		1,978,441		2,382,094	122,375	2,504,469
EXPENDITURE								
Direct costs of Fundraising and Recruitment								
Fundraising salaries and related costs	219,339			219,339	214,579			214,579
Fundraising other costs	117,646			117,646	139,184			139,184
		336,986				353,764		
Recruitment salaries	140,481			140,481	202,901			202,901
Recruitment other costs	11,553			11,553	25,231			25,231
		152,034		0		228,132		0
		489,019		489,019		581,896		581,896
Campaign and Programme costs								
Salaries and related costs	763,157			763,157	831,415			831,415
Materials and other costs: C & P	248,234			248,234	329,678			329,678
Annual Conference	2,000			2,000	2,000			2,000
Annual review	0			0	0			0
International Movement	7,000			7,000	0			0
		1,020,392		1,020,392		1,163,093		1,163,093
Human Rights Education Projects								
Salaries and related costs	34,543			34,543	35,643			35,643
Materials and other costs - HRE	10,000			10,000	60,000			60,000
		44,543		44,543		95,643		95,643
Total Campaigns and Projects		1,064,934		1,064,934		1,258,736		1,258,736
Administrative and Management expenses								
Salaries and related costs	180,543			180,543	183,262			183,262
Overheads and expenses A & M	69,927			69,927	154,578			154,578
		250,470				337,840		
Depreciation		14,000	1,200	15,200		14,000	1,200	15,200
Financial costs		62,000	9,300	71,300		63,000	8,200	71,200
Interest		18,000	55,699	73,699		18,000	53,360	71,360
Total Expenditure before interest		1,898,423	66,199	1,964,622		2,273,473	62,60	2,336,233
Surplus / (Deficit) from Activities		(26,583)	40,401	13,818		108,621	59,615	168,236
Inter co Foundation write off				0				0
International Movement credit								
Costs invested in future income								
Salaries and related costs		280,962		280,962		405,802		405,802
Overheads and expenses		23,105		23,105		50,463		50,463
Balance carried forward		(330,650)	40,401	(290,249)		(347,643)	59,615	(288,028)