



Overview

The deficit to October 2012 is £1,015k, which is £263k better than the plan for the year to date. For the year to December **we are forecasting a deficit of £1,543k.** (£977k above adjusted for £566k deferral of web project expenditure into 2013, rather than a saving) This is **£40k** worse than budget deficit of **£1,503k** for the year.

Current financial period ending 31 October 12					
	Actuals			Budget	Forecast
Income and Expenditure	YTD £000's	Better/ (Worse) £000's	This time last year £000's	Total £000's	Full Yr (Current) £000's
Marketing					
Income	19,381	(549)	18,757	24,362	23,728
Expenditure (excl salaries)	3,205	236	4,197	4,095	3,950
Marketing Net Income	16,176	(313)	14,559	20,266	19,778
Other Net Expenditure/Income					
Brand (Net Expenditure)	279	(54)	359	263	299
Digital (Net Expenditure)	251	341	369	1,022	367
Art for Amnesty (Net Expenditure)	95	66	58	(0)	117
SPB (Net Expenditure)	719	(109)	172	610	741
Other Income (Net Income)	69	(5)	79	89	77
Total Net Income	14,901	(74)	13,680	18,460	18,330
Other Expenditure					
International Movement	6,175	(14)	6,277	7,990	7,350
Salaries	6,821	(191)	6,260	7,944	8,077
Corporate Services	1,932	744	2,697	2,902	2,572
Campaigns	788	(65)	1,041	1,056	1,102
Directorate	200	(136)	76	71	205
Total Other Expenditure	15,916	338	16,351	19,963	19,307
Surplus/(Deficit)	(1,015)	263	(2,671)	(1,503)	(977)
Adjustment for deferral of Web Project expenditure					(566)
Total Surplus/(Deficit)					(1,543)

The deficit of £1,015k for the year is split: £2,319k deficit in Section, £2,019k surplus in Trust and £715k deficit in Freestyle.

Marketing

Total income from our marketing operations is forecast to be £23.7m (details on page 8). The comparable figure for 2011 was £23.1m, so we have potential for a 2.5% increase in gross income for the year. However, this still requires us to raise a further £624k on major donor lines. This income source is difficult to predict.

Other

There are some variances on salary costs shown on page 7 and there are additional costs in the Directorate budget on Board ballot, the Corporate Services Director interregnum and the CAPP consultancy.



Marketing Commentary

Supporter Recruitment & Development

Reforecast Commentary

In terms of the remainder of the year, overall the team have **£3,723k** to raise and have **£739k** to spend. We are reasonably confident in this forecast and have outlined below the key areas where this income will come from and highlighted any associated risk.

The majority (**£2,304,869**) of this income will come from continuing supporters. Retention rates have largely been on track during this financial year and income has come in largely as predicted so although this should be relatively low risk we are mindful of the adverse publicity we are receiving as part of the changes here in the UK section and the IS and feel this poses the greatest risk to this line over the next two months.

The remainder of the income will come from the following lines:

1. **£227,530** Gift Aid.
2. **£295,640** Legacies – on track
3. **£163,005** from cash appeals. This assumes that both the October and December cash appeals hit target. To date in 2012, two appeals have exceeded target and two have fallen under. It is probably fair to say that we are less confident in the October cash appeal meeting target than the December one but are monitoring results closely and will highlight any significant concerns over the coming weeks. Specifically there may be a shortfall of around £20-30K.
4. **£158,178** from Acquisition.
5. **£116,699** from Shops – on track.
6. **£114,059** from Sales. This income will come from our Christmas Catalogue it is early days but initial sales are meeting expectations.
7. **£93,878** from Community Fundraising on track.
8. **£78,400** from supporter up-grade programme which is on track.
9. **£38,562** from Prize Led activity. Raffle on track to meet adjusted target and lottery adjusted already to reflect delays.
10. **£34,556** from E-coms. There is a relatively high risk associated with this income as it is linked directly to finding strong and topical fundraising topics.
11. **£33,077** from Reactivation on track

Expenditure

We are currently checking expenditure budgets with the team to ensure that the forecasted budgets are accurate. Initial feedback would indicate that the majority of the £739k is committed spend but, we will be able to confirm this over the next few days and as discussed at the finance meeting there may be room to delay activity if necessary.

Acquisition

The acquisition changes relate to a number of lines but the most significant is a reduction in the staff members for the in-house team. We were hoping that this team would increase in size over the previous few months unfortunately this has not been possible. The smaller team are however, doing well and over the last 2 weeks targets have been exceeded.

We have offset some of this saving by investing more money into Pocket Protest acquisition work. Our recent Pussy Riot and Malala press ads have worked well and based on conversion forecasts provide us with a profitable acquisition channel. As such we are investing more money in testing in this area.

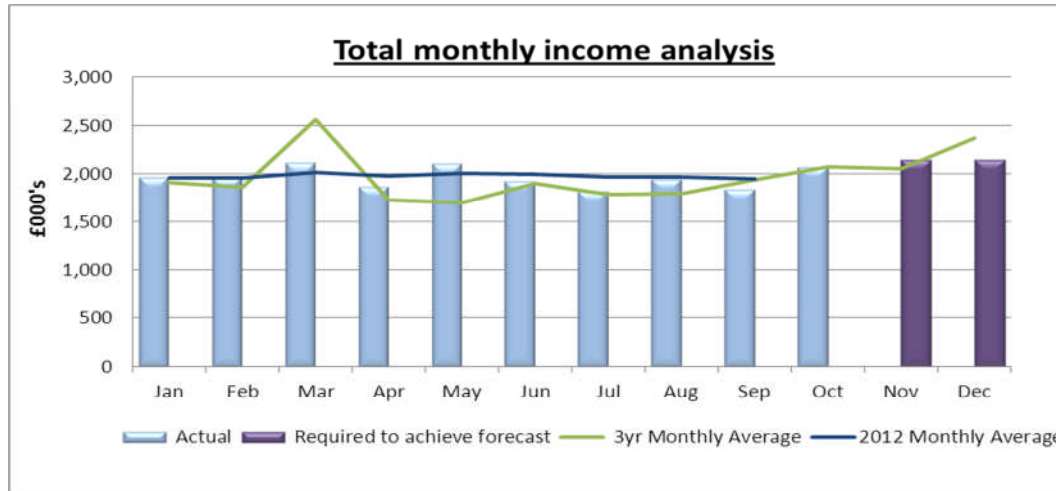
We have recruited **14,494** supporters to date, and have a year end adjusted target of **19,773**. This is unfortunately, 1,109 less than our previous forecast and is predominately from less supporters recruited by the in-house team.

£100k has been added to the Acquisition expenditure forecast to cover the impact of irrecoverable VAT which was not budgeted for.



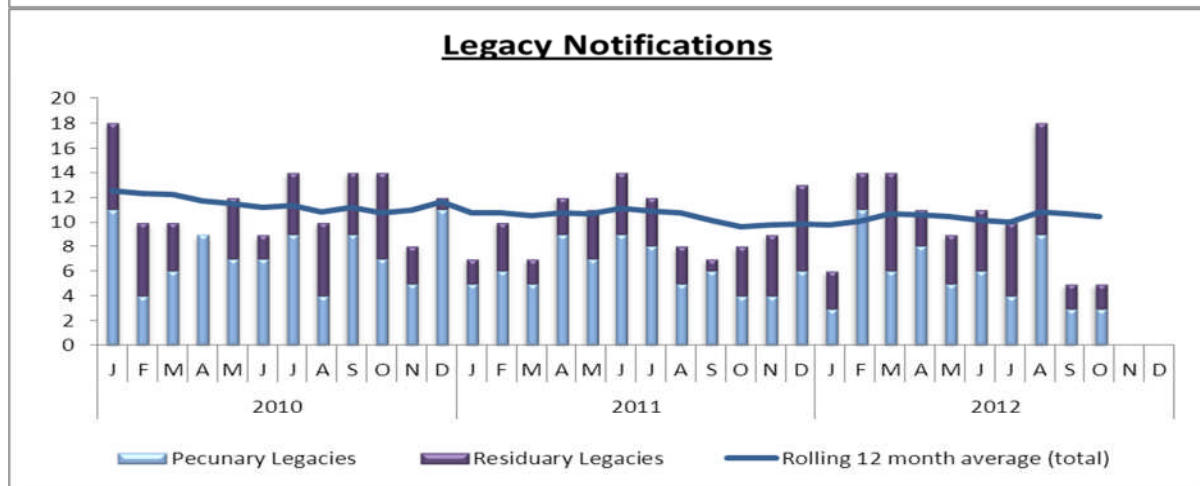
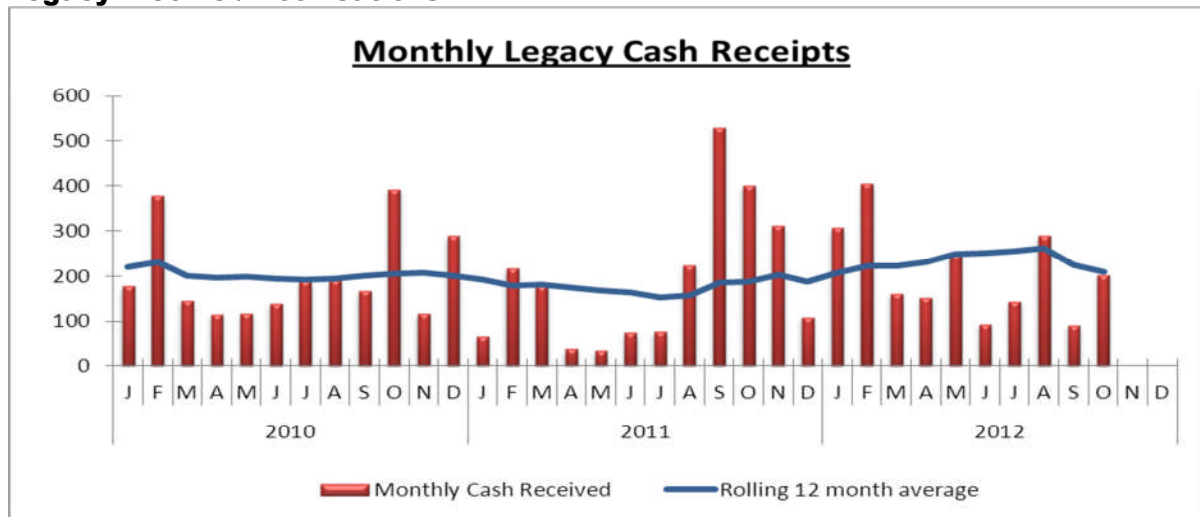
Key Financial Indicators

Total income



At present, the average monthly income would need to increase by **£182k** per month to achieve the current forecast, although a lot of this is due to the current shortfall in the Major Donors team.

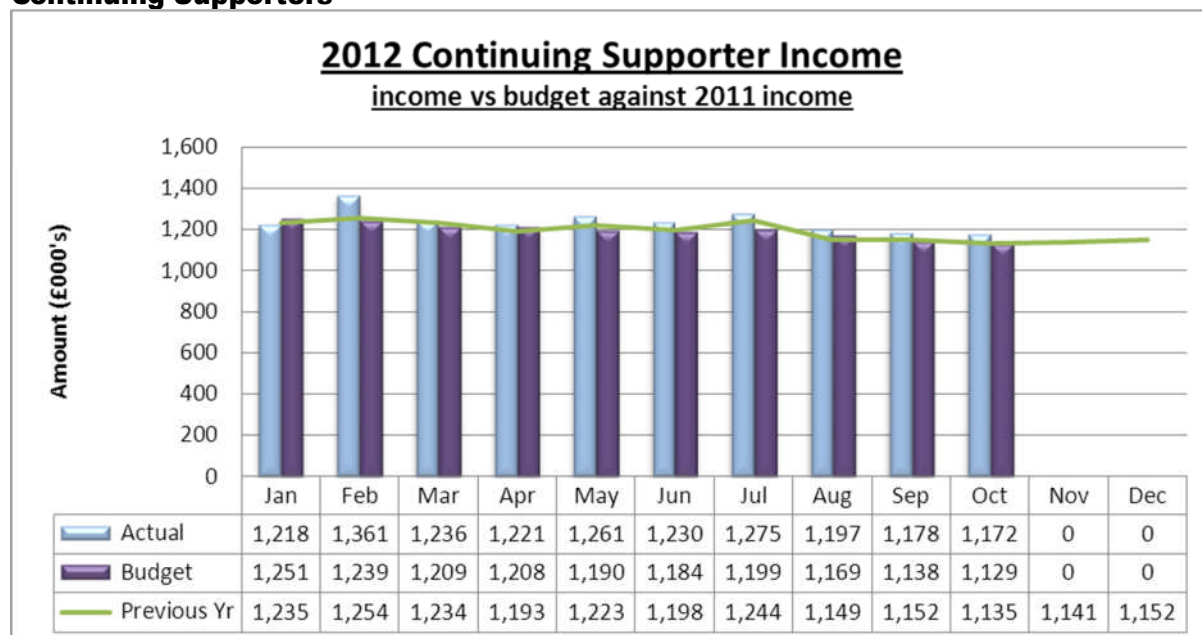
Legacy Income / Notifications



Currently legacy income is £2,104k, £364k up on budget. This represents 10.7% of total income year to date, normally around 10%. The forecast for the year is up on budget by £300k to £2.4m.

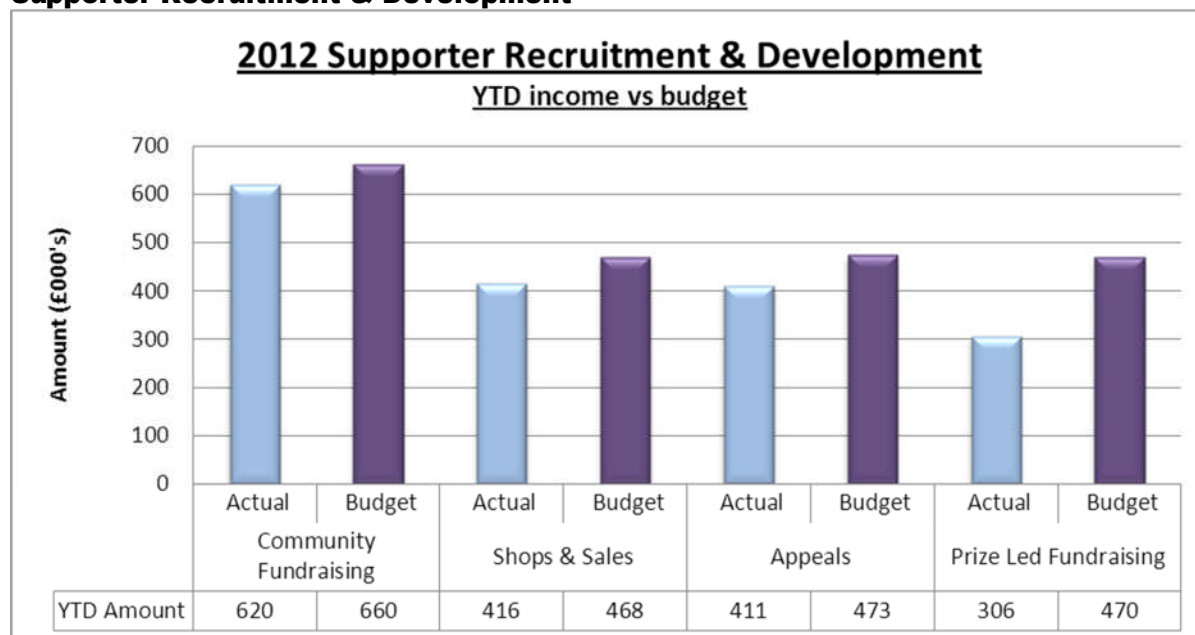


Continuing Supporters



Continuing supporter income is currently up on budget by £433k and has been forecast at £14,654k for the year, which is £378k above budget.

Supporter Recruitment & Development



Community Fundraising is currently £40k down on budget year-to-date and has been forecast down £57k for the year. Expenditure is £67k under budget ytd and has been forecast down £38k for the year. These reductions are primarily in the Team Amnesty line.

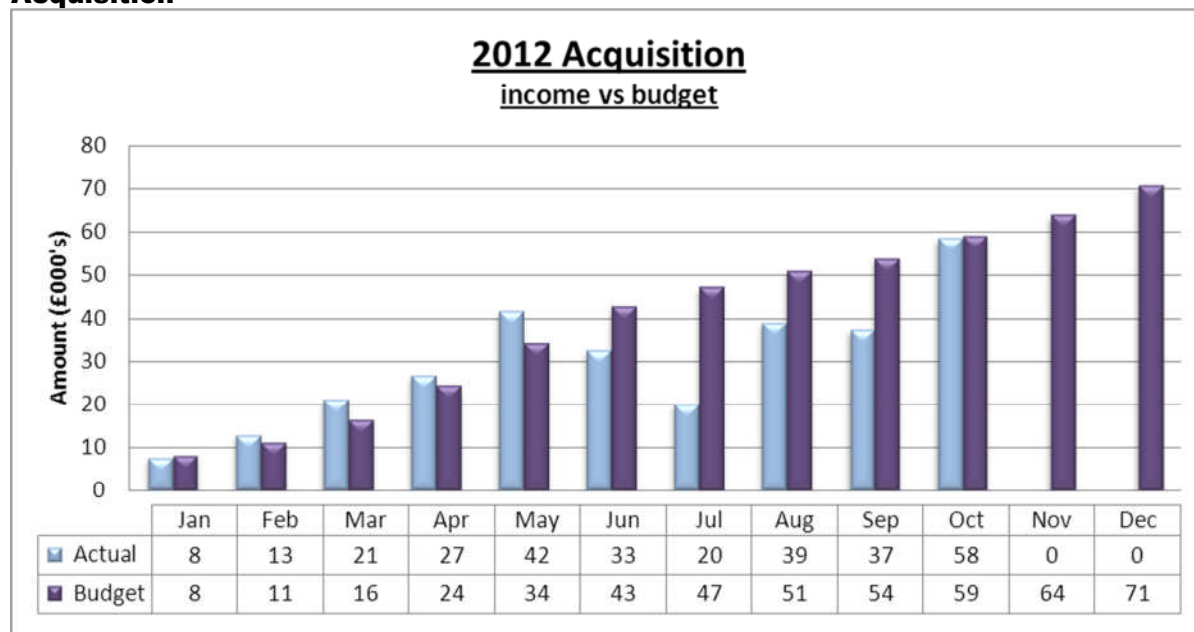
Shops & Sales income is £53k off target for the year so far. The shops have forecast income up by £28k whilst the sales line has been forecast down £107k for the year with Boxpark falling below target and the subsequent decision to close it before Christmas.

Appeals are £67k under budget year-to-date and forecast to be £19k worse for the year. The current appeal is performing well, but we have removed the income from the appeals update line.



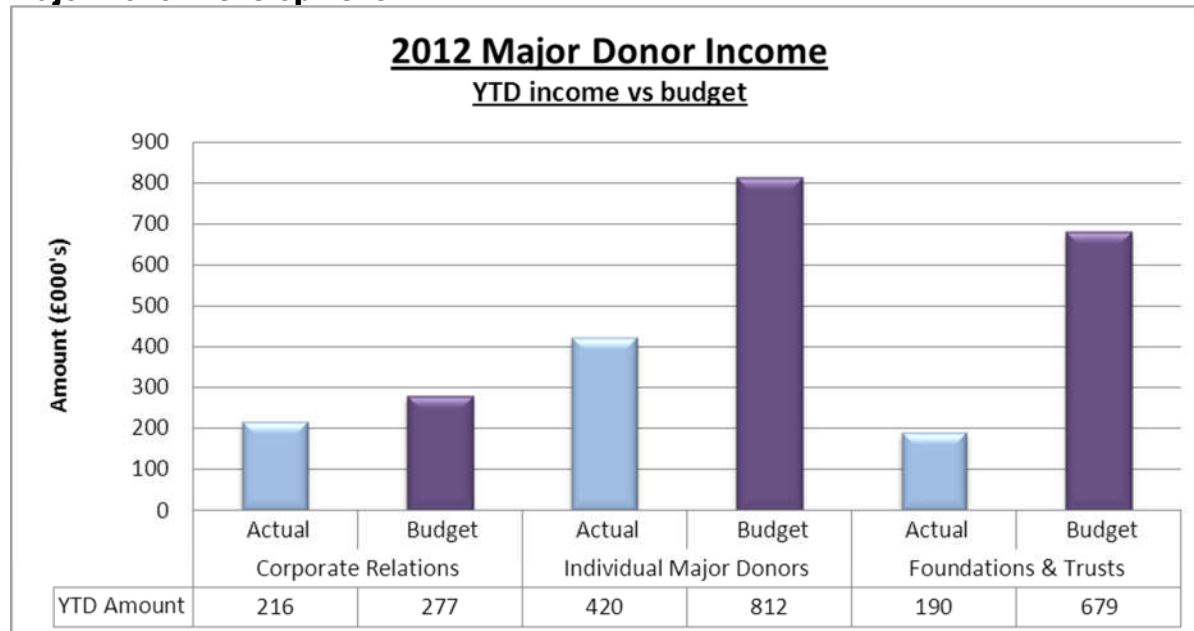
Prize Led Fundraising is significantly under budget for the year so far, by £164k. This is due to the Prize Draw being put on hold - £96k - and further delays to the launch of the Weekly Lottery - £124k. The Spring Raffle underperformed and was forecast down £31k and the Winter Raffle has now been forecast down £46k. Overall, Expenditure is forecast down £112k and income down £291k.

Acquisition



Acquisition income is currently £51k under budget and forecast to be £32k under for the year.

Major Donor Development



Corporate Relations income is £62k under budget so far this year and has been forecast down £100k for the year from £400k to £300k. This is due to some opportunities being identified as high risk for 2012, although the team feel they are not out of reach but may not bear fruit until 2013.

Individual Major Donors is currently still aiming to raise £1m for the first time – up 30% on 2011. The income figures shown above do not include £150k raised for SPB which went directly to AIUSA. We have also had a pledge of £100k from AI India prospects although this may go directly to India –



meaning a potential £250k raised by the team not being realised on these shores. The team also have a potential £450k in gifts with a planned Bulgari event and decisions due from individuals in the last 2 months of the year

Foundations & Trusts is significantly under budget and has been forecast down £445k for the year to £300k. £245k relates to the unsuccessful 2012 Comic Relief application, which we have resubmitted for 2013.

Fundraising, Brand and Events forecast has been increased by £35k in October. This brings the forecast in line with the current spend to date and known commitments for the rest of the year. No expenditure beyond this is anticipated in 2012.

Other departments Commentary:

Directorate

A forecast overspend of £135k for the year is to cover the anticipated costs of the CAPP consultancy and the increased cost of the Board Ballot.

Campaigns department

The **Campaigns** department is currently £65k overspent against budget and forecast £46k over budget for the year. There are increases in; Media team, up £18k due to the increase costs in media monitoring (VAT is responsible for £12k); Campaigns Programme is forecast to be £45k overspent by the end of the year, however this is covered by restricted grants received in 2011. The Activism team have forecast £46k under budget for the year. This consists of a £20k overspend on the AGM and £66k of underspends across the team including the decision not to invest in advertising for Write for Rights.

Corporate Services

Finance has spent £27k less than budget year-to-date and forecast to be £16k over for the year. This was for additional support in the team earlier in the year and some additional legal fees.

Irrecoverable VAT in order to comply with the new reporting requirements to the International Secretariat we need to decentralise what, to date, has been a separate expenditure budget for irrecoverable VAT. This represents £109k in Section, mostly relating to campaigns, and £363k in Trust mostly relating to supporter acquisition. The SMT have decided to offset this budget against a savings to be identified budget held by the Corporate Services Director with the balance being credited to campaign director contingency.

IT is £129k under budget year-to-date. There are currently underspends relating to equipment maintenance, telecommunications and consultancy which are anticipated to be spent in the year. This underspend is currently under review with the head of IT and Finance.

The remaining **Direct International Funding** provision of £150k has been released as there will be no direct international funding in 2012.

Secret Policeman's Ball

The Finance Team have closed the books of Amnesty Freestyle at 30th September and the auditors have undertaken an interim audit of the income and expenditures of the SPB during w/c Monday 22nd October. We are forecasting a deficit of £741k for 2012. This only includes royalty income forecast to be received in 2012. All royalty income for 2012 and future years will flow to Amnesty UK Section. We expect expenditure for the project to be £130k more than budgeted - this represents a 5% overspend on budget. The rest of the shortfall is largely made up of lower than hoped for ticket sales



at Radio City Hall. The £20k forecast to be spent to meet this forecast allows for £5k audit fees, £11k evaluation fees and £3k settlement with Control Room.

Salaries are forecast to be £108k worse for the year. The overspend is due to extensions to contracts in Brand & Events and the omission in error from the original budget of 2 retail assistants at Box-park and the new post of street fundraising team leader. We also have additional work being covered in the digital team, which is off-set with a reduction in the team budget, and additional resources in HR as well as a redundancy in Finance. Furthermore the telefundraising team are operating with more hours than was originally budgeted for. A corresponding increase in the amount to be cross charged to UK teams has resulted.

	<u>Budget (£000's)</u>			<u>Forecast £000's)</u>			<u>Variance</u>
	<u>Permanent</u>	<u>FT/Temp</u>	<u>Total</u>	<u>Permanent</u>	<u>FT/Temp</u>	<u>Total</u>	
Marketing	3,129	105	3,234	3,140	217	3,358	(124)
Campaigns	2,752		2,752	2,594	38	2,632	120
Corporate Services	1,463	56	1,520	1,488	88	1,576	(57)
Directorate	162		162	161		161	2
Telemarketing	153		153	212	15	227	(73)
Maternity	126		126	126		126	
Art For Amnesty	195		195	126	44	170	25
Grand Total	7,980	161	8,142	7,847	403	8,250	(108)



Marketing & Other Income

	2012		2011 October Last Year	2012 Forecast Vs		
	October			NOW	Plan	PLAN
	Actuals	Better/ (Worse)	Actuals	Better/ FULL YEAR	(Worse)	FULL YEAR
	£	£	£	£	£	£
Marketing Gross Income:						
Supporter Recruitment & Dev	18,555	394	17,827	22,278	61	22,217
Continuing Supporters	12,349	433	12,017	14,654	378	14,276
Legacies	2,104	364	1,837	2,400	300	2,100
Gift Aid	1,167	(0)	1,096	1,395	(6)	1,400
Acquisition	297	(51)	404	450	(32)	482
Community Fundraising	620	(40)	625	714	(57)	771
Shops & Sales	416	(53)	387	651	(79)	731
Appeals	411	(63)	405	565	(19)	584
Charity Vouchers	148	23	128	150		150
Prize Led Fundraising	306	(164)	189	332	(291)	623
Upgrade	206	(14)	192	278	(63)	341
Middle Value Donors	90	(18)	145	115	(21)	137
Renewals	80	9	78	97	9	88
Miscellaneous Donations	76	36	64	80	15	65
Reactivation	82	(59)	59	115	(80)	196
eComms	65	(10)	37	100		100
Magazine	102	(12)	124	138	(3)	140
Other	39	13	41	44	11	33
Major Donor Programme	826	(943)	929	1,450	(695)	2,145
Corporate & Affinity	216	(62)	235	300	(100)	400
Individual Major Donors	420	(392)	486	850	(150)	1,000
Foundations & Trusts	190	(490)	208	300	(445)	745
Marketing Income (Excl Brand)	19,381	(549)	18,757	23,728	(634)	24,362
Brand						
Editorial, Content & Planning	36	17	17	30	5	26
Events & Strategic Partnerships	24	(9)	30	29	(5)	34
Total Brand Income	61	8	48	59	(1)	59
Total Marketing Income	19,441	(541)	18,804	23,787	(634)	24,421
Other Income:						
Art for Amnesty	52	52	100	52	(121)	173
Bank Interest Received	19	(6)	32	18	(12)	30
Other	50	1	47	59		59
Total Other Income	121	47	179	129	(133)	261
Total Income	19,563	(494)	18,984	23,915	(767)	24,682



Marketing Expenditure

	2012		2011	2012		
	October		October	Forecast Vs		
	Actuals	Better/ (Worse)	Actuals	NOW	Plan	PLAN
	£	£	£	FULL YEAR	Better/ (Worse)	FULL YEAR
				£		£
Marketing Expenditure:						
Supporter Recruitment & Dev	2,922	232	3,905	3,661	89	3,750
Acquisition	1,008	(120)	2,068	1,198	(128)	1,069
Magazine	406	(19)	494	478	5	483
Upgrade	255	73	212	296	47	343
Shops & Sales	266	44	207	398	(29)	369
Appeals	213	(12)	204	255	10	266
Reactivation	147	(13)	119	155	(1)	153
Prize Led Fundraising	245	139	97	297	112	410
Community Fundraising	45	67	71	100	38	138
Legacies	161	(5)	153	179	(9)	171
Welcome	6	23	6	26	3	29
Renewals	12	9	5	18	10	28
eComms	0	(0)		10		10
Other	156	48	268	250	31	282
Major Donor Programme	34	17	32	63		63
Corporate & Affinity	2	2	0	4		4
Individual Major Donors	14	4	12	21		21
MD General	15	9	18	32		32
Foundations & Trusts	3	2	1	5		5
Supporter Relations	150	34	185	133	87	221
Head of Supporter Relations	23	9	22	40		40
Supporter Care	160	35	97	221	14	235
Database Marketing	97	(16)	64	95		95
Telemarketing	(131)	6	1	(223)	73	(150)
Other Marketing Expenditure	99	(47)	76	92	(31)	61
Marketing Director	21	(21)	18	10		10
Fundraising Innovations	78	(26)	57	82	(31)	51
Marketing Expenditure (excl Brand & Digital)	3,205	236	4,197	3,950	145	4,095
Digital	251	341	369	367	655	1,022
Digital Team	77	73	57	117	89	206
Digital - Web Project	175	268	311	250	566	816
Brand	339	(62)	407	358	(35)	323
Team & Proj Mgmt	22	(3)	53	59	(35)	24
Editorial, Content & Planning	221	(33)	258	228		228
Events & Strategic Partnerships	97	(26)	95	71		71
Total Marketing Expenditure	3,795	515	4,973	4,675	765	5,440
Net Marketing Income (excl Sals)	15,646	(27)	13,831	19,112	130	18,981
Marketing Salary Costs	3,034	(198)	2,684	3,585	(197)	3,387
Net Marketing Income (incl Sals)	12,612	(225)	11,147	15,527	(67)	15,594



Other Expenditure

	2012		2011	2012		
	October		October	Forecast Vs		
	Actuals	Better/ (Worse)	Actuals	NOW	Plan	PLAN
	£	£	£	FULL YEAR	Better/ (Worse)	FULL YEAR
	£	£	£	£	£	£
Total Net Income	12,734	(178)	11,327	15,656	(200)	15,855
Other Expenditure						
Campaigns	788	(65)	1,041	1,102	(46)	1,056
Campaigns Programme	230	(5)	376	299	(45)	255
Arms Trade Treaty	41	24	17	55	11	65
Country Campaigning	61	(20)	171	55		55
Corporate Accountability	37	(7)	27	35		35
Death Penalty	19	(6)	2	20	(7)	13
Dignity	22	2	49	35	(6)	29
LGBT	9	6	14	12	3	15
Refugee Work	6	1	15	28	(15)	13
Women's Human Rights	10	18	12	28		28
Other campaigns	24	(22)	70	32	(30)	2
Casework & Activism	289	50	342	360	46	406
AGM	220	(20)	219	220	(20)	200
Country Co-ordinators			14			
Groups	21	10	28	27	19	46
Human Rights Defenders	8	(1)		13		13
Individuals at Risk	11	24	40	53	11	64
Trade Union	10	4	23	12	10	22
Other activism	19	33	18	35	26	61
Education & Student	107	30	144	202		202
Head of EST & Creative Coordinator	7	(2)	7	8		8
Human Rights Education	53	29	60	84		84
Students	38	(9)	39	86		86
Young People	9	12	38	24		24
Other Campaign costs	162	(141)	178	241	(47)	194
Campaigns Director	11	(166)	30	28	(25)	3
Media Unit	79	(12)	64	90	(18)	72
Nations & Regions	38	28	52	75		75
Policy & Gov't Affairs	33	10	33	48	(4)	44
Other Departments						
Corporate Services	1,932	744	2,697	2,572	330	2,902
Corporate Services Director	12	61	21	32	82	114
CSD Savings to be identified		(20)			(340)	(340)
Finance	292	27	320	387	(16)	371
VAT	(36)	429	491	(45)	517	472
Human Resources	210	11	252	253	18	271
IT	435	129	482	704		704
Knowledge Mgt	4	3	4	9		9
Facilities	656	93	767	803	60	862
Transparency & Accountability	4	15	9	12	9	20
Gender Mainstreaming	7	15	0	24		24
Depreciation	348	(19)	350	394		394
International Movement	6,322	0	6,436	7,520	643	8,163
Assessment to IS	5,917	4	5,962	6,955	150	7,105
Direct Funding				150	495	545
IM Relief	14	(14)	70	6	(6)	
EU Association	244	(4)	245	240		240
Arts for Amnesty	147	14	159	170	3	173
SPB	719	(109)	172	741	(131)	610
Directorate	200	(136)	76	205	(135)	71
Total Other Expenditure	9,962	434	10,421	12,140	661	12,801
Net Other Income (excl Sals)	2,772	256	905	3,515	461	3,054
Other Salary Costs:						
Campaigns	2,227	65	2,236	2,632	120	2,752
Corporate Services	1,338	(72)	1,206	1,576	(57)	1,520
Directorate	135	(0)	134	161	2	162
Maternity Provision	87	15		123		123
Total Other Salaries	3,787	8	3,576	4,492	65	4,557
Surplus/(Deficit)	(1,015)	263	(2,671)	(977)	526	(1,503)



Forecast movements from budget:

Income/Expenditure	Change since January Amount (£000's)	Change since September Amount (£000's)
Opening forecast (Deficit)	(1,503)	(1,348)
Total Expenditure	1,290	338
Digital	655	151
International Movement Support	639	144
Finance	476	0
Raffle	112	(13)
Telemarketing	73	73
Facilities	73	40
Upgrade	47	10
Casework and Activism	46	66
CFR	38	0
IT	31	0
Yr 1 Supporter Comms	30	0
Human Resources	18	12
Supporter Care	14	18
Appeals	10	(9)
Renewals	10	10
Transparency & Accountability	9	0
Trading Shops	6	3
Mid-Value Donors	5	(7)
Magazine	5	0
Welcome	3	0
Gift Aid	3	(2)
Reactivation	(1)	3
Policy & Government Affairs	(4)	0
Donor Conversion	(7)	0
Legacies	(9)	0
Media	(18)	0
Campaigns Director	(25)	(25)
Fundraising Innovations	(31)	0
Brand - Team & Proj Mgmt	(35)	(35)
Trading Sales	(35)	0
Campaigns Programme	(45)	0
Salaries	(108)	(41)
Acquisition	(128)	(61)
Special Projects - SPB	(131)	0
Directorate	(135)	0
Corp Serv Director	(302)	0
Total Income	(764)	33
Continuing Supporters	378	0
Legacies	300	0
Trading Shops	28	5
Miscellaneous Donations	15	5
Finance	13	25
Donor Conversion	11	1
Renewals	9	3
Editorial, Content & Planning	5	0
Casework and Activism	3	0
Facilities	(3)	0
Magazine	(3)	0
Events & Strat Partnerships	(5)	0
Gift Aid	(6)	0
Appeals	(19)	(8)
Mid-Value Donors	(21)	(8)
Acquisition	(32)	(4)
CFR	(57)	0
Upgrade	(63)	(6)
Reactivation	(80)	0
Trading Sales	(107)	0
Special Projects - A4A	(142)	31
Raffle	(291)	(12)
Major Donors	(695)	0
Net Change	526	371
Net Forecast Deficit	(977)	(977)



Summary Balance Sheet

	2011 FULL YEAR	2012 OCTOBER		
	All Entities £000's	Limited £000's	Trust £000's	All Entities £000's
Fixed Assets				
HRAC	9,977	4,956	4,847	9,804
Other	708	506	224	730
Total Fixed Assets	10,685	5,462	5,072	10,534
Cash	4,365	1,310	2,763	4,072
Other Current Assets	2,064	529	881	1,411
Current Liabilities	(1,060)	(940)	(116)	(1,056)
Net Current Assets	5,369	899	3,528	4,427
Intercompany Balances	0	3	(1)	2
Long Term Debt	(2,486)	0	(2,360)	(2,360)
Net Assets	13,568	6,364	6,238	12,603
Reserves				
Undesignated	12,998	6,407	5,833	12,241
Designated	0	0	0	0
Total Unrestricted	12,998	6,407	5,833	12,241
Restricted	345	(43)	181	138
Endowment	225	0	225	225
Total Reserves	13,568	6,364	6,238	12,603
Free Reserves	4,799	887	3,122	4,009
Target Minimum Reserves	3,700	2,200	1,500	3,700
Surplus/(Deficit) Target Reserves	1,099	(1,313)	1,622	309