

Extinction Rebellion United Kingdom (XRUK)

Financial Report as at 31 January 2020

About

XRUK is a movement without legal form. Compassionate Revolution Limited (CR) is a not-for-profit and wholly owned subsidiary of Climate Emergency Action Ltd (a company limited by guarantee) and acts as a service company to parts of the movement. See Resources at the end of this report for more details.

The follow is a report by the CR Finance Team and attempts to summarise some key metrics to support XRUK's decision making.

Cash Balances

CR holds the bank accounts on behalf of XRUK which includes balances held for specific purposes and/or on behalf of discrete groups within XRUK. As at 31 January they were as follows:

#	Group/Purpose	Description	Balance Held
A	XRUK	<i>This is what's left of the bank balance(s) after subtracting the balances belonging or accrued to B, C and D. If negative it indicates a deficit funded by 'borrowing' from the Groups/Purposes B, C and D listed below.</i>	(£48,000)^{1,2}
B	XRISN	<i>XR International Solidarity Network: In Dec 2018, XRUK decided to allocate 20% of UK crowdfunder revenues to XRISN supporting non-XR climate activism in the Global South and outreach to racially marginalised communities in the UK.</i>	£250,000
C	Crowdjustice	<i>This is the balance of funds raised by crowdfunder(s) to support UK arrestees (e.g. legal support, travel costs etc.)</i>	£422,000
D	XRIST	<i>XR International. Funds held by XRUK on behalf of the International Support Team (IST) which supports the growth of XR national groups worldwide. In February, IST will move these funds into its own bank account structure.</i>	£230,000
TOTAL			£855,000

¹ The balance of XRUK is an estimate but underestimates size of the deficit due to a lag effect:

- Expense claims submitted for September to January expenditure but not yet approved by team budget holders and hence not yet paid;
- Expense claims (or claims for Volunteer Living Expenses (VLE)) not yet made by individuals;

² **The Finance Team estimates the end January deficit of XRUK could be as high as £150,000.**

There are currently no overdraft/borrowing facilities available to CR.

Income³

The income accruing to XRUK for the 3-month period November 2019 to January 2020 inclusive was £301,000 (or average c£100,000 per month).

Expenditure³

The expenditure paid to support the activities and volunteers of XRUK for the 3-month period November 2019 to January 2020 inclusive was £636,000 (or average c£212,000 per month).

³ Please note that we operate [cash basis accounting](#) (not accrual accounting).

Payments of allowances to volunteers

CR was asked to establish new arrangements for the payment of allowances to volunteers either as self-employed invoiced sums or put through a payroll depending on individual circumstances. These arrangements went live from January 2020.

- Allowances paid via payroll (and subject to PAYE) continue to be referred to as VLE (or Volunteer Living Expenses);
- Allowances paid to volunteers who are self-employed against the submission of invoices is now called “Capped charges for businesses” or CCFB.

CR Finance Team estimates the following figures for January 2020:

- Estimated number of volunteers receiving living expenses allowances in Jan 2020 = 160-180;
- Estimated monthly cost (assumption £800/month) = £136,000;
- Paid via payroll = 50-70 volunteers;
- Self-employed = 90-100 volunteers.

1 - PAYE	71
2 - Self Employed	96
3 - Unresolved	14
Totals	181
4 - No Response	33
5 - Not Active	36
Totals	250
6 - IST (out of scope)	11

Numbers are expected to rise in Feb/Mar (some volunteers are yet to respond to new arrangements) and new volunteers will be onboarded consistent with XR 2020 strategy and specific initiatives (e.g. mass mobilisation).

Highlights / Key Risks for the CR Finance Team – January 2020

Key highlights in January 2020 include:

- Implementation of new arrangements for paying allowances to volunteers (establishment of payroll etc.)
- Progressing year end accounts for CR for financial year ending Jun 2019.

Key risks include:

Risk	Description	Status (RAG)
CAPACITY	<i>Insufficient headcount. The team lost key experienced members in December 2019 and despite headcount increasing from 5-7 to 9-11 over the last 4-6 weeks, many are part time and just three are compensated financially as volunteers.</i>	
COMPLEXITY	<i>The demands on the team are increasing in complexity. For example: the establishment of a payroll (third party provider) still requires significant CR engagement. CR must establish its own policies separate to XR e.g. GDPR</i>	
DELEGATION AND MITIGATING FOR POWER	<i>As procedures and policy increase in sophistication, the demands on teams (and budget holders) increases – this demands more from teams within XR to self-organise in financial matters.</i>	

Further resources

- XR and [supporting legal structure](#) explanation;
- XR Financial Transparency via [FAQs Section 4](#) on the XR website

END