



## Extinction Rebellion United Kingdom (XRUK)

# Financial Report as at 30 April 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. The following is a brief report by the CR Finance Team and attempts to summarise some key metrics to support XRUK's decision making.

## Cash Balances

CR holds bank accounts on behalf of XRUK which includes balances held for specific purposes and/or on behalf of discrete groups within XRUK. As at 30 April 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 balance of XRISN. Since it's negative it indicates a deficit position funded by 'borrowing' from XRISN.</i>	<b>** (£154,191)</b>
B	XRISN	<i>XR International Solidarity Network (XRISN): In Dec2018, 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>	<b>£187,853</b>
C	Crowdjustice	<i>Ringfenced funds raised to support UK arrestees (e.g. legal, travel costs etc.) and managed by Arrestee and Legal Support.</i>	<b>£244,759</b>
<b>TOTAL</b>			<b>£278,421</b>

\*\* The balance of XRUK is an estimate and underestimates the size of the deficit due to a lag effect (i.e. expense claims made but not yet paid or not yet received). Finance Team estimates the end April deficit of XRUK could be £20,000 higher than the above figure. There are currently no overdraft/borrowing facilities available to CR.

## Income

XRUK's income in April of £74,519 was the lowest monthly income since January 2019 and lacked any one off 'Other Income' (e.g. book royalties, cash awards) which had boosted income in February and March. Average monthly income for 2020 is just above £110,000 (2020 year to date income = £441,247).

XRUK Income 2020						
Income	Jan-20	Feb-20	Mar-20	Apr-20	TOTAL	% Total
Crowdfunders **	£77,817	£53,147	£114,654	£54,930	£300,548	68%
Trusts etc.	£5,218	£37,757	£10,297	£7,262	£60,534	14%
Individuals - Direct (incl. direct DDs)	£11,462	£1,348	£16,968	£9,216	£38,994	9%
Other Income	£440	£3,186	£34,433	£3,112	£41,171	9%
	<b>£94,937</b>	<b>£95,438</b>	<b>£176,352</b>	<b>£74,519</b>	<b>£441,247</b>	

\*\* 20% income of crowdfunders accrues to XRISN (who have agreed to suspend from Mar2020 due to XRUK deficit).

## Expenditure

After expenditure averaged c£205,000/month in Jan-Mar 2020, the budget for April was set at £120,000 due to the XRUK deficit (a 40% cut from March levels).

In mid-April Finance was alerted to the trust nature of funds held by Compassionate Revolution which prevented them from being used for cash management purposes. As a result, decisions were taken to suspend volunteer living expenses after 17 April and limit all but essential spending.



The following figures show actual expenditures each month from Feb to Apr 2020. Please note there is a lag effect of our cash basis accounting. Many expense and volunteer living expense claims are received and paid in following month to which they are incurred.

XRUK Expenditure Feb-Apr 2020					
Type of Expenditure	Feb20	Mar20	Apr20	TOTAL	% Total
Volunteer living expenses	£137,929	£155,450	£79,837	<b>£373,215</b>	69%
Office and warehouse costs	£14,967	£14,500	£9,714	<b>£39,181</b>	7%
Posters and flyers incl Hourglass	£18,348	£11,707	£2,153	<b>£32,208</b>	6%
Travel expenses and vehicle costs	£9,497	£12,073	£4,489	<b>£26,059</b>	5%
Accountancy, legal fees etc.	£6,472	£7,759	£4,004	<b>£18,235</b>	3%
Actions	£3,019	£8,488	-£504	<b>£11,002</b>	2%
All other costs	£9,584	£22,597	£7,435	<b>£39,616</b>	7%
	<b>£199,815</b>	<b>£232,573</b>	<b>£107,129</b>	<b>£539,517</b>	

Total expenditure in April was £107,000 (due to the lag effect noted above of our cash accounting).

### XRUK deficit and cash management arrangements

As previous month end reports have made clear, the growing XRUK deficit has been financed by temporary borrowing from balances held by Compassionate Revolution (for other purposes or on behalf of other parts of the movement), a principle established back in September to fund the October Rebellion.

One of the sad consequences of the difficult financial position we found ourselves in is that, in order to keep things going, we had to make deductions from the Crowdjustice fund to cover associated costs for the Legal Support team up to the end of March. Although we received informal legal advice to the effect that this approach was acceptable, we would have preferred not to make these deductions. We know how hard our colleagues in Legal Support worked to raise these funds and we will work with them to generate further funds.

This now means that the XRUK deficit is exclusively financed by borrowing from XRISN. Assurances have been given to XRISN that an initial £20,000 has been ringfenced to cover their commitments over the next few weeks and restoring their pot will be priority over the next few months.

### May budget

The cessation of volunteer living expenses from XRUK general funds for at least the next few weeks means that the budget for May will be limited to “essential spending” only i.e. office and storage costs, some limited IT and licence fees (estimated monthly costs = £10,000). The lag effect due to our cash accounting means some March/April costs won’t be paid until May. We will seek to reduce office costs wherever possible and apply for a business support grant under the government’s Coronavirus scheme.

### Key Risks for the CR Finance Team

Risk	Description	Status (RAG)
<b>CAPACITY</b>	<i>Insufficient headcount. The team still has insufficient numbers and experience.</i>	
<b>COMPLEXITY</b>	<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>	
<b>MITIGATING FOR POWER</b>	<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. The establishment of a Budget Working Group is a welcome development but will require significant support from Finance.</i>	

### Further resources

- XR and [supporting legal structure](#) explanation;
- Compassionate Revolution [website](#).