

Change lives. **For good.**  
**act:onaid**

**ANNUAL REPORT 2018**

# STRATEGIC REPORT

## WE ARE ACTIONAID UK

### Our vision

A world without poverty and injustice in which every person enjoys their right to a life of dignity.

### Our mission

To work with poor and excluded people to eradicate poverty and injustice.

### Our approach

Our human rights-based approach aims to ensure that people are drivers of their own change and able to claim the rights they are entitled to. We focus on women and girls because the denial of their rights is a grave injustice and one of the underlying causes of poverty worldwide. By working directly with communities, women’s movements, groups and networks, social movements and other allies, we aim to tackle the structural causes and consequences of poverty and injustice.

ActionAid also fights for a fairer world by galvanising the public to challenge the national and global policies and practices that keep people poor. This includes holding governments accountable to ensure public funds are spent effectively and where they are needed the most.

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# WELCOME FROM THE CHAIR AND CHIEF EXECUTIVE

Patti Whaley, Interim Chair  
Girish Menon, Chief Executive

**2018 was a remarkable year for women's rights – which was fitting given that it marked 100 years since Parliament first gave (some) women the right to vote. The momentum of the #MeToo movement, which kicked off in October 2017, was kept alive by significant moments for gender equality around the world. From the Republic of Ireland overwhelmingly voting to overturn the country's draconian abortion ban, to a record number of female candidates sailing to victory in the United States' midterm elections, great steps were made to create a world in which both women and men can reach their full potential.**

However, the fact remains that in the UK (and in every country around the world), women and girls continue to face huge injustices, from experiencing violence to having a lack of opportunities simply because of their gender. In some of the poorest countries in the world, 75% of all jobs for women are informal with vulnerable working conditions – more than half of the women interviewed by ActionAid Cambodia say they have experienced or witnessed harassment at work. If women in developing countries were paid as much as men and had the same access to jobs, they could be more than £7 trillion better off. One in three women will be beaten or sexually abused in their lifetime, and each year one million girls under the age of 15 give birth. Despite the progress made over the years, women and girls still face unequal treatment in all aspects of life, meaning our work remains as urgent as ever.

It was appropriate that this monumental time for women and girls coincided with the first full year of ActionAid UK's new strategy that puts women and girls at the heart of everything we do. We know that challenging gender inequality is essential if we are to tackle poverty worldwide and help women and girls change their lives for good. That's why our programmes around the world focus on ending violence against women and girls, helping women claim their rights to economic opportunities and empowering local women to lead the response in a humanitarian emergency.

Our #NotThisGirl appeal that launched last spring is helping to end violence against women and girls in Kenya. Thanks to the generosity of our supporters we raised £1.1 million, which was doubled by the UK government pound for pound as part of the Aid Match scheme. This funding will support a three-year project in three rural locations in Kenya, reaching more than 5,000 girls. The same month, we launched our #MyBodyIsMine campaign. More than 20 celebrities, including long-term ActionAid UK ambassador Emma Thompson, lent us their support, and we continued to use the body-positive hashtag throughout the year.

In July, we proudly demonstrated our commitment to gender equality by supporting the Women's March in London. Staff and ActionAid UK's campaigners took part in the march, as well as Sadia Abdi, the Country Director of ActionAid Somaliland, and Violet Muthiga, a women's rights activist and partner of ActionAid in Kenya.

Throughout the year we continued to speak out in favour of putting the rights of women and girls first. One example of this was the release of *From rhetoric to rights: towards gender-just trade*. Our report, published in October, examines the ways in which well-designed trade rules and policies can help address the structural barriers that prevent women from accessing their full rights, and contribute to the realisation of gender equality and equitable development for all.

We concluded the year with the launch of Home Shouldn't Hurt, our Christmas campaign. Money raised will help fund our essential One-Stop Crisis Centres in India and Uganda, where survivors of violence can access medical treatment, counselling and legal advice all under one roof.

When an earthquake hit the Indonesian island of Sulawesi in September 2018, triggering a tsunami and contributing to the death of more than 2,000 people, we were able to launch an appeal immediately.

Working with our partners we helped support more than 60,000 people in the first two weeks of the crisis and raised nearly £1.2 million by the end of the year. We are continuing to ensure that affected people – especially women – are involved in the recovery process and we are continuing to train women leaders in future disaster-preparedness and resilience.

In 2018, the development sector was rocked by revelations that some aid workers had betrayed their position of trust by abusing some of the most vulnerable women and girls. While ActionAid has not been implicated, these abhorrent acts have prompted a critical yet immensely positive sea-change in the way we and the wider sector tackle these issues. Over the past year we have looked closely at how we safeguard those with whom we come into contact, including women and girls in developing countries, volunteers, staff members and supporters, to ensure we do everything in our power to prevent abuse. We are committed to creating an environment where people feel able to call out abuse, and 2019 will see the much-anticipated implementation of our global feminist leadership principles.

We have worked with colleagues across ActionAid International to develop a global safeguarding plan which ensures we are implementing best practice.

Lastly, 2018 has been a big year for our Board. We have won two awards for good governance: the BOND Award for Charity Governance and the Charity Governance Award for Diversity and Inclusivity, for putting feminist leadership principles in place on our Board. We also said a sad goodbye to Margaret Casely-Hayford in June, with the Vice-Chair Patti Whaley stepping up in the interim. We are tremendously grateful to both Margaret and Patti for their wise leadership and absolute dedication to supporting women and girls to demand equal rights. Marie Staunton joined the Board in December 2018 and we look forward to her taking the reins as our new Chair from June 2019 onwards.

As always, it is our privilege to lead this organisation into the second full year of our new strategy that places women and girls at the heart of everything we do. Thank you as always for your support.



Left to right: Girish Menon,  
Marie Staunton and  
Patti Whaley.

# IN CRISIS



ActionAid responded to

**22**

new emergencies in 2018,  
supporting more than 750,000  
people



ActionAid Bangladesh helped set up  
six women's safe spaces in the Cox's  
Bazar refugee camp, which have  
supported nearly

**16,000**

Rohingya refugee women and girls



During the first two weeks of the  
Indonesia crisis, ActionAid Indonesia  
helped reach nearly

**61,000**

affected people

# A SUCCESS STORY: THE POWER OF SAFE SPACES FOR WOMEN IN EMERGENCIES

Sajeda (below, left) met her friend Sobika (below, right) at a women's space supported by ActionAid Bangladesh in a refugee camp in Cox's Bazar. Both women are Rohingya Muslims and were forced to flee the violence in Myanmar in 2017.

Sajeda, who has five children and married as a child, left Myanmar when her village was raided. For six months now, she has been visiting an ActionAid Bangladesh women's space in the refugee camp, where she has befriended other women and received support.

In these safe spaces, women and girls can access education and training, often for the first

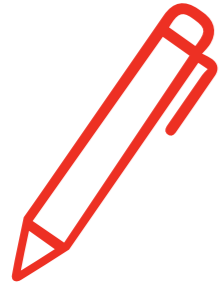
time in their lives. They learn to read, gain new skills and start to recognise their own potential. They are also places where women and girls can access emotional support for the horrors they have experienced, as well as receive medical referrals for cases of rape and gender-based violence.

"In Myanmar, all we did was cook, bring up our children and sleep," Sajeda says. "The first time I came here and saw the other women talking I was surprised and it was new to me."

**We came with an empty hand and we didn't have any expectation of the kind of life we would find here... but Bangladesh welcomed us.**



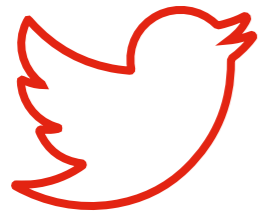
# IN SOLIDARITY



More than

**8,000**

people signed our open letter protesting Mr Trump's visit to the UK in July



Our stories of defiance, posted online during the 16 Days of Activism Against Gender-Based Violence campaign in November and December, reached more than

**75,000**

people on Twitter



ActionAid UK and other charities supported the organisers of the Women's March to bring together

**250,000**

people to celebrate women's rights

# A SUCCESS STORY: ENDING VIOLENCE AGAINST WOMEN AND GIRLS

Millicent, 32, from Kampala, Uganda, is a survivor of domestic violence and an acid attack at the hands of her second husband.

In 2016, one year after hospitalising his wife, Millicent's husband poured acid in her face and blinded her in one eye. "I felt pain I have never felt in my life," Millicent says.

The police referred Millicent to an ActionAid Uganda Gender-Based Violence Shelter for support. The shelter provided Millicent and her three children with a safe place to sleep and receive counselling, as well as access to medical and legal services.

Thanks to ActionAid Uganda's support, the police located Millicent's husband and launched two cases against him. The court wanted to grant him bail, but we ensured this didn't happen.

Finally, in August 2018, Millicent's husband was sentenced to more than six years in prison for the acid attack. Millicent is still working with ActionAid Uganda to pursue the case of domestic violence. "ActionAid gave me hope and I know that despite the fact that I have one eye, I can still be an important person," she says.

Our 10 Gender-Based Violence Shelters in Uganda have supported more than 13,000 people over the past five years.



# IN NUMBERS



More than

**18,000**

new supporters in the UK signed up to give a committed gift



ActionAid UK raised nearly

**£50 million**

to help change lives, for good



Our emergency appeal for the Indonesia earthquakes raised more than

**£1 million**

to provide life-saving humanitarian aid

# A SUCCESS STORY: WOMEN FIND STRENGTH IN SOAP MAKING

In the Kuntorloh community of Sierra Leone, women are making a living by selling handmade soap. ActionAid provided the initial soap-making training, as well as money for the training materials.

After Emelia received soap-making training from ActionAid Sierra Leone, she decided to help other women in her community (like Isata, pictured) earn their own living.

“When we saw that our soap was selling and we were making a profit, we focused on [teaching soap-making] and this has helped the majority of the women in the community,” Emelia says. “I believe we women have to help each other so that we can stand strong.”

ActionAid has been working in Sierra Leone since 1988, responding to the needs of communities affected by 10 years of brutal civil war. Today, we have long-term programmes established across all regions of the country.

Our priorities include getting girls into school, promoting women's leadership and empowerment, and providing healthcare, safe childbirth practices and clean water.



## IN PARTNERSHIP



ActionAid supporters  
in the UK raised nearly

**£12 million**

to fund child sponsorship  
programmes across 30 countries



We received

**£2.8 million**

from players of People's Postcode  
Lottery, to support our work  
promoting girls' education and  
tackling the root causes of violence  
against women and girls



Approximately

**60,000**

women and girls in Rwanda,  
Ghana, Kenya and Ethiopia have  
benefited from People's Postcode  
Lottery-funded work

## A SUCCESS STORY: FROM SPONSORED CHILD TO STUDENT

Children in The Gambia – particularly girls – face varying challenges, made worse by their economic status and proximity to violence and discrimination. According to Unicef, about 46.5% of girls marry before the age of 18 and about 76.3% have experienced some form of female genital mutilation.

Seventeen-year-old Binta lives in a central region of The Gambia. She is a member of an ActionAid-supported network at her school, which has taught her numerous skills including how to take care of her personal hygiene and say no to early marriage.

Now Binta is teaching her schoolfriends what she was taught by the network, including the importance of staying in school. "I was happy to keep what I learnt in my head so that I can teach my friends at school," she says.

Binta says that being part of the network has been a great opportunity for her and her schoolfriends. "On behalf of my fellow students from the network, I say thank you to ActionAid for your endless support," she says.

Generously funded by child sponsors from the UK, ActionAid The Gambia has established school networks of parents and teachers. Members of these networks are trained to raise awareness of the laws and policies in place to protect girls from sexual violence, inform them about sexual reproductive issues and help girls to stay in school, so that they receive the education they are entitled to.



# WORKING TOGETHER: ACTIONAID UK WITHIN THE ACTIONAID FEDERATION

**ActionAid UK is a proud member of the ActionAid International Federation. ActionAid International brings together the work of the ActionAid International Federation, co-ordinated by the Global Secretariat, based in Johannesburg, South Africa.**

The Federation is made up of 43 national organisations, most of which are based in developing countries. In the UK, our role is to raise funds to reduce poverty in the communities and countries where we work, to take action for long-term change and to act in solidarity with women and girls fighting poverty and injustice. By working in partnership with ActionAid International and member countries around the world, we are able to make a bigger global impact.

**We remitted £29.3 million to the ActionAid International Federation in 2018, just under 67% of our total expenditure of £46.6 million. ActionAid UK's total income was £49.6 million, which represents 25.8% of the budgeted income of the entire Federation for 2018 of £192m.**

The international development and humanitarian work highlighted in this report reflects the results achieved by the Federation as a whole in 2018, and the significant contribution that UK supporters made to these successes.

While most of ActionAid UK's funds go towards supporting the Federation's humanitarian and development work overseas, this isn't the whole story. We also campaign in the UK in solidarity with people affected by poverty, for example to ask the British Government to consider the impact of its trade policies on women and girls. Other areas of critical expenditure included fundraising, building understanding of development issues, governance and running costs. ActionAid International's consolidated financial statements can be found at [www.actionaid.org/publications](http://www.actionaid.org/publications).

## GLOSSARY

**ActionAid UK** is part of the [ActionAid International Federation](#) and raises funds to support the Federation's development and humanitarian work overseas, campaigns in solidarity with people affected by poverty and builds understanding of development issues.

**ActionAid International** brings together the work of the ActionAid International Federation, coordinated by the Global Secretariat based in Johannesburg, South Africa. The Federation is made up of 43 national organisations, most of which are based in developing countries who manage their own programme delivery but are united by shared values, vision and mission.

**ActionAid** on pages two–31 of this report refers to the collective work of the ActionAid International Federation. On pages 32–82 of this report, ActionAid refers to ActionAid UK, the UK-registered charity.

**Disasters Emergency Committee (DEC)** brings 14 leading UK aid charities together in times of crisis, including ActionAid UK. The DEC launches appeals to raise money to help those impacted by disaster, making sure that funds reach those who need them most.

**The Department for International Development (DFID)** is a ministerial department which leads the UK's work to end extreme poverty.

**Promoting Opportunities for Women's Empowerment and Rights (POWER)** is an ActionAid UK project supported by the Ministry of Foreign Affairs of the Netherlands to mobilise and organise rural women in Bangladesh, Ghana and Rwanda to raise awareness of and claim their rights, as farmers and carers.

**People's Postcode Lottery (PPL)** players' support for ActionAid UK is helping transform the lives of women and girls living in poverty.

## STRATEGIC OBJECTIVE ONE:

### Significantly reduce the risk of violence against women and girls (VAWG)

ActionAid is working to end violence against women and girls. We create change by:

- supporting women and girls to learn about their rights, develop leadership skills and gain an education or vocational skills which will enable them to earn an independent livelihood;
- working with women's rights organisations, local leaders, men and boys and the media to shift social attitudes and behaviours;
- increasing the ability and commitment of governments and institutions to prevent and respond to violence against women and girls;
- providing comprehensive services, including safe spaces for women and girls, and helping survivors of violence access emotional, legal and medical support.

Violence against women and girls is not inevitable. By empowering women and girls and transforming harmful social norms we are leading long-term, sustainable change. Every day, we are making progress towards ending violence against women and girls.



### Supporting local women's groups in Kenya

When Patience's 13-year-old daughter Mary returned to their home in Kenya one day, Patience (pictured, above) knew something wasn't right. Eventually, Mary told her mother that a man had dragged her into his home and raped her. "I felt like I'd lost my mind," Patience says. "People said I am poor and have no power, so anyone can do anything to my child."

Patience turned to an ActionAid Kenya-supported women's group for advice and has received help from its members ever since. Women from the group have guided Patience and her family through the legal process, taken Mary's case to court and helped her talk about her ordeal.

Patience now works as a women's rights defender in her community, fighting to ensure that no girl endures what Mary went through.

Last spring, ActionAid UK launched the appeal #NotThisGirl to help support these amazing local women's groups which are stopping girls like Mary from being abused. All public donations to #NotThisGirl were matched by the UK government, pound for pound, doubling the impact. This match funding is supporting a three-year



Our #NotThisGirl appeal raised nearly

## £1.2 million

which was doubled by the UK government to tackle violence against women and girls in Kenya



project preventing and responding to violence against women and girls across three counties in Kenya: Kilifi, Garissa and Homa Bay.

The project started at the end of 2018 and will reach more than 5,000 girls and over 3,000 community members. Thanks to the generosity of our supporters, these groups are continuing to ensure survivors are heard, treated and have the backing of the law.

## Ending period poverty and stigma

**When 14-year-old Ishu (pictured, above) has her period, she is banished to a mud hut for five days as part of a practice known as chhaupadi. While in the hut, she is only allowed to eat basic food like lentils and wash every few days in a river hours away.**

“I’m scared of ghosts and snakes. When I was sleeping in the night, I felt scared some bad people would come and attack me,” says Ishu, who only has rags to use as sanitary products.

Despite chhaupadi being banned in 2005, the practice is still carried out in some rural communities in western Nepal. This is due to deeply-held views that menstruating women and girls can harm cattle, crops and even people with their touch.



We have established at least

**11**

‘chhaupadi free’ communities in western Nepal since our work began there



ActionAid UK’s appeal for World Menstrual Hygiene Day helped support our work fighting period stigma in western Nepal. Since our work in Nepal began, more than 1,400 women and girls have stopped practicing chhaupadi.

We are also providing access to sanitary products so women and girls can manage their periods with dignity and ensure that menstruating doesn’t hold them back.

## Home Shouldn’t Hurt

**When Talat (pictured, above), from India, married at 17, her husband’s family began abusing her. They would demand money and prevent her from leaving the house on her own – not even to see her mother.**

After five months of abuse, Talat’s mother helped her daughter leave her abusive husband and contacted staff at ActionAid India’s [Gauravi One-Stop Crisis Centre](#) in Bhopal. There, she received medical treatment, legal help and counselling – all under one roof. Talat also enrolled on a rehabilitation programme for women who have been affected by abuse.

As part of the programme, Talat was given the option to learn to make poppadums or to train as an auto-rickshaw driver. “When I had the opportunity to learn how to drive, I chose it because I wanted to learn something different,” she says.

Talat lacked confidence when she first went behind the wheel, but now feels happy on the road. In the future, she hopes to transport women and girls to and from the centre, as well as teach other women to drive.

Our Christmas appeal, Home Shouldn’t Hurt, raised more than £300,000 to help us provide more women and girls like Talat with the support they need to rebuild their lives after experiencing violence.

Building on the success of our existing Gauravi One-Stop Crisis Centre, ActionAid India plans to support 11 more One-Stop centres in Madhya Pradesh in 2018 and train more workers and volunteers to help survivors of violence get access to justice.

## STRATEGIC OBJECTIVE TWO:

### **Fight for women's equal rights to economic opportunities.**

Gender discrimination means that women are more likely to be in insecure, low-wage jobs, be paid less for the same work and have limited access to land and loans.

ActionAid UK has calculated that if women in developing countries were paid as much as men and had the same access to jobs as men, they could be **more than £7 trillion better off.**

ActionAid supports women to **access secure jobs in safe working environments, free from all forms of violence.** Women must be **paid living wages that are equal to men's,** enjoy social protection and the burden of **unpaid domestic work** that falls to women must be reduced.



### **Making tax and trade fair**

To coincide with the International Monetary Fund (IMF) and World Bank Annual Meetings which took place in October, ActionAid UK launched **Short-changed**. This major new report highlights how taxation policies promoted by the IMF have detrimental impacts on women in developing countries.

The report was produced as part of our Valuing Women's Work programme, which we're undertaking alongside ActionAid South Africa and the Fight Inequality Alliance.

Also in October we launched another significant report: *From rhetoric to rights: towards gender-just trade*. This report argues for a transformative, gender-just approach to trade and sets out a series of principles – and associated recommendations – for policy makers and governments.

As gender and trade moves up the political agenda, governments have a new opportunity to demonstrate their commitment to women's rights and gender equality. If designed carefully, trade rules and policies can help address the structural barriers that prevent women from accessing their full rights – and contribute to the realisation of gender equality and equitable development for all.

### **Women mobilising themselves to raise start-up funds**

For the past few years, ActionAid has been providing training for women in communities in Gombe State, north-eastern Nigeria. As part of the training, groups of local women are taught business skills and then encouraged to provide 'step-down' training to other women in the community.

One of the women who received this training is Janet, 50, a mother-of-nine. Following her 'step-down' training, Janet teamed up with around 30 women who all wanted to start their own business.



The women each contributed 200 naira (43p) and gave the total amount to one member of the group, under the condition that she had to pay it back within three months. Once the woman paid the loan back, the pot of money passed to the next woman in the group.

“I was the fifth woman [to be given the money, which] I invested into making and selling a local drink called kunu, made from guinea corn and sugar,” says Janet. “So far, I have paid off 4,000 naira (£8.51) of my loan and will pay the balance by the end of this month.”

Janet has been able to take care of herself and her family using the profit from her kunu business. “My children can now stop worrying about me and concentrate on saving money for themselves,” she says. “I hope to save enough to help my 20-year old daughter return to school and I am indeed on the right path to achieving that.”

## Time-saving pilot interventions

**ActionAid UK’s Promoting Opportunities for Women’s Empowerment and Rights (POWER) project, funded by the Netherlands Ministry of Foreign Affairs, has been mobilising women’s groups in Bangladesh, Ghana and Rwanda.**

The POWER project is looking at new ways to reduce the hours that women spend on unpaid care work, such as cooking and raising children. These include providing access to child care centres, water and fodder cutters for agricultural work as well as sensitising women, men, girls and boys about the time spent on unpaid care work and addressing cultural norms that influence the division of this labour. The evidence from these pilots is being used to advocate with local and national governments for more gender-responsive public services.

Ba-engding is a Ghanaian smallholder farmer and mother-of-five who found herself regularly travelling for more than four hours to fetch water. Through workshops held by ActionAid Ghana and its partners on unpaid care work, the women of the community identified water as a key problem. As a result, a poly water tank was fitted at Ba-engding’s home for the community to use.

Ba-engding now has more time to tend to her farm. She has also noted that her children’s performance at school has improved as they are no longer regularly late due to water-related problems.



More than  
**20,000**  
women have been supported to take part in women’s groups and claim their rights in Bangladesh, Ghana and Rwanda through the POWER project

## People’s Postcode Lottery

**In 2018, ActionAid UK received £2.8 million from People’s Postcode Lottery (PPL) for girls’ education and tackling the root causes of violence against women and girls. We have now received over £5.3 million in funding from PPL since September 2017.**

Most of this funding is going towards work in Kenya, Ghana, Ethiopia and Rwanda, tackling barriers to girls’ education and responding to gender-based violence. We’re already seeing the impact; PPL-funded work has enabled us to reach around 60,000 women and girls so far.

In August, ActionAid UK ran a 10-day participatory video workshop (pictured, above) in the Musanze District of Rwanda, supported by PPL players. The purpose was to work with 10 women living in rural communities to plan, direct, shoot and edit their own short films, empowering them to tell their communities about issues affecting them and advocate for change.

The women made two films, one about life before and after joining the cooperative, and another to raise awareness about a local One-Stop Crisis Centre. At the end of the workshop, the women held a local screening. There, one man in the audience announced that he would no longer beat his wife.

“From the video skills I’ve [now] got, I see I could actually make a business out of this,” says Ancille, 47, one of the women who participated. “Thank you for changing our lives.”

## STRATEGIC OBJECTIVE THREE:

### **Prioritise women and girls' rights and their leadership in humanitarian crises**

In relief efforts, women are often left out due to social customs and conventions, increasing their vulnerability. This is a direct result of the gender inequality and discrimination that women and girls experience in their daily lives.

But women are often the first responders to a crisis, and bring vital skills, resources and experience. ActionAid supports women to take the lead in all aspects of their lives, finding solutions to challenges and building their resilience to climate change occurring as a result of global warming. Ensuring that we work with women means that we do not overlook needs or vulnerabilities that are specific to women and girls.

In 2018, ActionAid responded to 22 new emergencies, supporting more than 755,000 people. We also continued to provide support to seven ongoing crises, reaching around 515,000 people. In the UK, our emergency appeal following the Indonesia earthquakes raised nearly £1.2 million.



#### **Indonesia earthquakes**

**More than 2,000 people died, at least 1,000 remain missing and over 170,000 were displaced (including Ms. Ros, pictured above) after a series of earthquakes hit Indonesia's Central Sulawesi province in late September. The earthquakes, the strongest of which was 7.4 magnitude, triggered a tsunami which struck beaches in Palu and Donggala, causing landslides, significant damage and loss of life.**

After the initial emergency response, ActionAid Indonesia's focus has been on recovery and reconstruction. ActionAid has been working on the ground with our local partners to support the community response, led by women. This prioritising of women's leadership will ensure the aid is appropriate, meets the needs of women and girls and gets to the people who need it most.

Women and especially mothers have very specific needs – and this is never more evident than during a humanitarian disaster. That's why ActionAid through its partners has been building women-friendly spaces where mothers can breastfeed in private, receive hygiene kits, and access emotional support and medical referrals.



During the first two weeks of the Indonesia crisis, ActionAid and our local partners helped reach nearly

**61,000**  
affected people



Our ongoing emergency response work has seen us supporting women's safe spaces and setting up women task forces which monitor and report instances of violence against women, as well as women-led relief distribution committees.

## Rohingya crisis

**Extreme violence in the Rakhine State of Myanmar drove nearly one million Rohingya refugees, including twins Airin and Arini (pictured above with their father), to flee the country. Thousands crossed the border into a refugee camp in Cox's Bazar, Bangladesh, between January and November 2018. The total number of Rohingya refugees living in the Cox's Bazar refugee camp at the end of 2018 was over 900,000.**

Women and girls initially bore the brunt of the crisis, with sexual violence widespread. ActionAid Bangladesh is working closely with women and girls, who continue to suffer disproportionately. Particular risks include domestic violence and trafficking. Early marriage is also an issue, as extreme poverty and the absence of fathers or male guardians has put pressure on families to 'marry off' their daughters or sisters to someone who can provide for them.



We've handed out dignity kits to nearly

# 40,500

women and girls. These contain items such as sanitary towels, soap, buckets, shawls, clean underwear and disinfectant



ActionAid UK has set up six 'women-friendly' spaces in the camp which only women and girls can access. To date, they have supported nearly

# 16,000

women and girls

ActionAid Bangladesh has been working with the Rohingya refugees to ensure their basic needs are met, particularly women and adolescent girls. This has involved the provision of first aid, psychological support, health care services and day care for children.

We have also helped set up six 'women-friendly' spaces in the camp, which only women and girls are allowed to enter. Here, women can process their trauma, be safe from violence and plan for the future. We're continuing to promote women's leadership through women-led committees that help us ensure our assistance meets the needs of women and girls and reaches the people who need it most.

Somira, pictured above, is part of the Rohingya community in Cox's Bazar, and has been volunteering as a member of an ActionAid-supported health committee since arriving in the camp in late 2017. "If another person comes into the community and tells them to do something, they will not accept it," she says. "But they will listen to me, because I am part of the same community and they trust me because I do good for them. It makes me feel proud to do this work."

# OUR CELEBRITY SUPPORTERS

**Working with well-known faces in the UK helps us expand our influence, raise more money and increase awareness of key issues and challenges faced by women and girls around the world. The passion and enthusiasm shown by our celebrity supporters is infectious and inspires others around the world to share our vision: promoting the rights of women and girls.**

So we'd like to say an enormous thank you to the talented ambassadors who give their time and energy to support women and girls living in poverty.



## Celebrity highlights

- Six high-profile women, including award-winning actress Andrea Riseborough (pictured), took part in a photoshoot to launch our #MyBodyIsMine campaign ahead of International Women's Day. Seventeen other celebrities, including Emma Thompson and Paloma Faith, took their own photos which they shared online in support of the campaign.
- Actress and long-term supporter Samantha Bond fronted a TV advert in support of our *Not This Girl* Aid Match appeal, which raised £1.1 million to tackle violence against women and girls in Kenya.
- As a way of engaging men in the violence against women and girls conversation, we made [a short film](#) with long-term ActionAid ambassador James Purefoy. The film was themed around football, tying in with the World Cup and Father's Day.
- Thirteen high-profile women, including Emma Thompson, Miriam Margolyes and Gemma Chan, signed our letter calling for an end to the global period poverty crisis. The letter was featured on *Elle.com*.
- Comedians and spoken word artists, including *Britain's Got Talent* winner Lost Voice Guy and Radio 4 regular Robin Ince, entertained the crowd at our tent at Latitude Festival. Ten artists, including headliners Alt-J, Wolf Alice and Sleeper, showed their support backstage for #MyBodyIsMine.
- Ten high profile women, including Alesha Dixon and Jodie Whittaker, starred in our [Dear Sisters](#) short film. They read out messages to the future generation of girls in support of our *Home Shouldn't Hurt* Christmas appeal.
- England National Netball team players supported our #MyBodyIsMine campaign, [Big Me](#) fundraising event and *Home Shouldn't Hurt* appeal.

# THE YEAR AHEAD

The year 2018 is the first full year of ActionAid UK's new strategy: **Together, with Women and Girls.**

The denial of women and girls' rights is one of the biggest causes of poverty worldwide and a grave injustice. We are shifting our focus because no community can truly prosper when half its citizens are denied the rights enjoyed by the other half. Our work will also benefit men and boys living in poverty and our child sponsorship programme supports whole communities, but we will put the rights of women and girls at the centre of all that we do.

With a focus on the rights of women and girls, our programmes around the world will work to:

- significantly reduce the risk of violence against women and girls
- fight for women's equal rights to economic opportunities
- prioritise women and girls' rights and their leadership in humanitarian crises.

This focus on the rights of women and girls is supported by three strategic aims, which reflect ActionAid UK's role in the wider Federation:

**Mobilise resources:** Our primary aim is to mobilise resources to fight poverty and injustice and realise the rights of women and girls. In 2019 we will continue to invest in our fundraising programme so we can raise more money in the UK. We will also invest in and work with other Federation members to help develop their fundraising operations.

**Influence for change:** We will influence for change at all levels, from local communities to multi-national agencies. In 2019 we will launch our new campaign focusing on access to justice for survivors of violence. We will also be running a year-long photographic campaign called Women by Women, which will give a platform to underrepresented female photographers working in the Global South.



**Support humanitarian action:** We will continue to scale up our humanitarian response and resilience work, focusing particularly on women's leadership and on the specific threats faced by women and girls. In 2019, we will roll out of the women-led community-based protection manual, which will improve our work with women and girls. We will work closely with ActionAid Kenya to strengthen the Federation's compliance with the Core Humanitarian Standards.

But we also recognise that 2019 will present challenges. In our last two annual reports we have spoken of a 'triple squeeze' on organisations like ActionAid of rising need, a challenging fundraising market and shrinking civil society space. These challenges continue in 2019.

Our focus on safeguarding will also continue. Protection of the rights of the poorest and most vulnerable is the very core of ActionAid's reason for existence, and our programmes around the world seek to address the abuse of women and girls' rights. We will continue to work with ActionAid International and fellow Federation members to strengthen skills, systems and processes to safeguard the rights of those we exist to serve.

# STATUTORY REPORT AND FINANCIAL STATEMENTS

**ActionAid is a company limited by guarantee and registered in England and Wales under company number 01295174. ActionAid is registered as a charity with the Charity Commission for England and Wales under charity number 274467, and with the Office of the Scottish Charity Regulator under charity number SC045476.**

In this section of the Annual Report 2018, 'ActionAid' refers to the UK-registered charitable company.

The Trustees present their statutory report with the financial statements of ActionAid for the year 2018. The Trustees' report has been prepared in compliance with the Charities Act 2011, the Charities and Social Investment Act 2016 and is also a Directors' Report as required by Section 415 of the Companies Act 2006.

## FUNDRAISING STATEMENT

**Every Supporter Matters at ActionAid: this philosophy is crucial to our fundraising and underpins all that we do. We are lucky to have such dedicated and passionate supporters who support us in a variety of ways to fund our work to help women and girls living in poverty to gain confidence and control over their own lives.**

In 2018 as in previous years, the majority of our income came from donors to our Individual Giving programme. These supporters include child sponsors, cash donors, our generous legators who give a gift in their will and participants in the ActionAid lottery. We were also thrilled to continue our partnership with People's Postcode Lottery which launched in 2017. Our Events participants undertook challenges on our behalf such as the London Marathon or Ride London, and our First Hand Experience supporters travelled abroad to see our work in person and undertake valuable building projects. We also continued to work with Community Fundraisers and groups, who organised their own activities to support us, and our Big Me campaign saw schools fundraising with their pupils. To celebrate the Royal Wedding in May, we entered into a commercial participation agreement with Wax Lyrical, who marked the occasion with a commemorative candle.

Our philanthropic supporters, including ActionAid Ambassadors, provided wonderful support at a high financial level, and were particularly generous during our Aid Match Campaign, as were the Trusts and Grant Making Foundations who support our work. 2018 also saw the launch of our Corporate Partnerships strategy, with aims to leverage the influence, reach and resources of companies to develop and deliver sustainable solutions.

### Fundraising standards

We work hard to maintain high standards in our fundraising activities. We work within the requirements of the Fundraising Regulator's Code of Fundraising Practice, the Gambling Commission's Licensing Codes & Conditions of Practice that govern our gaming activity, and we maintain membership of the Institute of Fundraising. We have had no significant failures to comply with these standards, and are proud to uphold them. We actively engage with each of these bodies as they undertake consultations or update guidance, and in 2018 we provided detailed feedback on the upcoming changes to the Code.

We report to our Trustees on fundraising compliance matters on a quarterly basis to ensure that they have oversight of our fundraising activities and can exercise their duties as per the Charity Commission's Fundraising Guidance (CC20). In 2018 we also developed our first Fundraising Assurance Framework, which outlines the steps that we take to provide Trustees with assurance that we are complying with our legal and moral duties in respect of fundraising. We will update this further in 2019 following an internal audit of our work against the requirements of the new Code of Fundraising Practice.

### Supporter data

We have a legal requirement to ensure compliance with the General Data Protection Regulation (GDPR), Data Protection Act 2018 (DPA18) and the Privacy and Electronic Communications Regulation (PECR), but we also believe in a strong duty of care above that required by law. Our processes are designed around our Every Supporter Matters philosophy, which embeds the principle of fairness in our culture. In 2018 we substantially reviewed our policies and practices to manage our compliance against the requirements of the new regulations. We also extended our Privacy Policy to outline our practice in greater detail to ensure that our supporters and potential supporters are duly informed as to how we use their personal data.

We undertook a large supporter survey in early 2018 with nearly 3,000 supporters responding to tell us their expectations on how we handle their data, and how we contact them. This fed directly into our policy development over the year, to ensure that we are truly supporter-led. We contact supporters for direct marketing purposes by telephone, email or text message only where we have their consent to do so. We may contact them by post where we feel that we have a legitimate interest, but will only do so where we have carefully assessed the implications of this and the supporter always remains in control, with the ability to stop post at any time. We keep this position under regular review to ensure that we continue to act in the best interests of our supporters, based on what they tell us that they expect.

### Working with Third Party Agencies

We work with a small number of carefully selected agencies on door-to-door, street, private site and telephone fundraising, to help us to deliver our Individual Giving programme in the most cost-effective way. We carefully monitor the work of these agencies to ensure that they uphold our high standards in the work that they do on our behalf. In 2018 we formalised this in an Agency Monitoring Framework, which covers our oversight of these agencies from due diligence prior to contracting, through ongoing monitoring such as call listening and mystery shopping, to regular review meetings to action any feedback. We also carried out an internal audit on the four agencies with whom we do the most face-to-face work, reviewing their policies, practices and ways of working. The results of this audit were extremely positive and we found substantial assurance in how these suppliers operate.

### Protecting people in vulnerable circumstances

Supporting ActionAid should be a positive experience for all existing and potential supporters and we strive to ensure that any interaction is conducted with respect, dignity and fairness. Our Treating Donors Fairly Policy outlines how we manage fair treatment of all supporters and potential supporters and how any individuals who may be in vulnerable circumstances or are unable to make an informed decision are protected. This policy is highlighted to all staff joining ActionAid and our team also trains any third-party fundraisers who work with us. All face-to-face and telephone agencies we use must abide by this policy as a condition of their contracts with us.

### Complaints

We take complaints extremely seriously and work hard to use any feedback from supporters and the public to review our practice and learn. Out of over 2.5 million contacts in 2018, we received a total of 123 complaints about our fundraising activity and were pleased to note that this is a drop of 27% from the 168 received in 2017. The complaints that we received largely related to direct mail (41%), face-to-face fundraising (19%) and telephone fundraising (8%). None of these complaints were deemed to be highly serious or referred to the Fundraising Regulator. All complaints are managed as per our complaints policy and in 2019 we will be further developing this to review how our complaints are classified.

# KEEPING PEOPLE SAFE

As an organisation whose purpose is to support some of the most potentially vulnerable women and girls anywhere in the world, we take the risk of abuse happening within our organisation very seriously. The best way to prevent such abuse is to be survivor-centred and to give survivors the confidence to come forward in the knowledge that they will be heard and believed.

As a member of the ActionAid International (AAI) Federation of development charities, the primary method by which ActionAid delivers its charitable objects is by delivering programmes to support people living in poverty and facing gross injustice. This is done by passing funds raised in the UK to other members of the AAI Federation, which in turn make grants to local organisations working in the communities which we serve, known as programme partners.

Globally, our structure is that safeguarding standards are set and performance against them monitored by the staff of AAI, known as the Global Secretariat. In 2018, AAI took a number of important steps to review and build upon our safeguarding policies and procedures to ensure they are robust, fit for purpose and reflect best and current practice. New staff with safeguarding expertise were recruited, changes were made to our policy framework covering child protection and Sexual Harassment, Exploitation and Abuse ('SHEA') at work, and we adopted a new global Code of Conduct for staff, volunteers and contractors who work on our behalf. A three-year SHEA and safeguarding strategy was agreed and is being implemented throughout 2019. We aim to ensure that our standards and procedures are implemented not only throughout our own organisation, but also those of our programme partners who deliver so much of our work. In line with our survivor-centred approach we provide medical support, legal support and psycho-social counselling as appropriate.

Where a safeguarding incident occurs in the UK it is for ActionAid to investigate and handle the matter, but since the majority of our work is undertaken overseas it is often in other countries that safeguarding reports are received. Where this is the case, it would be the responsibility of that country member of the AAI Federation to investigate in line with the processes and procedures upheld across the Federation. The AAI Safeguarding team have oversight of all country investigations to ensure that these are handled properly and that lessons learned from cases are implemented. For some of the more serious cases, the global safeguarding team might themselves carry out the investigation.

ActionAid Trustees are under a moral and legal duty to ensure that we do not cause harm to those we seek to support, employ, or work with. This means assuring themselves that there is a zero-tolerance approach to safeguarding violations wherever UK funds are being spent overseas. To enable the Board to maintain oversight of safeguarding matters both in the UK and overseas, Trustees receive a quarterly report on all cases where UK funding is involved, as well as a more general update on progress with implementing the safeguarding action plan. One member of the Board, Catharine Brown, has been designated Board Safeguarding Focal Person. She receives more regular updates and additional information on the progress of individual cases, so that she can report independently to the Board on whether she is satisfied that safeguarding is being properly handled in every case. If Trustees have concerns about the way that safeguarding standards are being implemented in a member country, they would support that country to improve, working with the Global Safeguarding Team. Ultimately if there is an ongoing risk to those we work with and the assurances received are not robust enough, then they would consider whether to continue funding that member. In this way, the Trustees of ActionAid maintain oversight of safeguarding across any work carried out around the world using funds raised in the UK, and work to fulfil their responsibility to protect those we seek to support through our programmes and those who have committed to work for us.

ActionAid's Safeguarding Policy is available on our website.

At ActionAid, we consider it essential that we prioritise creating an environment in which people feel safe to report incidents make them feel uncomfortable or threatened in any way. Staff and

programme participants need to feel confident that our safeguarding policies will protect and support them. Work has been done to promote a supportive organisational culture, for example by introducing a new Anti-Sexual Harassment Policy and by training qualified 'Mental Health First Aiders' able to assist colleagues with mental health and wellbeing. We have also committed to implementing feminist leadership principles across our organisation and this will help to ensure that staff are able to recognise abusive behaviour in all its forms and call it out.

Although we are saddened that anyone associated with us has experienced any form of harassment of abuse, or have concerns, we are very grateful to those who have come forward over the past year. Thanks to them, we have continued to improve our practices around safeguarding to ensure that we are and continue to be survivor-centred.

## Safeguarding statistics for 2018

The table below sets out the cases that ActionAid responded to in 2018, and the outcomes of these cases. It is important to note that these figures do not relate to the entire AAI Federation, but rather cases relevant to ActionAid the England and Wales-registered charity. This includes any incident which took place in the UK, where the complainant and/or the subject of the complaint is directly employed or volunteers for ActionAid, and also where any work overseas is funded from the UK. In the interests of transparency, we have included the figures for 2017, and have noted the number of cases that were carried over into 2019, since cases can take some time to be investigated. This gives a complete picture of the cases dealt with in 2018. The incidents included in the figures range from breaches of policy and verbal sexual harassment to sexual and non-sexual assault.

The increase in the number of reports received in 2018 compared to previous years indicates that people are more confident in coming forward to raise concerns that make them feel uncomfortable or threatened, and that they know that our safeguarding policies will protect and support them.

We have set out the figures so that it is possible to see how we are dealing with the complaints/reports we receive. However, it is important to note that a report can result in a range of outcomes explained in more detail below. It may be that the report cannot be fully investigated, or that after the investigation it is found not to be substantiated. If a report is substantiated there is a range of disciplinary action open to us if the subject of the complaint is a member of staff, but in some cases they are a third party not employed by us or one of our partners, so disciplinary action is not possible.

Our safeguarding policies make clear that reports received should always be responded to, where possible with an investigation. However, in a few cases, this is simply not possible, for example where the survivor does not name the subject of the complaint. Where we cannot carry out a full investigation, we will always look at ways of using the complaint to identify areas of focus, including changing behaviours, culture and abuse of power through training and awareness-raising, improvements to policies and procedures and enhancing the way in which we support survivors.

Where a report that an employee has abused another person is investigated and substantiated, we would launch disciplinary action in line with our policies and may also report the matter to the police where a crime has potentially been committed. In a few cases, resolutions exist besides disciplinary action, for example a staff member might be given additional training where the issue is that they have breached a minor aspect of one of our policies which could have put people at increased risk (but there is no allegation that they have abused anyone).

Lastly, we may not be able to discipline a person if they are not employed by us, directly or indirectly, but a concern is nonetheless reported to us. This might occur where the survivor is a participant in one of our programmes and feels safe to come to our staff/partners for help. In these cases, we will seek to support the survivor however we can and report the matter to the authorities.

Of all of the cases reported below, only one related to someone directly employed by ActionAid.

Adult programme participants (incl. community members)	2017	2018
Number of reports received	0	2
At the end of 2017 and 2018 respectively, how many open reports were carried forward into the following year?	0	2
How many reports were not investigated and are now closed?	0	0
How many reports were investigated and are now closed?	0	0
Out of the reports substantiated, how many resulted in dismissals?	0	0
Out of the reports substantiated, how many resulted in other disciplinary action?	0	0

Child programme participants (incl. community members)		
Number of reports received	0	7
At the end of 2017 and 2018 respectively, how many open reports were carried forward into the following year?	0	2
How many reports were not investigated and are now closed?	0	0
How many reports were investigated and are now closed?	0	5
Out of the reports substantiated, how many resulted in dismissals?	0	0
Out of the reports substantiated, how many resulted in other disciplinary action?	0	0

AA Staff/Volunteers (incl. relatives/partners/other NGO staff)		
Number of reports received	2	14
At the end of 2017 and 2018 respectively, how many open reports were carried forward into the following year?	0	4
How many reports were not investigated and are now closed?	0	0
How many reports were investigated and are now closed?	2	10
Out of the reports substantiated, how many resulted in dismissals?	0	2
Out of the reports substantiated, how many resulted in other disciplinary action?	0	3

# FINANCIAL REVIEW

In 2018 the income of ActionAid fell by 9.9% from £55.0 million to £49.6 million, following a decrease of 8.9% in 2017, driven by a reduction in restricted grant income.

## Income

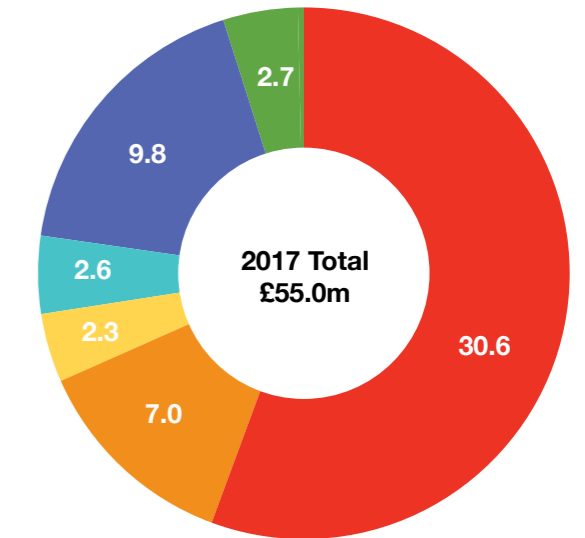
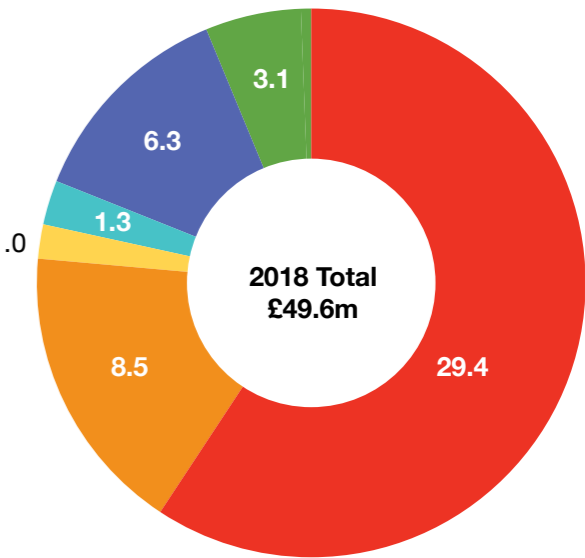
Grant income fell by 40% from £12.1m to £7.3m as a result of the difficulty in replacing grants that ended in 2017 and 2018. A significant driver of this was Brexit-related uncertainty; we were unable to lead consortia bids for ECHO projects and we were more cautious around the EC bids that we put forward, causing a fall in income from the European Union of £2.1m. In addition, Brexit has caused significant distraction to UK government departments meaning that a number of major grants which ended in 2018 have not yet been replaced. This includes Start DEPP and DFID BRACED funding, and led to a fall in income of £3.4m. Growing our restricted income is central to our new strategy and so investment continues in this area, with more focus on preparing the organisation for bidding for commercial contracts.

More than three quarters of our income in 2018 was in the form of donations and legacies. The income figure of £39.2m was a fall of 2.6% from £40.2m in the previous year. This was despite a significant year for legacy income that saw an increase on the previous year of £0.9m to £2.7m, and a successful AidMatch appeal that saw appeal income increase by £0.5m to £5.8m. However, the fact that there was only one DEC appeal in 2018 compared to three in 2017 saw DEC income fall by £1.3m in the year.

Committed giving fell by £1.2m (3.9%) to £29.4m in 2018, compared to a fall of £1.4m (4.5%) in 2017. Committed giving in 2018 has been impacted by the introduction of new restrictions on our activities as a result of fundraising and data protection regulation. Committed giving remains our most important source of income and we are immensely thankful for the commitment and loyalty of our financial supporters. Going forward, our strategy aims to grow committed giving through increased fundraising investment.

Although overall income fell, unrestricted income increased by £0.9m (3.3%) compared to 2017. The driver of the reduction in overall income was restricted income, which fell by £6.3m (22.2%) compared to 2017 and this had a direct impact on the level of granting we were able to make to the ActionAid Federation.

## Our income



	2018 £m	2017 £m
<b>Total income</b>		
<b>Committed giving</b>	29.4	30.6
<b>Appeals, individuals and legacies</b>	8.5	7.0
<b>NGOs, trusts and companies</b>	1.0	2.3
<b>DEC</b>	1.3	2.6
<b>Government and EU (including DFID PPA)</b>	6.3	9.8
<b>Trading income</b>	3.1	2.7
<b>Total</b>	49.6	55.0

As a result of the increase in unrestricted income, and unrestricted expenditure savings, particularly on vacant staff posts as recruitment to our new structure took longer than anticipated, we delivered an unrestricted surplus in the year of £2.7m and an overall surplus of £3m.

We receive income from a number of sources and the proportions have not changed significantly from 2017, with committed giving from individuals as the largest element. Funding from individuals is the best guarantee of our true independence as a charity.

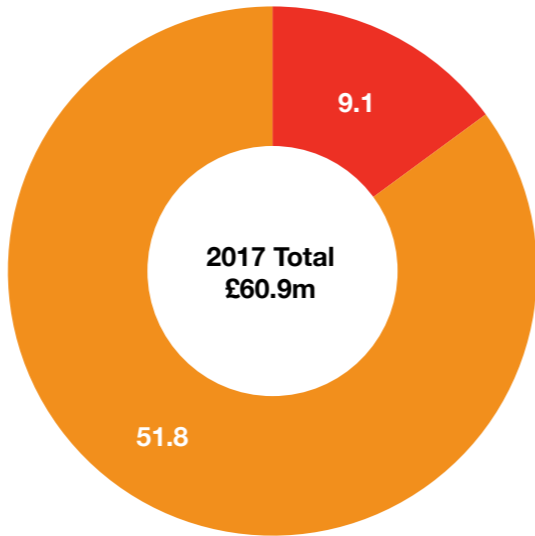
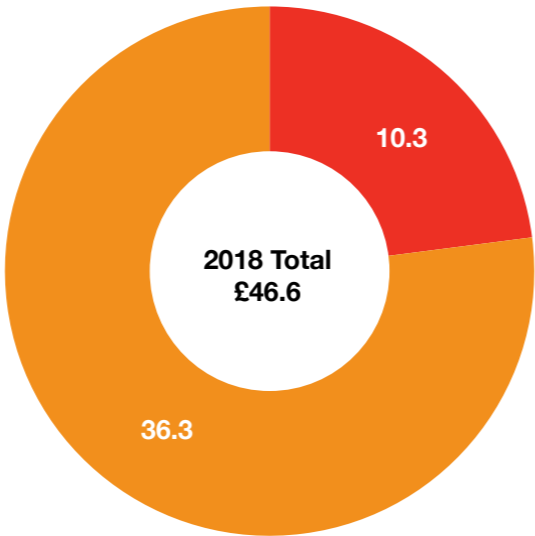
Expenditure

In our new strategy, we have committed to increasing the level of resources that we send to the Federation in the future. 2018 therefore saw a shift in expenditure to increase fundraising investment. Overall, expenditure was £46.6m, down from £60.9m in 2017.

The decrease in expenditure is due to a £15.5m reduction in spending on charitable activities to £36.3m in 2018, with a reduction in the amount of grants to the ActionAid International Federation the main driver of this, being down from £42.6m to £29.8m. The decline in grants is a direct result of the decrease in restricted income received during the year as noted above. However, it also reflects the fact that in 2017 we were able to grant away a lot more of our restricted funds and reduce our overall restricted reserves by £5.2m in that year. In particular, grants related to Emergency and Humanitarian relief fell significantly as a result of Brexit-related challenges in securing ECHO funding, two large Disaster Emergency Preparedness Programmes ending in early 2018 and not being replaced, and the completion of a number of large DEC appeals in 2017 and 2018. However, emergency and humanitarian relief remains a key pillar of our new strategy and there is a focus on boosting income and grants in this area in the future.

As a result of this reduction in grants, the percentage of total expenditure in the UK on charitable activities in 2018 was down to 78% from 85% in the previous year. We would expect this proportion of expenditure on charitable activities to remain at a similar level over the next few years as we continue to invest in fundraising up to 2022. Our charitable activities include grants to the ActionAid International Federation, emergency and humanitarian work, campaigning and policy influencing in the UK and overseas, and education work in the UK in support of our charitable objects. The focus of these activities is to enable people living in poverty to hold governments and companies to account, to improve

Our expenditure



the quality of public education and services, respond to emergencies and to promote the rights of women and girls.

In line with our strategy we increased our investment in fundraising expenditure to £10.3m (2017: £9.1m) including an allocation of £2.5m of support and governance costs, up from £2.3m in 2017. Support and governance costs are allocated to Fundraising and Charitable activity expenditure based on the number of staff employed working in each of these areas. Whilst support and governance costs have actually reduced from £5.8m in 2017 to £4.9m in 2018, as a result of the number of staff working in fundraising

increasing in 2018, 51% (2017: 40%) of these costs have been allocated to fundraising costs. This is the first time that more than half of these costs have been allocated to fundraising costs. While this demonstrates our commitment to investment in future fundraising, we are also carefully monitoring the long-term effectiveness and income returns from these investments to ensure that they offer best value to maximise income.

How was the money spent?

The chart on the right shows our 2018 expenditure on charitable activities. ActionAid has made grants to ActionAid International to assist country programmes to deliver against our ambitious strategy and to strengthen our global Federation. We also undertake activities in the UK in pursuit of our global mission.

Our expenditure on our charitable work is further split out, on the right, between key activities.

Reserves

Reserves are funds that we are yet to spend. Our supporters and donors expect that their money will help us to realise our vision in an appropriate timeframe and for this reason we do not hold excessive reserves.

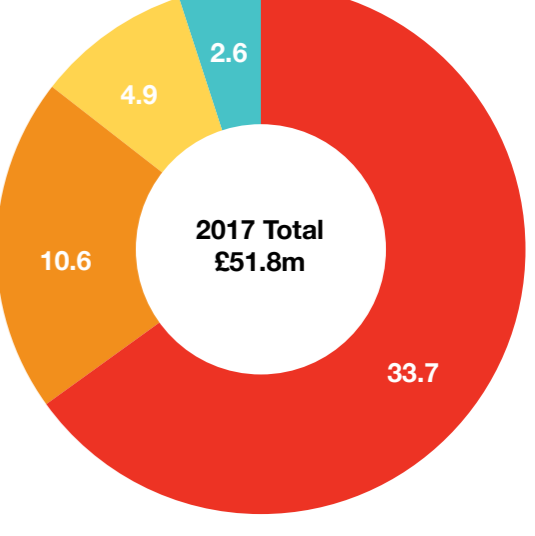
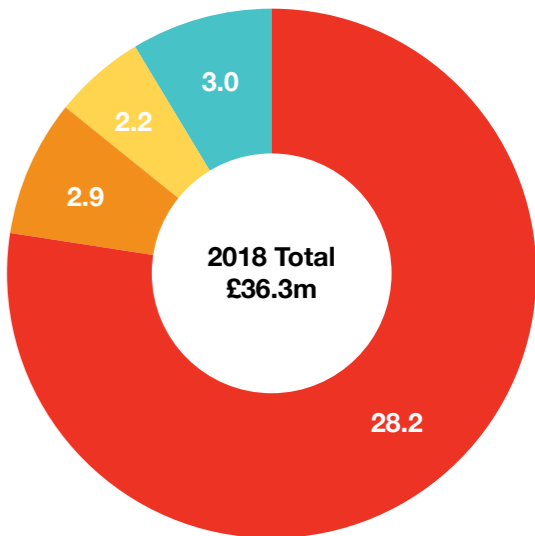
Our restricted reserves represent funds received for specific project work. Our restricted reserves rose from £3.5m to £3.9m as funds were received in advance of them being remitted to country programmes, particularly in relation to the Indonesia tsunami emergency programme.

Our policy for General Fund reserves is to retain a minimum of 2.6 months of planned annual expenditure (equivalent to £4.1 million). The Trustees believe that this balances the need to apply funds to our mission while at the same time ensuring there are sufficient funds to run our day-to-day activities, to pre-finance some projects and to protect us from unanticipated shocks.

Our general reserves rose to £10.1 million at the end of 2018 (£7.4 million in 2017) which represents 6.4 months of planned annual expenditure (5.5 months in 2017). Of these general reserves, the following amounts have been earmarked:

- £0.6m for existing projects in country programmes to be funded in 2019;
- £1.6m for investment in new systems, including a new data warehouse and a new customer relationship management system; and

Our charitable expenditure



Charitable activities	2018 £m	2017 £m
Grants to AAI and Federation members	28.2	33.7
Emergency and humanitarian response	2.9	10.6
Campaigning and policy influencing	2.2	4.9
Education work	3.0	2.6
Total	36.3	51.8

- £3.5m for fundraising investment between 2019 and 2022 required to grow the level of grants sent to the ActionAid Federation, in line with our financial strategy for the period.

These plans allow us to grow, while maintaining the minimum reserve levels required. We believe this is an acceptable level, particularly given the ongoing Brexit risks to the general economy and the impact this may have on funding streams. Our current strategy forecasts that the general reserve will fall over the next three years to the policy level of 2.6 months, as reserves are used to fund new systems and the fundraising investments required to deliver the strategy as noted above.

ActionAid's Board of Trustees have established designated reserves that relate to; our holding of tangible fixed assets £0.4m, Emergency and Humanitarian response £0.5m, Emergency Response Fund £0.25m, and exchange rate movement £0.5m. Further details of these funds can be found in Note 14. The balance of this reserve at the end of 2018 was £1,635,000 (2017: £1,628,000). We will review all of these designated funds in 2019 to ensure that they are still appropriate to maintain for the organisation, particularly those that have had little or no movement since being set up.

ActionAid's cash position at the end of the year stood at £15.3m and consisted of both restricted and unrestricted funds. This represents an increase of £2.3m from 2017 and is due to the increase in cash receipts in relation to legacies and reduced unrestricted expenditure as a result of having significant vacant posts during 2018.

## Grant-making policy

Funds are granted to the ActionAid Federation members in two ways:

- We grant funds to ActionAid International for wider disbursement to the Federation's country programmes and their partners, according to the management agreement that exists between ActionAid and ActionAid International;
- We grant funds directly to country programmes according to the grant agreement existing between ActionAid and the ActionAid International members for that particular grant agreement.

On occasion we also make grants to other carefully-selected charities where it is deemed that this is the most effective way of delivering our charitable aims.

## AA International's finances

These accounts reflect the financial performance of the England and Wales-registered charity, which is a member of the ActionAid International Federation. To find out more about ActionAid International's work or finances, see: [www.actionaid.org](http://www.actionaid.org).

# PRINCIPAL RISKS AND UNCERTAINTIES

**ActionAid operates in a rapidly changing environment where it is critical to identify and mitigate the principal risks faced by the organisation. The Board of Trustees have ultimate responsibility for risk management within ActionAid, including risks related to the use of funds in country programmes in receipt of UK funds. Operational responsibility for managing risks on a day-to-day basis is delegated to the Chief Executive and the Senior Leadership Team.**

Trustees are satisfied that appropriate internal control systems are in place within ActionAid to manage the key strategic and operational risks that are identified. The following framework provides the Trustees with assurance that systems are in place to manage risks:

The Board of Trustees receives regular reports on performance against the Board-approved strategy, annual plans and budgets. The Board also reviews the work of its respective Committees and the Senior Leadership Team on the oversight and management of significant risks and considers the adequacy and effectiveness of mitigating actions to reduce the impact of identified risks;

- The Board of Trustees has oversight of our public communications strategy. It ensures that we are fundraising in a manner which is in line with both our legal obligations and public expectations of charities, and that associated risks are identified and managed appropriately;
- The Performance, Finance and Audit Committee has oversight of organisational risks and the internal controls framework within which we operate. The Committee approves the ActionAid risk-based internal audit plan, reviews the ActionAid International audit plans and ensures appropriate coverage across operational functions and activities. The Committee receives summaries of all internal audit reports, regular progress reports and updates on the status of organisational risks and associated mitigating actions that are in place;
- The Senior Leadership Team reviews the significant organisational risks on a regular basis and ensures that the internal control system within which ActionAid operates is effective in managing identified risks. The Senior Leadership Team considers new and emerging risks, reviews internal audit and risk management reports and assesses progress on implementing mitigating actions;
- We recognise both our legal obligation and moral duty to safeguard funds entrusted to us and have zero tolerance of fraud, bribery, corruption and terrorist financing. In addition to policies and procedures for raising complaints and grievances, there is also a whistleblowing policy whereby members of staff or volunteers can raise suspicions of wrongdoing, risk or malpractice within the organisation; and
- There are operational, communication and reputation management plans in place to help ensure the effective and timely management of risks associated with the increasing scrutiny of the charity sector including fundraising practices and the efficient use of resources.

Our most significant risks and mitigating actions, covering our work in the UK and our work in support of ActionAid International, are reviewed on an annual basis by the Senior Leadership Team and the Trustees. These are set out as follows:

Risks

**Safeguarding:** Our programmes work with vulnerable adults and children. A failure in our safeguarding practice could contribute to harm to vulnerable adults or children.

**Customer Relationship Management (CRM) and Data Warehouse:** A review in 2018 highlighted that our current CRM and data warehouses need replacing as the system has aged and there is limited knowledge in the organisation to keep it performing at the required level.

**Assurances on Federation systems:** ActionAid relies on the ActionAid International’s Global Secretariat for cross-Federation assurance on compliance with policy and regulation. We reviewed the current level of assurance being provided and are working with the Global Secretariat to strengthen the process, frequency and follow-up on assurance from all countries in regard to compliance with key policies and processes.

**Funding our strategy:** The current political and economic environment continues to impact our ability to raise funds cost effectively and to fund the delivery of our strategy.

**Trust in charities:** Declining trust in charities, combined with increased regulation and media/public scrutiny, will continue to require increased assurances on the adequacy and effectiveness of our systems and processes, especially on our effective and efficient use of resources and fundraising practice.

**Public identity:** ActionAid’s programming work focuses on women and girls’ rights and we are aligning our public identity accordingly. The AAI Federation’s programme on combatting violence against women and girls will also feature in this identity. However, this carries a higher risk of: vicarious trauma for people viewing our communication materials, to staff and volunteers developing related communication materials and potential risk to our activities and the programme participants that we work with.

**Coordination with member countries and capacity to deliver programmes:** Without effective coordination between country programmes and ActionAid in our dealings with UK stakeholders, our ability to raise funds, influence policy and campaign in the UK may be adversely affected. The financial sustainability of some member countries and their capacity to deliver programmes may also reduce opportunities to work in those countries.

Mitigating actions

ActionAid receives attestations from all country programmes in receipt of UK funds with regards to their safeguarding practice and procedures. Mitigating actions to improve controls were identified and followed up through AAI.

A global safeguarding lead has been appointed to coordinate the Federation’s work on safeguarding and developing a new framework of related policies, systems and processes. This includes the appointment and training of safeguarding focal points across all country programmes.

In 2018 we developed a high-level approach to replacing our CRM and data warehouse systems and allocated funding from our reserves to cover the cost. In 2019 we will recruit specialists to work with us and procure a supplier and start the process of implementing a new system.

A new Contract Management System and Global Finance System are being implemented. These will strengthen assurance on financial reporting and contract management once fully implemented across all countries.

We have agreed a programme of work to strengthen assurance with the Global Secretariat. We will continue to monitor the delivery of this during 2019. We use internal and external audit reports and other reviews to check and strengthen ActionAid’s approach to assurance.

We will continue to explore new sources of income while focusing on stabilising and growing supporter acquisitions in the UK. We will also continue with our programme of cost efficiency projects and have worked with ActionAid International on the new Federation-wide resource mobilisation strategy and allocation plan.

We continue to review our compliance with fundraising laws, regulations and best practice. We have arrangements in place to monitor compliance of fundraising agencies we work with and continue to work on initiatives to increase our organisational effectiveness, systems and processes.

We have appointed more staff who are specialised in communicating women and girls’ rights content and strengthened our training for all staff involved in related communications.

In our public communications we explain our focus on women and girls’ rights and our rights-based understanding of poverty. We also take part in coalitions that are seeking to make the case to the public for international development. We have also updated our content collection policies and processes to reflect the increased safeguarding requirements of communicating on women and girls’ rights, especially violence against women and girls.

We are working with ActionAid International to communicate and reinforce guidelines on working with UK stakeholders. A Contract Management System is being rolled out and once this is complete ActionAid will be better able to identify countries that have a relationship with UK stakeholders and manage associated risks.

GOVERNANCE, LEADERSHIP AND TRUSTEE DECLARATION

**Our accountability is to people living in poverty and injustice, and also to our supporters here in the UK, to ensure that they have confidence in how we use our resources.**

ActionAid is a full affiliate member of ActionAid International (AAI), an association registered in The Hague (Netherlands), and with its global secretariat and head office in Johannesburg, South Africa.

Financial statements have been prepared in accordance with the accounting policies and comply with the charitable company’s Memorandum and Articles of Association, applicable laws and requirements of Accounting and Reporting by Charities: Statement of Recommended Practice (Charities SORP FRS102).

ActionAid is an England & Wales and Scotland-registered charity and also a company limited by guarantee. We are governed by a Board Of Trustees who are also considered directors under company law.

ActionAid has a wholly-owned subsidiary – ActionAid Enterprises Limited (company number 05011412). The company did not trade in the year ending 31 December 2018.

Public benefit

Full details of how ActionAid provides a benefit to a sufficient section of the public in line with our charitable purposes is set out in the Strategic Review section of this report. ActionAid has made grants of just over £29.3m to ActionAid International in 2018 to assist country programmes to deliver against our ambitious strategy and strengthen our Federation. Please refer to note 7 in the accounts for the detail.

The Trustees confirm that in setting objectives and planning activities for 2018, they gave consideration to the Charity Commission’s public benefit guidance.

The ActionAid Board of Trustees

ActionAid’s Board of Trustees is charged with ensuring a sharp focus on our mission and values. We set the strategic direction, ensure that we are financially sound and answerable to people living in poverty and injustice around the world and to our supporters in the UK, and make certain that we are compliant with all the relevant laws and regulations. We take seriously our responsibility to safeguard funds entrusted and have a zero tolerance policy on fraud, bribery and corruption.

The Board delegates day-to-day decision-making and operations to the Chief Executive and the Senior Leadership Team. The Board meets formally four times a year, and holds an annual away-day to consider ActionAid’s strategic direction given the changing context in which international development charities operate.

There are two committees of the Board:

- **The Performance, Finance and Audit Committee** is responsible for assurance oversight of the highest standards of integrity, financial reporting and internal control. In addition to reviewing organisational performance and results against the Annual Plan, the committee also makes certain that ActionAid's systems of financial control comply with legal requirements and provide reasonable assurance against material misstatement or loss. It also has oversight of safeguarding across our organisation.
- **The Governance and Relationships Committee** has responsibility for good governance across the organisation including overseeing governance reviews and managing the Board Development Plan, which sets clear objectives for the Board's work plan and development. It acts as a nominations committee for appointments to the Board's committees, as well as having oversight of the recruitment and induction of new Trustees. The Governance and Relationships Committee also focusses on the relationships between ActionAid, ActionAid International and other countries within the Federation, as well as leading our input into international policy, principles and governance structures, especially the General Assembly of AAI. Lastly, the Committee has oversight of remuneration, setting overall salary policy for ActionAid and making recommendations to the Board regarding the salary of the Chief Executive.

In addition to these two formally-constituted Committees, there is also the **Insight and Foresight Group**, which meets two to three times a year. This Group has no set membership, though Trustees are asked to attend at least one meeting per year. The Group has a roving brief to look in depth at the major strategic matters affecting ActionAid in a generative way. In 2018 there were two meetings of the Insight and Foresight Group, to consider the impact of Brexit on ActionAid and the digital footprint of our organisation respectively.

The Board Chair and the Committee chairs meet regularly as an informal committee known as the Chairs Group to provide strong cohesive leadership and effective coordination.

The ActionAid Board plays an active role in the AAI General Assembly, the top-level decision-making body within the Federation. AAI also nominates a representative as a member of the ActionAid Board with our agreement. The AAI Representative to the ActionAid Board, Marilyn Aniwa, stepped down in March 2018 after a four-year term. This role remained vacant for the rest of 2018 while ActionAid and AAI discussed the appointment of a new Representative.

Trustees, including the Chair, are recruited by open selection and are appointed for a four-year term, renewable for a further four years. Two new Trustees were appointed in 2018. New Trustees receive a tailored induction and all Trustees take part in additional training throughout the year to ensure they continue to develop their skills as Trustees and are aware of relevant legislative changes.

Skills audits allow us to maintain Board diversity and skills that are appropriate to current and future challenges. There are regular governance reviews, usually every two to three years, the last one being in 2017. Annual Trustee appraisals ensure that Trustees receive the information and development opportunities they need to make an effective contribution to ActionAid's governance.

AAI and ActionAid together pay for Trustee Indemnity Insurance for the ActionAid Trustees.

## Trustee responsibilities for reporting and financial statements

The Trustees (who are also directors of ActionAid for the purposes of company law) are responsible for preparing the report of the Trustees including the Strategic Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. These statements must give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware there is no relevant audit information of which the charitable company's auditor are unaware; the Trustees have taken all steps that they ought reasonably to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website.

Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

## Internal control

The Trustees have overall responsibility for ActionAid's systems of internal control. Trustees recognise that systems of control can only provide a reasonable and not complete assurance against inappropriate or ineffective use of resources, or against the risk of errors or fraud.

Trustees remain satisfied that ActionAid's systems provide reasonable assurance that the charity operates efficiently and effectively, safeguards its assets, maintains proper records and complies with relevant laws and regulations.

# CORPORATE DIRECTORY

## Board of Trustees

Name	Office	Date of appointment/resignation
Patricia Whaley	Interim Chair  ActionAid International Assembly Representative	appointed 19 March 2010 appointed as Interim Chair 16 May 2018
Margaret Casely-Hayford	Chair	appointed 15 May 2014 appointed as Chair November 2014 resigned as Trustee and Chair 15 May 2018
David Todd	Honorary Treasurer	appointed 9 October 2014
Kath Abrahams		appointed 13 December 2018
Marilyn Aniwa	ActionAid International Representative	appointed 6 March 2014, resigned 6 March 2018
Noelie Audi-Dor		appointed 10 March 2016
Catharine Brown		appointed 12 March 2015
Alex Cobham		appointed 14 May 2015
Giles Fernando		appointed 1 October 2013
Sophie Healy-Thow		appointed 10 March 2016
Joanna Maycock		appointed 4 December 2014
John Monks		appointed 1 October 2013
Helen Pankhurst		appointed 21 July 2017
Gemma Peters		appointed 1 July 2011 resigned 1 July 2018
Marie Staunton		appointed 13 December 2018

## Governance and Relationships Committee

Name	Office	Date of appointment/resignation
Patricia Whaley		appointed as member and Chair 4 December 2014 resigned as Chair 28 February 2019
Margaret Casely-Hayford		appointed 9 October 2014, resigned 15 May 2018
Gemma Peters		appointed 24 September 2015 resigned 1 July 2018
Marilyn Aniwa		appointed 1 January resigned 27 March 2018
Alex Cobham		appointed 1 January 2018

ActionAid operates a comprehensive accountability system. This includes an annual plan and budget, both of which are approved by the Board. Trustees consider actual results compared with plans and forecasts, and non-financial performance data. Other controls include delegation of authority and segregation of duties. The internal audit function reviews the effectiveness of internal controls and submits reports to the Performance, Finance and Audit Committee.

## Members' guarantee

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 December 2018 was 12 (2017: 13).

## Auditor

Sayer Vincent LLP was reappointed as the charitable company's auditor during the year. The firm is willing to continue in that capacity.

The report of the Trustees including the Strategic Report was approved by the Trustees on 14 June 2019 and signed on their behalf by:

**Patti Whaley**  
(Interim Chair)

**David Todd FCA**  
(Treasurer)

Joanna Maycock		appointed 1 January 2018
Sophie Healy-Thow		appointed 1 January 2018
Helen Pankhurst	Chair	appointed 1 January 2018 appointed as Chair 28 February 2019
Noelie Audi-Dor		appointed 27 September 2018

## Performance, Finance and Audit Committee

Name	Office	Date of appointment/resignation
David Todd	Chair	appointed as member and Chair 9 October 2014
John Monks		appointed 12 December 2013
Catharine Brown		appointed 24 September 2015
Giles Fernando		appointed 24 September 2015
Patricia Whaley		appointed 27 March 2018

Further information about the Trustees is available on the ActionAid website:

[www.actionaid.org.uk/about-us/our-trustees-and-directors](http://www.actionaid.org.uk/about-us/our-trustees-and-directors)

## Senior Management Team

- Girish Menon, Chief Executive
- Janet Convery, Director of Communications and Public Engagement (stepped down 3 January 2018)
- Orla Fee, Director of Communications and Public Engagement (appointed 22 January 2018)
- Edward Tait, Director of Fundraising (appointed 26 February 2018)
- Helen Pattinson, Interim Director of Fundraising (stepped down 31 March 2018)
- John Good, Chief Operating Officer
- Dorcas Erskine, Director of Policy, Advocacy and Programmes (stepped down 3 August 2018)
- Mike Noyes, Interim Director of Policy, Advocacy and Programmes (from 21 March to 30 April 2018, and from 1 July 2018 onwards)

## Patron

His Royal Highness, The Prince of Wales

## Legal and Administrative Information

### Auditor

Sayer Vincent LLP  
4th Floor  
Invicta House  
108-114 Golden Lane  
London  
EC1Y 0TL

### Solicitors

Bates, Wells & Braithwaite LLP  
10 Queen Street Place  
London  
EC4R 1BE

### Bankers

Lloyds Banking Group  
25 Gresham Street  
London  
EC2V 7HN

### Company Secretary

Jessica Holifield

Registered Office 33–39 Bowling Green Lane, London, EC1R 0BJ

Tel: 020 3122 0561 Email: [mail@actionaid.org](mailto:mail@actionaid.org) Web: [www.actionaid.org.uk](http://www.actionaid.org.uk)



Wahida, 27, pictured with her two-year-old son, Habibi. Wahida and Habibi were among the thousands affected by a series of earthquakes that hit Indonesia's Central Sulawesi province in late September.

# ANNUAL REMUNERATION STATEMENT FOR 2018

## 1. Summary

This is ActionAid's annual governance statement for remuneration. The Deputy Director of People and Culture confirms that the organisation has complied with its salary policy during 2018.

There were no ex gratia payments or tribunal judgements against us relating to employment or remuneration matters during the year.

## 2. Governance Arrangements for Remuneration

A committee of the Board of Trustees ensures that there is a formal transparent policy and process for agreeing the level of available funds for salaries of all staff. The Board also sets the remuneration of the Chief Executive.

The aim of the approach is to balance the need to attract, retain and motivate high quality individuals who deliver high levels of impact against our mission with the financial considerations of being a charity. To inform these decisions, and to ensure that our approach is fair, we benchmark our pay awards with comparator organisations using various data sources, the consumer price index and affordability to ensure that we remain financially sustainable.

## 3. Remuneration Policies (salary and benefits)

All employees can view our remuneration and benefits policies, and we openly share with them how the annual pay award has been decided. This is ratified by the Trade Union (Unite) each year. The policies are aligned to the organisation's mission, vision and values while being cognisant of the market place and financial landscape within which we operate.

A key reference point from this (although not formally encapsulated in our salary policy) is the ratio between the highest and lowest-paid employee (our apprentices) and we maintain a ratio of under 5:1. We are a Living Wage employer and champion the Living Wage initiative. We are an active member of the Charity Pay club sharing pay data and information that helps us to benchmark salaries and benefits with similar organisations in the sector. We also use other external data sources (including XperthHR and Croner) to compare ActionAid to similar organisations in size and scope. Taking data from a range of different sources produces a robust and consistent picture of the market enabling us to compare our salaries to the median level of base pay that other organisations pay for similar roles at our job size level, functionality and location.

A summary of our remuneration policy is available on request.

## 4. Review of the Year

Remuneration is overseen by the Board's Governance and Relationships Committee, which met three times in 2018. It ensures that our Remuneration Policies (salary and benefits) are adhered to and also that we remain compliant with the recommendations of the NCVO guidelines on senior pay.

The annual pay negotiations with the Trade Union were successfully completed in 2018 for 2019.

ActionAid's Gender Pay Gap Report is available on our website.

## 5. Senior staff pay

As per the NCVO guidelines the following states the numbers of senior members of staff at each of the relevant pay bands. This is not what they actually earned in 2018 and thus differs from what is set out in Note 8 to the accounts, but reflects their salary band at the end of 2018.

Pay bands	Number of staff members in band during 2018 <i>taking into account their fixed term equivalent salary (as some individuals are part-time)</i>
£100,000 to £110,000	1
£90,000 to £99,999	1
£80,000 to £89,999	0
£70,000 to £79,999	6
£60,000 to £69,999	7

Our CEO was paid £102,333 in 2018.

Members of our senior management team (excluding the Chief Executive) were paid a total of £340,034 for 2018. The total figure is higher in 2018 than it would otherwise have been, to account for hand-over periods (when both an outgoing and an incoming director were employed at the same time) and also periods when deputy directors were acting up to cover absence. This figure does not include pension contributions or employer NI contributions, and therefore differs from the SORP report.

## 6. Future plans

We are one-year into our new five-year strategy. In 2019, we will be undertaking a review of how we reward and recognise employees, benchmarking salaries and benefits against other, similar organisations to ensure that our pay provision remains objective, fair and consistent while also maintaining transparency.

# INDEPENDENT AUDITOR'S REPORT

Independent auditor's report to the members of ActionAid

## Opinion

We have audited the financial statements of ActionAid (the 'charitable company') for the year ended 31 December 2018 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the charitable company's affairs as at 31 December 2018 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended)

## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- The Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- The Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

## Other information

The other information comprises the information included in the Trustees' Annual Report, including the strategic report, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- The information given in the Trustees' Annual Report, including the strategic report, for the financial year for which the financial statements are prepared, is consistent with the financial statements
- The Trustees' Annual Report, including the strategic report, has been prepared in accordance with applicable legal requirements.

## Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report, including the strategic report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- Adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- The financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of Trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit.

## Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities set out in the Trustees' annual report, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

## Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are

required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

## Use of our report

This report is made solely to the charitable company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's 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 charitable company and the charitable company's members as a body, for our audit work, for this report or for the opinions we have formed.



**Noelia Serrano** (Senior statutory auditor)

14 June 2019

for and on behalf of Sayer Vincent LLP, Statutory Auditor  
Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006

# STATEMENT OF FINANCIAL ACTIVITIES

for the year ended 31 December 2018 incorporating  
an income and expenditure account

	Notes	Restricted funds (£'000)	Unrestricted funds (£'000)	2018 Total (£'000)	Restricted funds (£'000)	Unrestricted funds (£'000)	2017 Total (£'000)
<b>Income</b>							
Income from:							
– Donations and legacies	2a	14,821	24,348	<b>39,169</b>	16,920	23,297	40,217
– Investment income	2c	-	46	<b>46</b>	-	8	8
Income from charitable activities:							
– Grants	2b	7,290	42	<b>7,332</b>	11,523	610	12,133
– Trading income from charitable activities	2b	-	-	<b>-</b>	-	9	9
Income from other trading activities	2d	1	3,052	<b>3,053</b>	-	2,670	2,670
<b>Total Income</b>		<b>22,112</b>	<b>27,488</b>	<b>49,600</b>	<b>28,443</b>	<b>26,594</b>	<b>55,037</b>
<b>Expenditure on:</b>							
Raising funds:							
– Raising funds	4	283	10,028	<b>10,311</b>	228	8,895	9,123
– Fundraising trading: costs of goods sold and other costs	4	-	3	<b>3</b>	-	33	33
Charitable activities	6	21,547	14,744	<b>36,291</b>	33,450	18,293	51,743
<b>Total Expenditure</b>		<b>21,830</b>	<b>24,775</b>	<b>46,605</b>	<b>33,678</b>	<b>27,221</b>	<b>60,899</b>
<b>Net income / (expenditure)</b>		<b>282</b>	<b>2,713</b>	<b>2,995</b>	<b>(5,235)</b>	<b>(627)</b>	<b>(5,862)</b>
Gross transfer between funds	15	42	(42)	<b>-</b>	-	-	-
<b>Net income/ (expenditure) for the year before other recognised gains and losses</b>		<b>324</b>	<b>2,671</b>	<b>2,995</b>	<b>(5,235)</b>	<b>(627)</b>	<b>(5,862)</b>
<b>Exchange rate gains (losses)</b>	7	<b>49</b>	<b>56</b>	<b>-</b>	<b>(113)</b>	<b>(113)</b>	<b>(113)</b>
<b>Net movement in funds</b>		<b>331</b>	<b>2,720</b>	<b>3,051</b>	<b>(5,235)</b>	<b>(740)</b>	<b>(5,975)</b>
<b>Total funds brought forward at 1 January</b>		<b>3,523</b>	<b>9,027</b>	<b>12,550</b>	<b>8,758</b>	<b>9,767</b>	<b>18,525</b>
<b>Total funds carried forward at 31 December</b>		<b>3,854</b>	<b>11,747</b>	<b>15,601</b>	<b>3,523</b>	<b>9,027</b>	<b>12,550</b>

The notes on pages 60–80 form part of these financial statements. There are no recognised gains and losses other than those shown above. Movements in funds are disclosed in notes 14 and 15 to the financial statements.

All income and expenditure derives from continuing activities.

# BALANCE SHEET

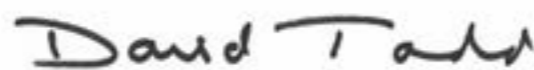
as at 31 December 2018

	Notes	2018 £'000	2017 £'000
<b>Tangible fixed assets</b>	11	<b>373</b>	422
<b>Current assets</b>			
Debtors	12	<b>3,270</b>	3,574
Cash equivalent on deposit		<b>4,000</b>	750
Cash at bank		<b>11,313</b>	12,291
		<b>18,583</b>	16,615
<b>Liabilities</b>			
Creditors: amounts falling due within one year	13	<b>3,355</b>	4,487
<b>Net current assets</b>		<b>15,228</b>	12,128
<b>Net assets</b>		<b>15,601</b>	12,550
<b>Funds</b>			
Restricted funds	15		
– Income funds		<b>3,854</b>	3,523
Unrestricted funds			
– Designated funds	14	<b>1,635</b>	1,628
– General funds		<b>10,112</b>	7,399
<b>Total funds</b>		<b>15,601</b>	12,550

Approved by the Trustees and signed on their behalf by



**Patti Whaley**  
(Interim Chair)



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(Treasurer)

**Date** 14 June 2019  
Registered in England and Wales – company no. 01295174

# STATEMENT OF CASH FLOWS

for the year ended 31 December 2018

	2018 (£'000)	2017 (£'000)
<i>Cash flows from operating activities</i>		
Net cash provided by / (used in) operating activities	<b>2,245</b>	(4,705)
<b>Cash flows from investing activities</b>		
Interest received	<b>46</b>	8
Proceeds from the sale of fixed assets	-	-
Purchase of tangible fixed assets	<b>(75)</b>	(40)
<b>Net cash provided / (used in) by investing activities</b>	<b>2,216</b>	(4,737)
<b>Change in cash and cash equivalents in the year</b>	<b>2,216</b>	<b>(4,737)</b>
Cash and cash equivalents at the beginning of the year	<b>13,041</b>	<b>17,891</b>
Change in cash and cash equivalents due to exchange rate movements	<b>56</b>	<b>(113)</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>15,313</b>	13,041

	2018 (£'000)	2017 (£'000)
<i>Reconciliation of net income / (expenditure) to net cash flow from operating activities</i>		
Net movement in funds	<b>3,051</b>	(5,975)
Depreciation	<b>81</b>	131
Decrease / (Increase) in debtors	<b>304</b>	1,261
(Decrease) / Increase in creditors	<b>(1,132)</b>	(227)
Loss on sale of fixed assets	<b>43</b>	-
Interest receivable	<b>(46)</b>	(8)
Exchange rate movements	<b>(56)</b>	113
Net cash provided by / (used in) operating activities	<b>2,245</b>	(4,705)

	2017 (£'000)	Cashflows (£'000)	Other (£'000)	2018 (£'000)
<i>Analysis of cash and cash equivalents</i>				
Cash at bank	12,291	(1,034)	56	<b>11,313</b>
Cash Equivalent on deposit	750	3,250	-	<b>4,000</b>
<b>Total cash and cash equivalents</b>	<b>13,041</b>	<b>2,216</b>	<b>56</b>	<b>15,313</b>

# NOTES FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 31 December 2018

## 1. Accounting policies

### Statutory information

ActionAid is a charitable company limited by guarantee and is incorporated in the United Kingdom. The registered office address is 33–39 Bowling Green Lane, London EC1R 0BJ.

### Basis of accounting

These financial statements are prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2015) – (Charities SORP FRS102), the Financial reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (September 2015) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

In applying the financial reporting framework, the Trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

### Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

### Going concern

The Trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern. The Trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

### Trading Subsidiary

There was no activity in the subsidiary undertaken in the year and therefore the accounts are not consolidated.

### Country Programmes

ActionAid maintains legal ownership of a number of overseas country programmes which are no longer included in these financial statements. This treatment reflects the operational organisation of the programmes as their activities, assets and liabilities are under the direction of ActionAid International and are deemed to be 'controlled' by the ActionAid International board following internationalisation. Although assets may revert to ActionAid in the highly unlikely event that the internationalisation process is halted, the economic rights and obligations connected with country programmes have been transferred to ActionAid International under the terms of various formal agreements between the entities.

### Fund accounting

All funds raised by ActionAid are used in the furtherance of its charitable objects. There are two types of funds as follows:

Notes forming part of the financial statements for the year ended 31 December 2018

## 1. Accounting policies (continued)

**Restricted** funds are raised on the basis of an agreement or understanding with the donors that their use will be restricted to certain specified projects, activities or areas of operation. These restricted funds are accounted for separately.

**Unrestricted** funds are those that are spent at the discretion of ActionAid's Trustees for use on any of the charity's general charitable purposes. With the consent of the relevant donors, tax recovered through Gift Aid is generally treated as unrestricted.

**Designated** funds are unrestricted funds that have been set aside by the trustees for a specific purpose.

The accounting for sponsorship and other committed giving income is in accordance with the information provided to supporters. For all child sponsorships commencing after 2003, income is restricted as follows: 20% is unrestricted. Of the balance, 70% is restricted to benefit the community in which the child lives, 10% can be spent on wider activities in the same country, 10% can be applied to international activities, with the remaining 10% available to cover local sponsorships administration and information gathering.

ActionAid aims to make its income more flexible by encouraging supporters to transfer from child sponsorship to less restricted forms of giving over time such as Next Step. In January 2015 Next Step income was derestricted such that 100% of income from those donors that were contacted became unrestricted. Of those not contacted, 20% of Next Step income is also unrestricted and of the balance, 90% spent within the selected country, while 10% may be applied to international activities.

### Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition has not been met, then the legacy is treated as a contingent asset and disclosed if material. Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

Gifts in kind are recognised when they relate to something that ActionAid would have paid for had they not been received for free and for which there is particular benefit. When this is the case if the benefit to the charity is reasonably quantifiable and measureable, the gift in kind will be credited to income and debited to expenditure on the basis of the lower of a market price valuation or the gross value to ActionAid and the corresponding expenditure is taken to the appropriate heading on the SOFA or is capitalised.

### Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

### Expenditure

All expenditure is accounted for on an accruals basis. Costs reported under each heading in the statement of financial activities reflect the allocation of activities directly attributable to that heading and an apportionment of support and governance costs (see below).

Where the costs of direct activities fall under more than one of the headings, they are apportioned on a consistent basis by senior management.

1. Accounting policies (continued)

The cost of raising funds represents expenditure incurred in the UK on raising funds from committed giving supporters, institutional donors and other members of the public, as well as keeping them informed as to how their donations are being spent.

Charitable activities comprise:

- Grants from ActionAid to ActionAid International and Federation members to be spent on managing and delivering the long-term development and rehabilitation projects in ActionAid International country programmes worldwide. This includes expenditure of funds received from the European Union for projects in country programmes.
- Grants from ActionAid to ActionAid International and Federation members to be spent on managing and delivering the emergency relief and humanitarian relief projects in ActionAid International country programmes worldwide.
- Policy-influencing and campaigning work carried out in the UK and internationally.
- Education work carried out in the UK and internationally.

Governance costs are the costs associated with the governance arrangements of the charity. The costs included in this category relate to organisational administration and compliance with constitutional and statutory requirements. Costs are allocated across the categories of the costs of raising funds and charitable expenditure. The basis of the cost allocation is staff numbers.

Support costs include expenditure on general management, payroll administration, budgeting and accounting, information technology, property management, communications, human resources and financing. Costs are allocated across the categories of the costs of raising funds and charitable expenditure. The basis of the cost allocation is staff numbers.

Grants payable

Grants payable are made to third parties in furtherance of the charity’s objects. Single or multi-year grants are accounted for when either the recipient has a reasonable expectation that they will receive a grant and the Trustees have agreed to pay the grant without condition, or the recipient has a reasonable expectation that they will receive a grant and that any condition attaching to the grant is outside of the control of the charity.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

Indirect cost recovery

In 2018 the policy regarding recognition of indirect cost recovery on institutional and DEC income was changed. It is now treated as an allocation out of unrestricted support cost expenditure to restricted support cost expenditure against the appropriate restricted Funding Source code. Previously it has been treated as unrestricted income. As a result there was an immaterial historical timing difference in the recognition of unrestricted funds and this has been included as a gross transfer of funds in the Statement of Financial Activities and is directly referenced in Note 15 to the accounts.

Tangible fixed assets and depreciation

Tangible fixed assets costing more than £5,000 are capitalised and included at cost, including any incidental expenses of acquisition.

Depreciation is calculated on a straight-line basis for the following categories of fixed assets:

Office equipment:	
Computers	3 years
Other equipment	5 years
Leasehold improvements	15 years / remaining life of the lease

Investments in subsidiaries

Investments in subsidiaries are at cost.

1. Accounting policies (continued)

Operating leases

Rentals applicable to operating-lease contracts, where substantially all the benefits and risks of ownership remain with the lessor, are charged to the statement of financial activities on a straight-line basis over the lease term.

Debtors

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Cash equivalent on deposit

Cash equivalent on deposit includes cash held in medium term highly liquid investments with a maturity of between three months to twelve months from the date of acquisition.

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

Pensions

ActionAid contributes to a defined contribution pension scheme in the UK and contributions for the year are charged in the Statement of Financial Activities as they become due.

Foreign currencies

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of transaction. All foreign currency balances have been translated at the exchange rate prevailing at the balance sheet date. Gains and losses on translation are included in the Statement of Financial Activities.

Taxation and irrecoverable VAT

As a registered charity, ActionAid is potentially exempt from tax on income and gains falling within Sections 466 to 493 of the Income and Corporation Taxes Act 2010 as its income is charitable and applied towards charitable purposes.

In common with many other charities, ActionAid is unable to recover the majority of VAT that is incurred on purchases of goods and services in the UK. The amount of VAT that cannot be recovered is included within the appropriate underlying cost.

Related party disclosures

Related party transactions are detailed in note 18.

## 2. Income

	Restricted (£'000)	Unrestricted (£'000)	2018 Total (£'000)	Restricted (£'000)	Unrestricted (£'000)	2017 Total (£'000)
<b>2 (a) Donations and legacies</b>						
Committed giving	10,657	18,750	<b>29,407</b>	11,180	19,422	30,602
Appeals & individual donors	2,759	3,018	<b>5,777</b>	3,291	1,928	5,219
Disasters Emergency Committee (DEC) appeals - see below	1,270	-	<b>1,270</b>	2,439	169	2,608
Legacies	135	2,580	<b>2,715</b>	10	1,778	1,788
<b>Total</b>	<b>14,821</b>	<b>24,348</b>	<b>39,169</b>	<b>16,920</b>	<b>23,297</b>	<b>40,217</b>
<i>Disasters Emergency Committee (DEC) Appeals income</i>						
Indonesia Tsunami Appeal	624	-	<b>624</b>	-	-	-
East Africa Appeal	63	-	<b>63</b>	2,025	142	2,167
People Fleeing Myanmar Appeal	587	-	<b>587</b>	383	27	410
Nepal Collective Initiative	(4)	-	<b>(4)</b>	31	-	31
<b>TOTALS</b>	<b>1,270</b>	<b>-</b>	<b>1,270</b>	<b>2,439</b>	<b>169</b>	<b>2,608</b>
<i>DEC is the umbrella body for the 14 leading charities in the UK responding to major international disasters. Its aim is to raise money cost effectively in the UK from the general public. The monies raised are distributed to the charities on the basis of an agreed formula reflecting the charities' capacity and expertise.</i>						
	Emergency income (£'000)	Non-emergency income (£'000)	2018 Total (£'000)	Emergency income (£'000)	Non-emergency income (£'000)	2017 Total (£'000)
<i>All Emergency/ Non-emergency income by type - 2018</i>						
<i>Income from:</i>						
Donations and legacies	2,127	37,042	<b>39,169</b>	4,485	35,732	40,217
Investment income (note 2c)	-	46	<b>46</b>	-	8	8
<i>Income from charitable activities:</i>						
- Grants (note 2b)	440	6,892	<b>7,332</b>	1,680	10,453	12,133
- Trading income from charitable activities (note 2b)	-	-	<b>-</b>	-	9	9
Income from other trading activities (note 2d)	-	3,053	<b>3,053</b>	-	2,670	2,670
	<b>2,567</b>	<b>47,033</b>	<b>49,600</b>	<b>6,165</b>	<b>48,872</b>	<b>55,037</b>

## 2. (b) Income from charitable activities

	Restricted (£'000)	Unrestricted (£'000)	Total 2018 (£'000)	Restricted (£'000)	Unrestricted (£'000)	Total 2017 (£'000)
<b>2 (b) Income from charitable activities</b>						
<b>Grants from governments and other public authorities:</b>						
<b>CHARITABLE GRANTS TO AAI &amp; Federation members</b>						
UK Government (Note 17)	733	-	<b>733</b>	878	21	899
Europe Aid	1,529	-	<b>1,529</b>	3,293	218	3,511
Government of Isle of Man	-	-	<b>-</b>	96	-	96
Government of Guernsey (Note 17)	18	2	<b>20</b>	18	2	20
Dutch Ministry of Foreign Affairs (Note 17)	2,614	-	<b>2,614</b>	-	-	-
Other grants from governments and other public authorities	-	-	<b>-</b>	224	16	240
Big Lottery Fund (Note 17)	66	-	<b>66</b>	268	-	268
Comic Relief (Note 17)	329	-	<b>329</b>	423	10	433
Other grants from companies, trusts and NGOs	216	40	<b>256</b>	667	81	748
	<b>5,505</b>	<b>42</b>	<b>5,547</b>	<b>5,867</b>	<b>348</b>	<b>6,215</b>
<b>EMERGENCY &amp; HUMANITARIAN RESPONSE</b>						
UK Government (Note 17)	-	-	<b>-</b>	1,108	87	1,195
ECHO	985	-	<b>985</b>	633	21	654
Government of Guernsey	-	-	<b>-</b>	15	-	15
Other grants from governments and other public authorities	432	-	<b>432</b>	2,631	145	2,776
Other grants from companies, trusts and NGOs	8	-	<b>8</b>	354	-	354
	<b>1,425</b>	<b>-</b>	<b>1,425</b>	<b>4,741</b>	<b>253</b>	<b>4,994</b>
<b>CAMPAIGNS &amp; POLICY WORK</b>						
Europe Aid	14	-	<b>14</b>	430	8	438
Other grants from companies, trusts and NGOs	346	-	<b>346</b>	484	2	486
	<b>360</b>	<b>-</b>	<b>360</b>	<b>914</b>	<b>10</b>	<b>924</b>
<b>EDUCATION WORK</b>						
Europe Aid	-	-	<b>-</b>	1	(1)	-
	<b>-</b>	<b>-</b>	<b>-</b>	<b>1</b>	<b>(1)</b>	<b>-</b>
<b>TOTAL Grants from governments and other public authorities:</b>						
	<b>7,290</b>	<b>42</b>	<b>7,332</b>	<b>11,523</b>	<b>610</b>	<b>12,133</b>
 (ii) Trading income from charitable activities						
Sale of educational materials and fees for school talks	-	-	<b>-</b>	-	9	9
	<b>7,290</b>	<b>42</b>	<b>7,332</b>	<b>11,523</b>	<b>619</b>	<b>12,142</b>
<b>Total income from charitable activities</b>						

## 2. (c) Investment income

	Restricted (£'000)	Unrestricted (£'000)	Total 2018 (£'000)	Restricted (£'000)	Unrestricted (£'000)	Total 2017 (£'000)
<b>2 (c) Investment income</b>						
Interest on deposits	-	46	46	-	8	8
Total investment income	-	46	46	-	8	8
<b>2 (d) Income from other trading activities</b>						
Peoples Postcode Lottery (note 23)	-	2,817	2,817	-	2,498	2,498
Office rental income	-	219	219	-	154	154
Other	1	16	17	-	18	18
<b>Total Income from other trading activities</b>	1	3,052	3,053	-	2,670	2,670

## 3. Support costs

	Restricted (£'000)	Unrestricted (£'000)	Total 2018 (£'000)	Restricted (£'000)	Unrestricted (£'000)	Total 2017 (£'000)
<i>Support costs comprise the following items:</i>						
Communications	-	111	111	-	397	397
General management	-	566	566	1	556	557
Finance	-	78	78	(36)	255	219
Human resources	-	700	700	-	1,028	1,028
Information technology	-	565	565	-	553	553
Office administration	-	223	223	-	163	163
Performance and accountability	-	383	383	-	603	603
Property costs	-	1,215	1,215	-	1,210	1,210
Supporter administration	-	547	547	-	589	589
Indirect Cost Recovery	347	(347)	-	-	-	-
	347	4,041	4,388	(35)	5,354	5,319

Indirect cost recovery reflects the reallocation of support costs from unrestricted funds to various restricted grants in line with budgets agreed with the respective donors in line with our policy set out in Note 1.

Support and governance costs have been allocated to the categories below on the basis of employee numbers working in each relevant area.

	Restricted (£'000)	Unrestricted (£'000)	Total 2018 (£'000)	Restricted (£'000)	Unrestricted (£'000)	Total 2017 (£'000)
Costs of raising funds (note 4)	177	2,061	2,238	(14)	2,142	2,128
Charitable activities (note 6)	170	1,980	2,150	(21)	3,212	3,191
	347	4,041	4,388	(35)	5,354	5,319

## 4. Costs of raising funds

	Restricted (£'000)	Unrestricted (£'000)	Total 2018 (£'000)	Restricted (£'000)	Unrestricted (£'000)	Total 2017 (£'000)
Committed giving	-	4,917	4,917	-	3,919	3,919
Other appeals, legacies & individual donors)	61	2,278	2,339	184	2,139	2,323
Grants	45	496	541	58	500	558
	106	7,691	7,797	242	6,558	6,800
Support costs allocated (note 3)	177	2,061	2,238	(14)	2,142	2,128
Governance costs allocated (note 5)	-	276	276	-	195	195
<b>Total costs of raising funds before trading costs</b>	283	10,028	10,311	228	8,895	9,123
Trading	-	3	3	-	33	33
<b>Total costs of raising funds</b>	283	10,031	10,314	228	8,928	9,156

Based on the above information and the income in Note 2, the ratio between direct fundraising costs (excluding support costs allocated) and the income generated for each major area of donated income is as follows:

	Total 2018 (%)	Total 2017 (%)
Committed giving	17%	13%
Other income from donations and legacies	24%	24%
<b>Overall income from donations and legacies</b>	19%	16%

## 5. Governance costs

	Restricted (£'000)	Unrestricted (£'000)	Total 2018 (£'000)	Restricted (£'000)	Unrestricted (£'000)	Total 2017 (£'000)
External audit fees	-	47	47	-	41	41
Legal & professional fees	-	25	25	-	-	-
Board (including Trustee expenses)	-	38	38	-	26	26
Strategy development	-	-	-	-	1	1
Apportionment of staff time	-	205	205	-	271	271
Internal Audit	-	226	226	-	149	149
<b>Total governance costs</b>	-	541	541	-	488	488

## 5. Governance costs (continued)

Governance costs have been allocated to the categories below on the basis of employee numbers working in each relevant area.

	Restricted (£'000)	Unrestricted (£'000)	Total 2018 (£'000)	Restricted (£'000)	Unrestricted (£'000)	Total 2017 (£'000)
Costs of raising funds (note 4)	-	276	276	-	195	195
Charitable activities (note 6)	-	265	265	-	293	293
	-	541	541	-	488	488

## 6. Charitable activities

	Grants (note 7) (£'000)	Direct costs (£'000)	Staff costs (£'000)	Support cost allocation (£'000)	Governance cost allocation (£'000)	Total 2018 (£'000)
2018						
Charitable grants to AAI & Federation members	27,294	48	501	300	38	28,181
Emergency and Humanitarian response	2,285	43	362	221	28	2,939
Campaigns & policy work	357	175	958	614	70	2,174
Education work	-	1,019	834	1,015	129	2,997
<b>Total 2018</b>	29,936	1,285	2,655	2,150	265	36,291

Of the Charitable Activities set out above, £21,547,000 was funded from restricted funds and £14,744,000 from unrestricted funds.

Included within the Grants to AAI & Federation members is an amount of £444,700 that relates to grants in kind to AAI (representing support costs relating to AAI)

	Grants (note 7) (£'000)	Direct costs (£'000)	Staff costs (£'000)	Support cost allocation (£'000)	Governance cost allocation (£'000)	Total 2017 (£'000)
2017						
Charitable grants to AAI and Federation members	32,641	98	573	383	35	33,730
Emergency & humanitarian response	10,027	45	282	191	18	10,563
Campaigns and policy work	1,066	585	1,424	1,659	152	4,886
Education work	11	872	635	958	88	2,564
<b>Total 2017</b>	43,745	1,600	2,914	3,191	293	51,743

Of the Charitable Activities set out above, £33,450,000 was funded from restricted funds and £18,293,000 from unrestricted funds.

Included within the Grants to AAI & Federation members is an amount of £463,000 that relates to grants in kind to AAI (representing support costs relating to AAI)

## 7. Grants to ActionAid International and ActionAid country programmes

	Total 2018 (£'000)	Total 2017 (£'000)		Total 2018 (£'000)	Total 2017 (£'000)
<i>Restricted funds:</i>			<i>Restricted funds:</i>		
<b>Africa</b>			<b>Asia</b>		
Burundi	526	559	Afghanistan	501	555
Democratic Republic of the Congo	467	500	Bangladesh	1,341	1,672
Ethiopia	712	609	Cambodia	406	369
Ghana	1,230	970	India	984	1,157
Kenya	846	1,671	Myanmar	656	960
Lesotho	70	226	Nepal	789	2,117
Liberia	146	277	Pakistan	220	981
Malawi	326	455	Palestine	119	79
Mozambique	347	392	Indonesia	154	-
Nigeria	470	360	Vietnam	167	211
Rwanda	961	885	Syria	49	3
Senegal	215	229		5,386	8,104
Sierra Leone	1,004	1,060			
Somaliland	655	1,343			
South Africa	103	174		Total 2018 (£'000)	Total 2017 (£'000)
Tanzania	121	198	<i>Restricted funds:</i>		
The Gambia	365	285	<b>Latin America and the Caribbean</b>		
Uganda	454	474	Brazil	196	212
Zambia	190	164	Ecuador	33	78
Zimbabwe	206	185	Guatemala	520	412
	9,414	11,016	Haiti and the Dominican Republic	326	888
			Nicaragua	36	73
			Peru	15	31
				1,126	1,694

## 7. Grants to ActionAid International and ActionAid country programmes (continued)

	Total 2018 (£'000)	Total 2017 (£'000)
<i>Restricted funds:</i>		
Charitable grants to other ActionAid	215	38
ActionAid International - projects involving more than one country	1,715	5,794
Remittances to country programmes for EU projects	2,087	4,131
<b>Total restricted funds</b>	<b>19,943</b>	<b>30,777</b>
<i>Unrestricted funds:</i>		
ActionAid International (cash grants)	8,397	9,766
Country Programmes (grants designated as part of the Department for International Development Programme Partnership Arrangement)	-	21
Country Programmes (Other-PPL)	988	1,587
<b>Unrestricted charitable grants to ActionAid International</b>	<b>9,385</b>	<b>11,374</b>
ActionAid International (grants in kind representing support costs incurred on behalf of ActionAid International)	445	463
<b>Total unrestricted funds</b>	<b>9,830</b>	<b>11,837</b>
<b>Total grants to ActionAid International and ActionAid country programmes</b>	<b>29,773</b>	<b>42,614</b>
<i>Grants to partner organisations:</i>		
Action Contre La Faim	67	-
Care International	-	30
Concern Worldwide	-	66
DanChurchAid	47	-
FIAN International	-	142
GADN	51	-
Glopolis	-	62
Help Age	19	-
Islamic Relief	-	66
Oxfam	19	553
People in Need	49	-
Plan International	23	30
Save the Children	2	-
World Vision	135	-
United Purpose	-	72
UN-Habitat	44	-
Restricted grants (individually under £100,000)	17	358
Unrestricted grants	11	-
<b>Total grants to partner organisations</b>	<b>484</b>	<b>1,379</b>
<b>Total grants</b>	<b>30,257</b>	<b>43,993</b>

There are other grants related to Non-Charitable activities that are included in the total grants in this note. The total of these grants are £322,123 in 2018 (2017: £248,044) of which £149,970 (2017: £146,700) relate to governance and £172,153 (2017: £101,344) to fundraising activities.

## 8. Particulars of employees

	Total 2018	Total 2017
The average number of employees (head count based on number of staff employed) during the year was:		
Charitable activities	60	66
Fundraising	62	57
Support staff	48	58
<b>Total</b>	<b>170</b>	<b>181</b>
The average number of full-time equivalent staff in the year was <b>161</b> (2017: 173)		
The total remuneration of employees was:	Total 2018 (£'000)	Total 2017 (£'000)
Gross wages and salaries	6,751	7,214
Redundancy and termination costs	-	268
Social security costs	709	752
Employer's contributions to defined contribution pension schemes	407	454
<b>Total</b>	<b>7,867</b>	<b>8,688</b>

	Total 2018 (£'000)	Total 2017 (£'000)
The number of staff whose emoluments (excluding employer's NI and employer's pension costs) are greater than £60,000 are shown below		
£60,001 - £70,000	5	4
£70,001 - £80,000	3	6
£80,001 - £90,000	-	-
£90,001-£100,000	1	1
£100,001 - £110,000	1	1
	<b>10</b>	<b>12</b>

The remuneration, being the gross salary and employer's pension contributions, of the Chief Executive, Girish Menon, during 2018 was £110,519 (2017: £111,790), with £8,186 (2017: £8,281) paid into defined contribution schemes on his behalf.

In 2018, the remuneration, being the gross salary and Employer's pension contributions, paid to the Directors of ActionAid, who the Board consider to be key management personnel, fell within the following bands; Director of Fundraising £70,001 - £80,000 – Interim Deputy Director of Fundraising £70,001 - £80,000, Director of Public Engagement £70,001 - £80,000, Director of Policy Advocacy & Partnership; £70,001 - £80,000 – Director of Organisation Effectiveness; £90,001 - £100,000. Together with the Chief Executive, the costs of these key management personnel, inclusive of gross salaries, employer's pension contributions and employer's national insurance contributions were £614,957 in 2018 (2017: £567,508) of which £30,482 (2017: £29,833) was paid into defined contribution pension schemes.

Of those employees who earned £60,000 or more during the year (as defined above) employer contributions were made to defined contribution pension schemes in respect of eight (2017: 10) employees. During the year this amounted to £42,683 (2017: £47,314).

## 8. Particulars of employees (continued)

ActionAid has an expenses policy in place which controls what can and cannot be claimed by Trustees, staff and volunteers. Expenses can only be claimed if they have been incurred for valid and necessary business purposes. They will only be paid if they are on the approved list of allowable expenses, have been authorised and have supporting documentation. Inevitably ActionAid incurs significant costs on overseas trips but travel must always be by the most cost effective method and using public transport where possible. All trips are for valid business reasons and ActionAid is constantly seeking new ways to avoid overseas travel and find alternative ways to communicate and manage the business.

In 2018, the Chief Executive incurred costs of £3,675 (2017: £5615).

For more information on the principles and implementation of our remuneration policies, please see the annual remuneration statement for 2018 (pages 51-52)

## 9. Trustees' remuneration

No remuneration or other payments have been made to the Trustees of ActionAid for their services as board members or for other services provided to the organisation in 2018 or 2017. The most significant element of Trustees' expenses is the cost of visits to country programmes but also includes attendance at board meetings (both ActionAid and ActionAid International). In 2018, six Trustees incurred a total of £6,976 (2017: £5,798 was paid to six trustees) through expenses reimbursed and costs incurred by ActionAid on their behalf.

## 10. Net income / (expenditure)

	2018 (£'000)	2017 (£'000)
<b>Net income/ (expenditure) are stated after the following charges (credits):</b>		
Depreciation	81	131
Operating lease rentals Payable - property	894	932
Operating lease rentals Receivable - property	(180)	(127)
Auditor's remuneration - statutory audit current year	35	35
Auditor's remuneration - other services	3	2

## 11. Tangible fixed assets

	Leasehold improvements (£'000)	Office equipment (£'000)	Total (£'000)
<b>Cost</b>			
At 1 January 2018	667	761	1,428
Additions	75	-	75
Disposals	(58)	(157)	(215)
At 31 December 2018	684	604	1,288
<b>Depreciation</b>			
At 1 January 2018	(322)	(684)	(1,006)
Charge for year	(41)	(40)	(81)
Disposals	15	157	172
At 31 December 2018	(348)	(567)	(915)
<b>Net book value</b>			
At 31 December 2018	336	37	373
At 31 December 2017	345	77	422

All tangible fixed assets held are for furtherance of charitable objectives and not for investment purposes.

## 12. Debtors

	2018 (£'000)	2017 (£'000)
<b>a. Debtors recoverable in more than one year:</b>		
Debtors that in the normal course of events would be recoverable in more than one year:		
Other debtors*	250	-
Prepayments	22	26
	272	26
<b>b. Debtors recoverable within one year:</b>		
Accrued income	1,957	2,594
Other debtors	200	64
Prepayments	353	398
Tax recoverable	466	473
Amounts due from employees	22	19
	2,998	3,548
<b>Total debtors</b>	<b>3,270</b>	<b>3,574</b>

Amounts due from employees represents floats for overseas visits forming part of the employee's role and season ticket loans.

\*Other debtors of £250,000 relates to a loan given by ActionAid to ActionAid Thailand in December 2018 to enable investment in fundraising activities. Per the terms of loan, the amount is repayable when ActionAid Thailand starts generating a net positive result forecast to be in 2022. Any amount still owing on the loan at the end of 2027 will be repaid by ActionAid International on behalf of ActionAid Thailand. AAUK has committed to provide up to £750,000 in total under this loan arrangement.

### 13. Creditors

	2018 (£'000)	2017 (£'000)
<b>Amounts falling due within one year:</b>		
Interest-free loans	63	63
Trade creditors	710	363
Accruals	993	1,336
Other creditors	159	163
Amounts due to ActionAid International	1,170	2,320
Taxation and social security	207	189
Deferred income	53	53
<b>Total creditors</b>	<b>3,355</b>	<b>4,487</b>

### 14. Designated funds

	Balance as at 1 January 2018 (£'000)	New designations (£'000)	Utilised in the year (£'000)	Balance as at 31 December 2018 (£'000)
<i>i) Designated funds</i>				
<b>Designated funds</b>				
Tangible fixed assets fund	422	150	(199)	373
Emergency and Humanitarian fund	500	-	-	500
Emergency response fund	250	-	-	250
Exchange rate movement fund	456	56	-	512
	1,628	206	(199)	1,635

**Designated tangible fixed assets Fund:** The fund for fixed assets represents the net book value at the balance sheet date of unrestricted tangible fixed assets. This fund is not therefore available for current expenditure, as the assets are used in the day to day operation of the charity.

**Designated Emergency & Humanitarian Fund:** This fund represents funds that have been ring-fenced to allow ActionAid to spend funds for fundraising in the event of a DEC fundraising appeal in a country in which the ActionAid Federation currently operates. The ability to utilise these funds is at the discretion of the Senior Leadership team. The balance on this account will be maintained and topped up when necessary.

**Designated Emergency Response Fund:** This fund represents funds that have been ring-fenced to allow ActionAid to remit funds to partners (ActionAid and non-ActionAid) in emergency type situations. These do not have to be linked to DEC emergencies but is at the discretion of the Senior Leadership Team. This amount will be retained and topped up where necessary.

**Designated Exchange Rate Movement Fund:** This fund represents unrealised gains and losses that have been suffered by ActionAid. These funds are not available for normal operational use and will be used against future exchange rate movements.

	Balance as at 1 January 2017 (£'000)	New designations (£'000)	Utilised in the year (£'000)	Balance as at 31 December 2017 (£'000)
<i>ii) Designated funds - comparative</i>				
<b>Designated funds</b>				
Tangible Fixed Assets Fund	513	40	(131)	422
Emergency & Humanitarian Fund	500	-	-	500
Emergency Response Fund	250	-	-	250
Exchange rate Movement Fund	569	-	(113)	456
	1,832	40	(244)	1,628

### 15. Restricted funds

	Balance as at 1 January 2018 (£'000)	Income (£'000)	Transfers (£'000)	Expenditure (£'000)	Balance as at 31 December 2018 (£'000)
<b>Restricted funds – 2018</b>					
Africa	782	10,182	10	(9,983)	991
Asia	1,586	8,011	32	(7,817)	1,812
Latin America and the Caribbean	7	1,460	-	(1,456)	11
International projects and other funds	1,148	2,466	-	(2,574)	1,040
<b>Total restricted funds – 2018</b>	<b>3,523</b>	<b>22,119</b>	<b>42</b>	<b>(21,830)</b>	<b>3,854</b>
	Balance as at 1 January 2017 (£'000)	Income (£'000)	Transfers (£'000)	Expenditure (£'000)	Balance as at 31 December 2017 (£'000)
<b>Restricted funds – 2017</b>					
Africa	583	12,156	1,249	(13,206)	782
Asia	2,439	8,439	910	(10,202)	1,586
Latin America and the Caribbean	300	1,589	-	(1,882)	7
International projects and other funds	5,436	6,259	(2,159)	(8,388)	1,148
<b>Total restricted funds – 2017</b>	<b>8,758</b>	<b>28,443</b>	<b>-</b>	<b>(33,678)</b>	<b>3,523</b>

**Restricted funds:** Restricted funds held by ActionAid at the start and end of the year include funds for European Union-funded projects. ActionAid also holds funds for a small number of projects or activities which are managed by ActionAid directly. All other incoming resources are granted to ActionAid International on receipt as ActionAid International is the entity within the ActionAid family which holds and manages the vast majority of restricted funds.

The expenditure in the table above includes direct payments made to country programmes for EU-funded projects. At the year end date some funds sent directly to country programmes may not have been entirely spent.

**Transfers:** The net transfer figure is made up of transfers from unrestricted to restricted reserves (£42k) which relates to a timing difference in the recognition of unrestricted funds for DEC appeals following a change in policy in how we account for the indirect overhead recovery of these funds as set out in Note 1 to these accounts. Under the new policy the allocation to unrestricted funds is recognised later than previously and this transfer represents the correction of the fund balances that should exist at the end of the financial year after this change in policy. The size of the transfer was not deemed significant enough to require a full prior year adjustment.

	Balance as at 31 December 2018 (£'000)	Balance as at 31 December 2017 (£'000)
EU and ECHO-funded projects	399	505
Other projects managed by ActionAid	3,455	3,018
<b>Total restricted funds</b>	<b>3,854</b>	<b>3,523</b>

Projects funded by the European Commission are generally development projects intended to run for several years; projects funded by the European Commission Humanitarian Aid Office are short-term emergency relief projects. Projects may be based in one country or may be initiatives spanning a number of countries internationally.

## Notes forming part of the financial statements for the year ended 31 December 2018

Fund balances may be negative when expenditure is made on a project that is expected to be reimbursed by a government or other agency, but where, at the end of the financial year, not all the conditions have been met that would justify this income being recognised within the accounts. This results in an excess of expenditure over income on some project funds at the year end point. The total deficit fund balances at the year end amounted to £0.02m (2016: £0.2m). The Trustees consider that the likelihood of reimbursement is sufficient to justify carrying the deficit fund balances at the end of the year for all project in deficit.

## 16. Analysis of net assets between funds

	Unrestricted			Total 2018 (£'000)
	Restricted (£'000)	Designated (£'000)	General (£'000)	
<i>16. i) Analysis of net assets between funds</i>				
<b>Fund balances at 31 December 2018 are represented by:</b>				
– Tangible fixed assets	-	373	-	<b>373</b>
– Current assets	4,970	1,262	12,351	<b>18,583</b>
– Current liabilities	(1,116)	-	(2,239)	<b>(3,355)</b>
	3,854	1,635	10,112	<b>15,601</b>
<i>16. ii) Analysis of net assets between funds – comparative</i>				
	Restricted (£'000)	Designated (£'000)	General (£'000)	Total 2017 (£'000)
<b>Fund balances at 31 December 2017 are represented by:</b>				
– Tangible fixed assets	-	422	-	422
– Current assets	6,131	1,206	9,278	16,615
– Current liabilities	(2,608)	-	(1,879)	(4,487)
	3,523	1,628	7,399	12,550

## 17. Grants received

	2018 (£'000)	2017 (£'000)
<b>Grants received in 2018 from the UK Department for International Development:</b>		
Enhancing Community Resilience Programme (funds received through Christian Aid)	-	129
Ready for Anything DFID Aid Match	-	48
Braced Ethiopia development (Funds received through Christian Aid)	<b>88</b>	329
Braced Myanmar development (Funds received through Christian Aid)	<b>101</b>	308
SHE-CAN DFID Aid Match	<b>21</b>	475
Haiti Hurricane – DFID RRF	-	381
Girls' Education Challenge Sierra Leone (funds received through Plan)	<b>446</b>	424
SPEAK Out Rwanda	<b>7</b>	-
Sabalaa - Support Economic Empowerment for Women & Girls in Kenya	<b>28</b>	-
Aid Match Violence Against Girls in Kenya	<b>42</b>	-
<b>Total grants received from the UK Government</b>	<b>733</b>	2,094

Expenditure of these grants has been in accordance with the terms agreed with DFID.

## Notes forming part of the financial statements for the year ended 31 December 2018

## 17. Grants received (continued)

	2018 (£'000)	2017 (£'000)
<b>Grants received in 2018 from Comic Relief were as follows:</b>		
Empowering lesbian activists to create safer communities, South Africa	-	7
Empowering communities to collectively abandon FGM/C in Somaliland	<b>141</b>	88
Safe Cities in the DRC	<b>188</b>	338
<b>Total grants received from Comic Relief</b>	<b>329</b>	433
<b>2018</b>	<b>(£'000)</b>	2017 (£'000)
<b>Grants received in 2018 from the Big Lottery Fund were as follows:</b>		
Access to Justice for women in Liberia	<b>2</b>	119
Empowering women and girls in Somaliland to claim their rights (Somaliland)	-	24
Sign up! Mozambique	<b>64</b>	125
	<b>66</b>	268
<b>2018</b>	<b>(£'000)</b>	2017 (£'000)
<b>Grants received in 2018 from The Dutch Ministry for Foreign Affairs were as follows:</b>		
Women's Rights to Sustainable Livelihoods (POWER)	<b>2,614</b>	-
	<b>2,614</b>	-
<b>2018</b>	<b>(£'000)</b>	2017 (£'000)
<b>Grants received in 2018 from The START Fund were as follows:</b>		
START Build - Shifting the Power	-	1,596
START Build - Surge Capacity	-	717
Emergency flood response for the affected population in Jamalpur, Bangladesh	-	102
Emergency response to the landslide-affected communities of Bandarban and Rangam	-	86
Sierra Leone flooding and landslide response	-	41
Kenya Analysis for Action for Kenya Elections	-	10
Anticipation of election-based-violence in Kenya	-	224
Mobilizing Actions: Flood Emergency Response in Nigeria	<b>102</b>	-
Start Fund alert - 271 Ethiopia Displacement	<b>134</b>	-
Nyiragongo Volcanic Disaster Risk Reduction Project	<b>30</b>	-
Emergency protection response to Cyclone Keni affected peoples	<b>15</b>	-
Emergency Support - Volcano Fuego la Trinidad in Guatemala	<b>16</b>	-
Response to Cholera crisis in Bena Dibebe health	<b>74</b>	-
Emergency to most vulnerable population of Matarbari	<b>60</b>	-
	<b>431</b>	2,776

17. Grants received (continued)

	2018 (£'000)	2017 (£'000)
<b>Grants received in 2018 from The Alborada Trust were as follows:</b>		
Supporting women in Nepal to rebuild their lives	88	89
Hurrican Matthew emergency response in Haiti	-	160
Improving water, sanitation, hygiene and the environment for Rohingya refugees in Bangladesh	117	-
	205	249
	2018 (£'000)	2017 (£'000)
<b>Grants received in 2018 from Guernsey Overseas Aid Commission were as follows:</b>		
Supporting nomadic pastoralists with access to safe drinking water in Maroodijeex, Somaliland	20	20
	20	20

18. Related party transactions

ActionAid recognises ActionAid International and other members of the ActionAid group as related parties. Material transactions between the entities are shown below.

	2018 (£'000)	2017 (£'000)
Grants to ActionAid International	24,245	38,445
Grants to ActionAid Federation members	5,488	4,169
	29,733	42,614

See Note 7 for details of grants to ActionAid International.

See Note 12 for details of a loan given to ActionAid Federation in Thailand that has been guaranteed by ActionAid International.

See Note 13 for creditor balances owed to ActionAid International at the balance sheet date.

As noted in the constitution and governance section of the report of the Board of Trustees, ActionAid International is entitled to appoint one Trustee to ActionAid’s Board. The designated Trustee until 6 March 2018 was Marilyn Aniwa. Her remuneration from ActionAid International is in line with other roles of comparable responsibility in ActionAid International and, more generally, with market rate. She receives no remuneration for her work as Trustee of ActionAid. No replacement designated Trustee has been appointed.

Girish Menon is a Trustee of the Disasters Emergency Committee (DEC). During the course of the year, ActionAid received and recognised income from DEC as set out in Note 2a.

No donations from Trustees received during the course of the year had restrictions that were outside of our normal charitable activities.

19. Subsidiary undertakings

ActionAid has one subsidiary undertaking:

ActionAid Enterprises Limited

A wholly owned subsidiary incorporated in Great Britain and registered in England and Wales (No. 5011412).

The total investment in the subsidiary is £1 (2017: £1).

There was no activity undertaken in the subsidiary in 2018 or 2017.

20. Obligations under operating leases

	2018 (£'000)	2017 (£'000)
<b>The charity had non-cancellable commitments at the year end under operating leases for land and buildings expiring as follows:</b>		
Within one year	1,105	1,132
In two to five years	4,421	4,344
After five years	1,585	2,642
	7,111	8,118

21. Future income under operating leases

In 2016, the charity sub-let the second floor of its rented premises in Bowling Green Lane, London.  
In 2018, the charity sub-let the ground floor of its rented premises in Bowling Green Lane, London.  
The future minimum lease payments under non-cancellable operating leases are:

	2018 (£'000)	2017 (£'000)
Within one year	278	180
In two to five years	1,113	556
	1,391	736

## 22. Contingent assets and liabilities

ActionAid originally set up most of ActionAid International’s Country Programmes and as such may still legally own some of the assets of those entities that have not subsequently become affiliates. Country Pogrammes are now managed by ActionAid International rather than ActionAid.

Country Programme assets are no longer included in the accounts of ActionAid (since 2007). However, ActionAid retains the legal right to take back management of its Country Programmes from AAI under a termination clause incorporated into the legal agreements in place over management of country programmes. Therefore ActionAid has contingent assets in the form of the assets held by those Country Programmes which were originally set up by ActionAid.

No situation exists, or is anticipated to occur, whereby ActionAid would exercise its right to terminate the agreements with ActionAid International, however the legal position is stated here to give a full picture of the assets of ActionAid. It is not practical to estimate the value of assets which would revert to ActionAid control and would be included in the accounts. However, the funds held in ActionAid country programmes at the year end but not included in these accounts were £9.1m (2017: £9.5m). The majority of this £9.1m (2017: £9.5m) are restricted funds and we would anticipate that if a country programme were to close down, such funds would be redirected to other countries, with a similar level of restriction as opposed to being sent back to ActionAid in UK. These figures do not include those countries which are Associate or Affiliate members of AAI - although they may hold assets which are legally owned by ActionAid. For accounting purposes the depreciated value of these assets is nil (2017: nil).

There also exist potential contingent liabilities for ActionAid relating to the country programmes which are legally owned by ActionAid. Such a liability would only impact ActionAid if ActionAid International had insufficient funds in hand to discharge the obligations of a country programme. ActionAid believes such a circumstance is improbable and any notional exposure cannot be reasonably estimated.

As at the year end there were a number of projects on which funds are outstanding from the donor pending finalisation of donor audits. Amounts disallowed are generally insignificant as a proportion of overall project budgets and in any event these amounts are considered to be fully recoverable as they are covered by ActionAid International.

### Residual legacies:

At the end of the year, we have been notified that we are entitled to funds from a total of 22 (twenty two) (2017: 12) residual legacies. However, as at 31 December 2018, we have not been notified as to the value of our entitlement or when this will be received. As such we are not able to recognise these funds in the financial statements for the year, but we include the existence of these as a contingent asset.

## 23. People’s Postcode Lottery (PPL) Income

During the year, ActionAid received the proceeds of lotteries held by PPL. ActionAid has no ability to alter the price of tickets, determine the prizes or reduce the management fee. As such, PPL is treated as acting as the principal, and so only net proceeds due to ActionAid are recognised under trading income in the statement of financial activities. The net proceeds received are analysed as follows:

	2018 (£'000)	2017 (£'000)
Ticket Value	8,803	8,058
Prize Fund	(3,521)	(3,223)
Management Fee	(2,465)	(2,337)
<b>Net proceeds received</b>	<b>2,817</b>	<b>2,498</b>

Abigial, 25, is a member of one of the women’s groups that are active in universities around Monrovia, Liberia’s capital. These groups raise awareness about sexual abuse and work with students, teachers, policy-makers and university authorities to reduce violence against women and girls.

# PHOTO CREDITS

Front cover: Sumita is training to become a bus driver, India. Photo credit: Abbie Trayler Smith/ActionAid.

Page 5: Girish Menon, Marie Staunton and Patti Whaley. Photo credit: ActionAid.

Page 7: Sajeda and Sobika, Bangladesh. Photo credit: Stephanie Ross/ActionAid.

Page 9: Millicent is a survivor of domestic violence, Uganda. Photo credit: Karin Schermbrucker/ActionAid.

Page 11: Isata with her finished soap, Sierra Leone. Photo credit: Jonathan Bundu/ActionAid.

Page 13: Binta has benefitted from child sponsorship. Photo credit: ActionAid.

Page 17: Patience is a gender defender and volunteer, Kenya. Photo credit: Sheldon Moultrie/ActionAid.

Page 18: Ishu is banished to a hut during her period, Nepal. Photo credit: Poulomi Basu/ActionAid.

Page 19: Talat and her rickshaw, India. Photo credit: Abbie Trayler Smith/ActionAid.

Page 21: A women at a market, Mozambique. Photo credit: Ernanio Mandlate/KISAI/ActionAid.

Page 22: Women raising start-up funds, Nigeria. Photo credit: Mordecai Sule & Yahaya Atiku/ActionAid.

Page 23: Participatory videography workshop, Rwanda. Photo credit: Pooja Kishnani/ActionAid.

Page 25: Mrs Ros is a volunteer cook, Indonesia. Photo credit: ActionAid.

Page 26: Mr. Haris and his daughters Arini and Airin, Indonesia. Photo credit: ActionAid.

Page 27: Somira is a Rohingya refugee and volunteer, Bangladesh. Photo credit: Stephanie Ross/ActionAid.

Page 29: Andrea Riseborough taking part in #MyBodyIsMine. Photo credit: Julia Fullerton Batten/ActionAid.

Page 31: Girls playing at an ActionAid-supported school, Nepal. Photo credit: Sabin Shrestha/ActionAid.

Page 50: Wahida and her son Habibi, Indonesia. Photo credit: Andri Tambunan/ActionAid.

Page 81: Abigail is a member of a women’s group, Liberia. Photo credit: Ruth McDowall/ActionAid.

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