

# ActionAid 2013 Action for Change

Trustees' Report & Accounts  
For the year ending 31 December 2013

ActionAid is a registered charity in England and Wales (number 274467) and a company limited by guarantee, registered in England and Wales (number 1295174).



**Reflect circle** at Fathapur, Shahrasti, Chandpur, Bangladesh. This Reflect group is called, 'Nari Akota' which means 'Women united'.

PHOTO: G.M.B. Akash/Panos/ActionAid

ActionAid works alongside communities to create long-term positive change for poor and excluded people.

You'll find us in 45 countries in Africa, Asia and Latin America, transforming the lives of 15 million people.

## Contents

A message from our chair	1
Trustees' statement	2
Strategic report	3
Delivering on our global mission	3
Future plans	14
Financial review	15
Principal risks and uncertainties	16
Governance, leadership and trustee declaration	17
Independent auditor's report to ActionAid members	19
Statement of financial activities	20
Balance sheet	21
Cashflow statement	22
Notes forming part of the financial statements	23
Corporate directory	39



Women collect water from a water pan that has been built as part of the Female Farmers Association project that is run by ActionAid International as part of its drought relief program in Garba Tulla, Kenya.

PHOTO: Kate Holt/ActionAid

# A message from our Chair

At ActionAid we are committed to helping people who live in poverty and suffer discrimination in developing countries to stand on their own feet and live in dignity.

We are utterly determined to support them in their struggle for justice and to enable them to enjoy the rights to which they are entitled. We know this cannot be achieved through short-term fixes, so our commitment is above all long-term.

In many parts of the world women live in poverty compounded by disadvantage, which is why ActionAid places great emphasis on developing women's leadership and upholding women's rights.

I recall sitting in a circle on a dusty tarpaulin with a group of women in Banke, Nepal. The women were Muslims in a mostly Hindu country. At first their husbands did not allow them to leave their homes, but the lure of micro-credit loans helped to overcome that obstacle. The women began to meet regularly and to reflect on their lives and their needs. Gradually they started a campaign against child marriage, they formed small enterprises and registered as voters and owners of property. Girls' school attendance rose. At first the Imam issued a fatwa against un-Islamic activity but over time he was won over. This was a long-term, difficult process, but the support from ActionAid International Nepal was unwavering and the results were truly inspiring.

Natural disasters and conflicts, however terrible in the short term, can in our experience also be turned into opportunities for a better long-term future for those who survive. ActionAid International works with communities affected by emergencies in a way that helps them stand on their own feet and assert their rights. In the Philippines we are working with communities affected by Typhoon Haiyan. Our approach involves assisting each community in deciding what it needs and how it wants to be supported. We enable the communities to call the shots and hold us and our partners accountable for the work we do with them. In Jordan ActionAid International is helping Syrian refugees to establish businesses and earn money to care for their families.

Our commitment to support people to be self-reliant also drives our global campaigns. We have learned that it is not enough to alleviate pockets of poverty and inequality in different countries or communities without tackling its global causes.

For example, with a tiny tax revenue, developing countries cannot break free of aid dependence or take adequate responsibility for funding their own health and education services. One important reason is that big corporations

operating in developing countries often do not pay adequate taxes there: they siphon off their profits to tax havens. ActionAid International decided to tackle this injustice. In Zambia, we showed how Caroline Muchanga, a market trader who lives near Associated British Foods' (ABF) Zambian sugar operation, has paid more business tax in some years than ABF. In only five years, together with our partners, we forced this issue to the top of the agenda of the G8 and other international institutions. Our global campaign will continue until tax justice has been achieved for developing countries so they can be more self-reliant.

I am extremely proud of the way in which the federation enables the voices of people in developing countries to be heard. When Prime Minister David Cameron wanted to demonstrate his interest in the tax issue at the G8 summit, he chose to be photographed with Pamela Chisanga, Country Director of ActionAid International Zambia, who attended the summit to bear witness to the experience of people on the ground.

Ten years ago we took a decision to become a federation of self-governing national units with a majority from developing countries. This shifted power closer to people living in poverty and deepened our accountability to them. It has been a great privilege for me to represent ActionAid in the ActionAid International Assembly, which is a wonderfully diverse gathering of people from the ActionAid global family, meeting as equals and bound together by a shared passion and a common purpose.

Since it was founded as a child sponsorship organisation in 1972 ActionAid has diversified and developed. Our origins have, however, helped to shape who we are today. Child sponsorship has meant we have stayed rooted in communities with a focus on making a difference in the lives of the poorest people over the long term, putting them in the driving seat. Thousands of our supporters are proud child sponsors and many others make regular donations or support our campaigns. We are hugely grateful to you all.

We are determined to do everything in our power to prevent the lives of children, and their families and communities, being stunted by poverty and their hopes and dreams being crushed by discrimination and lack of opportunity. We believe that every man, woman and child has the right to an autonomous and dignified life and we are committed to helping them achieve it, however long it takes.

Please feel free to email me with any comments or questions you may have at [trustees@actionaid.org](mailto:trustees@actionaid.org)



**Andrew Purkis OBE**



End poverty.  
Together.

## Trustees' statement

The trustees present their statutory report with the financial statements of ActionAid for the year 2013. The trustees' report has been prepared in compliance with the Charities Act 2011 and is also a directors' report as required by Section 415 of the Companies Act 2006.

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 (SORP 2005).

ActionAid is a UK 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.

The trustees have taken note of the Charity Commission's guidance on public benefit. ActionAid has made grants to ActionAid International to assist country programmes deliver against our ambitious strategy and strengthen our global federation. We also undertake activities in the UK in pursuit of our global mission. Please refer to note 6 to the accounts for the detail. Our global objectives and examples of what we have achieved across the federation are provided in the 'Delivering on our Global Mission' section.

**Land rights activist from Tanzania Elly Ahimidiwe with Helen Nickols** from ActionAid at the Big IF London rally in Hyde Park. Around the world over 50,000 young people are working with ActionAid International to tackle poverty and injustice.

PHOTO: Mark Chilvers/ActionAid PHOTO: Savann Oeum/ActionAid

# Strategic report

## Delivering on our global mission

**ActionAid is part of ActionAid International - a federation operating in 45 countries that is dedicated to fighting poverty and injustice.**

**Working with communities over many years to strengthen their efforts to create better lives for themselves and their families.**

**We help poor people to get their voices heard at a national and international level and we work with them to change the policies and practices that create poverty.**

ActionAid International has a global strategy 'People's Action to End Poverty' and each federation member plays a part in delivering it. ActionAid's role is summarised in our strategy 'Action for Change'. We fund development programmes, campaign on the causes of poverty and injustice and support and strengthen the federation. We fund over a quarter of the federation's work with poor people.

This section provides examples of ActionAid International's progress towards achieving its five global objectives in 2013 and highlights the contribution of ActionAid.

### Strategic Objective 1:

Promote sustainable agriculture and control of natural resources for people living in poverty

See page 4



### Strategic Objective 2:

Advance the political influence of people living in poverty to hold governments and companies accountable

See page 6



### Strategic Objective 3:

Improve the quality of public education for all children and support young people to become drivers of change towards a poverty-free planet

See page 8



### Strategic Objective 4:

Build the resilience of people living in poverty to conflicts and disasters and respond to disasters with people-centred, rights-based alternatives

See page 10



### Strategic Objective 5:

Ensure that women and girls can break the cycle of poverty and violence, build economic alternatives and claim control over their bodies

See page 12



**Disclaimer:** The evidence cited in this report (pages 4 to 13) relates to ActionAid International's work around the world in 2013 which has been delivered with resources raised throughout the federation. This report is based on the evidence and analysis available in April 2014, this evidence will be verified and further analysed by ActionAid International in the coming months.

## Strategic objective 1

### Promote sustainable agriculture and control of natural resources for people living in poverty

***In order to live, we need unpolluted land, water and forests. But privatisation of land is depriving the poorest and most marginalised people of their right to these natural resources.***

In 2013, ActionAid International helped rural women to gain access to land and other natural resources in 32 countries. In 39 countries we helped small farmers to improve their agricultural techniques and to access support from their governments.

Land belonging to some of the poorest communities in the world is under threat - from climate change, from land seizures or from the growing demand for biofuels. ActionAid International empowers communities to tackle poverty and helps them to keep their land, build their resilience to climate change and improve their soil to grow and sell more food.

ActionAid International campaigns against the targets that drive the use of biofuels in petrol and diesel because the demand for land to grow these crops leads to land grabs and forces millions into hunger. Between 2003 and 2008 several Q'eqchi' communities in Northern **Guatemala** were violently evicted from land they had been farming for generations to make way for a sugar plantation. Much of the sugar from Guatemala ends up as biofuel in European cars. To support their struggle to secure their land, ActionAid International and its partners helped farmers to engage with the UN High Commissioner for Human Rights and the Guatemalan government.

In September 2013 ActionAid supporters sent nearly 50,000 messages to MEPs, demanding that they vote to limit the amount of food burnt as fuel in a key European debate. Many MEPs acted on our call for Food not Fuel, acknowledging the role of biofuels in causing hunger and contributing to climate change. MEPs voted through a limit of 6% on food-based biofuels – a little higher than our 5% demand - a good achievement.

ActionAid International empowers small-scale farmers to access government schemes. Some farmers are unaware of government-run agricultural schemes, while some are too expensive or too far away. In **Uganda**, ActionAid International trained farmers in sustainable agriculture and helped them access high-quality seeds from Uganda's agricultural advisory service. With profits from their crops the farmers started a Village Savings and Loan Association and bought more seeds.

In **Nigeria**, ActionAid International worked with the 'Small-scale Women Farmers' Organisation' to brief the parliamentary committees on agriculture and rural development. Committee members supported the women's request for better access to agricultural support schemes and more public finance for small-scale agriculture. The committee members agreed to escalate their requests to the government.

In other regions ActionAid International is training small-scale farmers to improve the quality of their land. In the drought prone area of Garba Tulla in the north east of **Kenya**, our training helps farmers to improve irrigation and to determine the best time to harvest and sell their produce. With mobile phones provided by us the farmers can exchange texts about current market prices. That means the farmers, many of whom are women, can get a fair price for their crops and feed their families.

*"I sell my harvest to brokers from Meru or Nairobi. Before, they could quote any price and I could not prove them wrong. Now I know the actual price and that's a world of difference to me. It means that I get more money. Today the price is 36 shillings per kilo. I think the brokers are offering 25 and that is not enough, we now know thanks to the SMS." Hawo Mamo, Garba Tulla, Kenya*



**Virginia Muatha** is a member of Kikunguni Farmer Field School in Kenya. It has 25 members who are farming drought resistant crops and using new techniques that require less rainwater.

Photo: Soren Bjerregaard/ActionAid

**>300,000**  
Farmers practicing sustainable agriculture

**>150,000**  
People trained in sustainable agriculture

**>12,000**  
Farmers groups are adapting sustainable agricultural techniques for use in their area

Numbers have been rounded and have been extracted from country reports.



**Promoting women’s control over land and other natural resources**

Women who report increased control over land or other natural resources	<b>100,000</b>
Women who report their husbands and local leaders have increased their support for women’s control of land and other natural resources	<b>40,000</b>
Women’s groups organised to claim women’s rights and legal entitlement to land and other resources	<b>3,000</b>

Numbers have been rounded and have been extracted from country reports.

**Marietumetse Takane** is a small-scale farmer in Lesotho. She helps lead her community’s association for people living with HIV and orphans. In 2013 the crops in her area were destroyed by hail. Marietumetse helped ActionAid International identify the households most in need of food aid; many of the households helped are led by children.

PHOTO: Eva-Lotta Jansson/ActionAid

## Strategic objective 2

### Advance the political influence of people living in poverty to hold governments and companies accountable

**Without meaningful democracy, people with power use it to influence how a country is governed and to get control of economic resources. For many of the poorest and most excluded groups, there is a strong connection between a lack of political space or influence and the perpetuation of poverty and injustice. With support from ActionAid International, people are learning how to hold the state and other institutions accountable.**

In 2013, ActionAid International worked in 28 countries to help poor people to hold businesses operating in their country and their government accountable for their actions. In 22 countries we campaigned for public policies that reduce poverty.

Loss of tax revenue through tax avoidance and evasion deprives developing countries of the funds they need to run decent public services. ActionAid International is campaigning for tax justice in 17 countries throughout the world and is a member of more than 50 tax justice campaigns and coalitions.

In the lead up to the G8 summit, chaired by **the UK**, the 'Enough For Everyone...If' campaign called for international action to tackle tax dodging in developing countries. This helped establish tax dodging as a truly global issue. ActionAid and its coalition partners won a commitment to a range of measures that will make it harder for companies to hide their tax affairs. The G8 also acknowledged that developing countries should be included in a tax information sharing deal between countries, but we must make sure this promise is acted upon.

Across the globe, ActionAid International is helping individuals and communities to assert their right to resources and local services.

In **Pakistan**, we are helping widows whose husbands have died in mining accidents to claim the death grants to which they are entitled. To achieve this ActionAid International worked with mineworkers in Kushab in the Punjab for more than two years. After the miners registered a union, ActionAid International provided training on their rights under the 1923 Mines Act, which included the right to death grants. Despite slow, unresponsive bureaucracy, the miners won their first death grant claim in 2013. These grants enable widows to set up small businesses and care for their children and to free themselves from poverty.

*"I received a death grant. Now education of my son will be restored and I will use this money to establish an economic entity (business)." Perveen Bibi, Punjab*

Holding business and political leaders accountable reduces the risk of corruption. In **Uganda**, together with community groups and other NGOs, ActionAid International mounted an effective campaign against corruption. One of the campaign's innovations was enabling people to use text messaging to report corruption. Ugandan citizens are now more willing to challenge and report corrupt practices and a growing number take part in Black Monday, by wearing black to show their opposition to corruption. Campaigners distribute a newsletter to increase awareness of incidents of corruption and its impact.

The right to health care without discrimination is enshrined in **Guatemala's** constitution. However, since only Spanish is spoken in hospitals, Mayan people can find it hard to access basic treatment. ActionAid International supports community groups campaigning for translators to be made available. When these campaigns succeed the local Mayan community are able to receive the care they are entitled to. In one hospital that employed translators as a result of the campaign more than 900 Mayan people now access healthcare each month.

*"The communities we fight for feel really satisfied because now there's no need for them to hire someone to come with them to translate... The hospital before was like a private clinic. Now, here it's a national hospital of the state and of the people." Carlos Mucú Pop, a member of the Community Health Commission*

**>400,000**  
People living in poverty who have experienced improvements in the quality of their public services

**>2,000**  
Local governments are improving their accountability

**>55,000**  
Community members feel their local government adequately consults them when making decisions about public services

Numbers have been rounded and have been extracted from country reports.



**Challenging corruption and promoting fair tax collection**

Number of anti-corruption campaigns supported **140**

Number of tax justice coalitions and campaigns **50**

Number of community initiatives to monitor tax revenue generation and public service provision **100**

Numbers have been rounded and have been extracted from country reports.

(Top) ActionAid International published a report in 2013 showing that British owned Zambia Sugar has generated profits of \$123m since 2007, but admits to paying “virtually no corporate tax”- just 0.5 percent in Zambia. This reduces the tax revenue available to the Zambian government to pay for schools, health and other public services.

PHOTO: Paul Wu/ActionAid

**Caroline Muchanga** (bottom) sells Zambia Sugar’s products. Everyday Caroline pays her market stall tax (20 US cents a day). In three of the last five years Caroline paid more business tax in absolute terms than Zambia Sugar.

PHOTO: Jason Larkin/Panos Pictures/ActionAid

## Strategic objective 3

### Improve the quality of public education for all children and support young people to become drivers of change towards a poverty-free planet

***In low-income countries more than one billion people are aged 10-19. Despite this, the rights of children and young people are often ignored and their voices are not heard.***

In 2013 ActionAid International worked in 33 countries to improve the quality of education and in 25 countries we empowered young people to make a difference in their communities.

ActionAid International was a founding member of the Global Campaign for Education (GCE). In this coalition, ActionAid manages the 'Send My Friend to School' campaign. In 2013, the campaign helped more than 500,000 young people to engage politicians on an issue they care about. More than 90 MPs met school children and 99% of MPs received a message from a school in their constituency.

In 2013 ActionAid helped young activists from around the world to come to the UK and take part in the 'Enough Food For Everyone... If' campaign. This gave young people from developing countries a chance to demonstrate to politicians and civil servants from wealthy countries the impact of their decisions.

*"Back in my country I witnessed many families suffering from malnutrition diseases like Kwashiorkor and Marasmus. ...hunger like this is not always caused through drought or poor agricultural practices but often because the land these people have farmed for generations has been taken off them in landgrabs for companies to plant biofuels. ...I am in the UK to urge your politicians to act now to change policies that incentivise using farmland to plant crops for fuel instead of crops for food."* Elly Ahimidiwe, Activista (youth activist), Tanzania

Education is key to empowering individuals and communities to claim their rights and ActionAid International is helping children to access education throughout the world. Girls who are educated have better health, are less likely to marry young and enjoy greater economic independence. However in some countries, girls drop out of school because of the violence they encounter, in or on the way to school.

In **Kenya**, evidence about violence against girls gathered by ActionAid International and the national education coalition, Elimu Yetu, influenced policy at national level. The legal changes that were achieved meant teachers who are guilty of violence against pupils could be dismissed. ActionAid International worked with its partners to make sure the changes are embedded in practice.

In boys' clubs ActionAid International supports in **Ghana**, boys explore gender roles and learn about the link between masculinity and violence against girls. By raising boys' awareness, ActionAid International is helping to reduce the incidence of violence towards girls.

*"There are all kinds of violence like forced marriage that shouldn't happen... we shouldn't do this to girls because they are our sisters."* Boys' club member, Ghana

In many countries children's education is hampered by lack of resources. In **Pakistan**, following a request from the local village committee, ActionAid International funded a community school at Dera Peer Bux. We helped the community to lobby their local authority to build latrines for the school and helped them raise funds to repair a classroom.

*"ActionAid was so kind to make our school even more beautiful than before. Now we have washroom in our school and we are much happy for this as we have achieved it with regular efforts. It has brought classrooms to life and opened us to change."* Lal Khan, community member, District Layyah

In **Mozambique**, where poverty prevents many girls from staying on at school, the girls' clubs ActionAid International supports play an important role in raising girls' awareness of their right to education. ActionAid International provided training in handicrafts, which enabled the girls to sell hand-made shoes, sweets and jewellery to raise funds for school materials and club activities.



ActionAid brought Elly Ahimidiwe (R), a land rights activist from Tanzania, and Joy Mwakisambi, a social worker from Kenya, to the UK to participate in the IF campaign.

Photo: ActionAid



**2,000**

Schools improved to better meet children's education rights

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**>50,000**

Young people are taking sustained action with ActionAid International to tackle poverty and injustice

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Numbers have been rounded and have been extracted from country reports.

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**Bittu** a Year 8 student in Matkota Primary School in Bhojipura India. ActionAid International India is visiting schools like Bittu's as part of a nationwide study on how well the government is implementing the Right to Education Act.

PHOTO: Soumi Das/ActionAid

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## Strategic objective 4

### Build the resilience of people living in poverty to conflicts and disasters and respond to disasters with people-centred, rights-based alternatives

**Climate change presents perhaps the greatest threat to the future of life on earth. However, most of the people affected live in developing countries. People living in poverty need great resilience to survive war and natural disasters and to adapt to climate change.**

In 2013, more than 27 countries worked on increasing poor people's resilience to conflict and disaster and 18 countries responded to disasters with innovative rights-based approaches.

Much of ActionAid International's work is focused on achieving long-term, sustainable change. However, the poverty of vulnerable communities is often compounded by natural disasters, the effects of climate change or conflict. For that reason ActionAid International has responded to some recent natural disasters with essential aid. We are also helping communities in disaster-prone regions to improve their ability to cope with future natural disasters or climate change.

When Typhoon Haiyan hit the central **Philippines** in November, the humanitarian need was overwhelming and although ActionAid International had not previously worked in the region, we decided to act. Through our global networks, we quickly identified a group of local partners and launched our appeal. Within three months, we reached more than 70,000 people with food, materials for building shelters and hygiene kits. The high standard of community involvement and accountability we achieved was considered by other agencies to have set a benchmark.

In **Jordan** ActionAid International is working with Syrian refugees to help them earn money and support their families. Life for many refugees in Jordan is extremely difficult, their children are out of school and they do not have enough food.

*"My children's health is bad. They have a lack of calcium in their diet and they are constantly feeling tired."* Aboo Mohammed, father, from Dara in Syria

ActionAid International helped refugees like Aboo to use his existing skills or develop new skills to earn a living. As Aboo used to make clothes in Syria, ActionAid International provided him with sewing machines so he can set up a tailoring business in Jordan.

In five areas affected by climate change in **Bangladesh**, ActionAid International carried out Community Risk Assessments to help communities identify risks and implement risk reduction steps. These included digging ponds to provide water during droughts and providing fire and safety equipment. The disabled, single women and the elderly contributed – groups usually excluded from decision-making.

In **Cambodia** ActionAid International is training teachers and children in Disaster Risk Reduction (DRR) in both primary and secondary schools. Children have sessions on natural hazards and play games that help them identify risks and plan how to stay safe during a disaster. DRR also forms a part of the syllabus in other subjects such as science and geography to ensure the learning is reinforced throughout a child's school career. We support the formal learning that children receive in school with street theatre performances designed that engage their entire community in DRR. ActionAid International helps school children to contact their local political leaders to ask for support to prepare their communities for future disasters. We also work directly with the children's communities to prepare for and manage disasters.

ActionAid International works with other NGOs and development agencies to ensure that marginalised groups are protected during times of disaster. In **the UK** ActionAid helped influence the outcome of a summit on tackling violence against women and girls during crisis, hosted by the Department for International Development (DfID). We created a joint statement with other NGOs calling for humanitarian responses that put women's rights at their heart and recognise the invaluable contribution of women's organisations.

ActionAid International is also collaborating with the London School of Economics (LSE) to research how countries' climate change mitigation plans can take account of the needs of small-scale farmers. ActionAid International and the LSE are helping the governments of **Afghanistan, Malawi and Nepal** to develop responsive plans and to create a framework other countries can use.

### Community institutions able to access resources to implement plans to build resilience

Community institutions **Over 500**

Women-led and/or women-centred community institutions **Over 200**

Numbers have been rounded and have been extracted from country reports.



Community members of Liloan village in the Philippines participate in ActionAid International's needs assessments following Typhoon Haiyan.

Photo: ActionAid



28

ActionAid responded to 28 new or existing conflicts or emergencies in 20 countries reaching 1.7m people

100

Communities have allocated funds to risk reduction activities

>14,000

People can identify risks

Numbers have been rounded and have been extracted from country reports.

**Sophea** lives in Kratie Cambodia. She studied flood preparation at school through ActionAid's Disaster Risk Reduction Program. When her area flooded in September 2013 Sophea used the advice she received at school to protect her family's belongings.

PHOTO: Charles Fox/ActionAid

## Strategic objective 5

### Ensure that women and girls can break the cycle of poverty and violence, build economic alternatives and claim control over their bodies

**Women who seek change and who challenge male violence have been subjected to increasing harassment in recent years. ActionAid International defends the right of all women and girls to live free from violence, to control their bodies, to improve their health and to enjoy economic independence.**

In 2013, 35 countries worked to help women and girls gain control over their bodies and in 27 countries women's opportunity to earn income and control economic assets (such as livestock) grew stronger.

ActionAid International is empowering women and girls at local, national and international levels. In communities throughout the world, with support from ActionAid International, more women and girls are attending school, accessing healthcare, gaining economic independence and challenging gender-based violence and harmful practices.

In **Uganda**, ActionAid International supports eight centres for women who have experienced gender-based violence. By early 2013 the centres had provided 832 survivors with psychosocial or emotional counselling, legal redress and mediation. Of these, 120 women were offered sanctuary and rehabilitation while their cases were being managed.

Throughout the world, awareness is growing that female genital mutilation can cause severe bleeding, infections, infertility and death. In **Kenya** ActionAid International supports girls' clubs, women's networks and rescue centres that have supported around 6,000 girls to refuse female genital mutilation which means they remain healthy and stay in school.

*"My daughters have been attending the girls' club at school organised by ActionAid. We have been able to discuss the issue and through ActionAid we also understand the laws that are now in place in Kenya, and what the penalties are if they are broken. I have come to realise that female genital mutilation is an outdated tradition. My hope for the future is that my daughters will graduate from school and be successful."* Atuko Lodyonghole, father, Kenya

In **Ethiopia** Women's Watch Groups supported by ActionAid International protect vulnerable women and girls. In Kombolcha in northern Ethiopia 19 such groups recover abducted girls, monitor girls' attendance at school and promote the use of clinics for pre and post-natal care. We provide small grants to enable women to set up an income-generating activity so that they can take part in the watch groups. We also facilitate contact with the women's affairs and justice offices, the courts and police.

Together with ActionAid International Afghanistan, ActionAid requested additional funding from DfID for civil society organisations (CSOs) that combat Violence Against Women and Girls (VAWG). DfID granted £3m to CSOs in Afghanistan for this purpose. Overall, DfID will spend £18.8 million of UK aid in Afghanistan to combat VAWG and to increase women's participation in elections.

In **the UK**, ActionAid and its partners secured a strong commitment from the government to address VAWG. David Cameron promised to argue that tackling violence against women should be a specific priority in the post 2015 Development Goals and William Hague played a prominent role at the UN General Assembly on preventing sexual violence in conflict.

In many countries, awareness is growing of the detrimental impact on women of doing unpaid care work. In **Nepal, Nigeria, Uganda** and **Kenya**, ActionAid International helped women and men to complete time use surveys that expose the burden of care that is placed on women. This information is used to advocate for policy change and better public services. The community discussions and time use diaries have also prompted some behavioural change in men.

*"I used to carry my child only for pleasure not because I saw it as my responsibility to do so, but having participated in this discussion, I now see that I have been unfair to my wife and I now make a commitment to take a more active part in caring for our children and doing other housework"* husband, Jiwa, Nigeria

## >300

Community driven initiatives to protect women and girls from harmful traditional practices

## >180,000

Women mobilised by ActionAid International to challenge violence and harmful traditional practices in their community and country

## >250

Communities where ActionAid International works that have structures to address violence against women and girls

Numbers have been rounded and have been extracted from country reports.



**Helping women and girls to earn money**

Women and girls participating in income generation activities **35,000**

Women and girls reporting increased control over income and greater negotiating power within the household **55,000**

Numbers have been rounded and have been extracted from country reports.

**Shabana** (top), lives in Gujarat in India. She is learning advanced stitching and has already started stitching clothes in her neighbourhood to earn a living. Stitching classes for girls and women are run for 30, 60 or 90 days depending on existing skill level.

PHOTO: Chintan Gohil/ActionAid

**Sarina** (bottom), has been a fellow with an ActionAid International women's group in West Bengal since 2008. She is responsible for identifying women to act as 'leaders' within their different villages who then work to encourage other women to come out of their homes and attend women's group meetings. Women in the group work together to address the challenges they face and learn about domestic violence law, land rights law, gender, sex, sexuality and leadership.

PHOTO: Nicola Bailey/ActionAid





### Future plans

ActionAid's future plans are shaped by our six-year strategy '**Action for Change**' which covers the period from 2012-2017.

In 2014 ActionAid will continue to:

- **Deliver increased, sustainable, flexible and diverse income to fund our global mission**

This means that funds raised in the UK contribute to all kinds of work that help create lasting change in the communities in which we work. The themes on which we will work include sustainable agriculture, women's rights reducing the vulnerability of poor and excluded communities to the effects of conflict, emergencies and disasters.

- **Take action for long term change**

In 2014 we will continue to campaign for tax justice in the UK and across the world. In addition we will raise awareness about violence against women and girls and harmful traditional practices.

- **Make ourselves stronger globally**

We will take further steps to ensure that we are an effective organisation that plays our full part in contributing to the overall ActionAid federation in pursuit of our mission. In practical terms this means improving our ways of working and ensuring that we use our skills and resources to broaden and deepen the impact that we have on the lives of poor people.

**Yeart Kosal**, 9, shows the first character of Khmer consonant. She finds it very difficult to study in her makeshift classroom which leaks during rainy season and does not have enough furniture. ActionAid International and its partners are working with villagers from Yeart's village and the local education authority to improve the school.

PHOTO: Savann Oeurn/AktionAid

## Financial review

### Income

2013 was a difficult year in terms of fundraising for many UK organisations. In this context ActionAid performed well in key areas – increasing our income by 7% from 2012 (£59.5m to £63.7m). This was driven by a large single donation received late in 2013 and funds for our Typhoon Haiyan appeal in the Philippines.

In 2013 the UK economy grew at its fastest rate since 2007 but many people are still feeling the effects of economic decline and government-driven austerity. This is reflected in ActionAid's income from committed giving, totalling £34.6m. This is a drop of £1.1m from 2012 despite the positive effects of the successful 'Ready for Anything' UK Aid Match appeal in the first half of the year.

Acquiring new supporters has been very challenging and the number of supporters who make a regular donation shrank by more than 5% to 135,225 in 2013. However ActionAid has a very loyal supporter base and we are grateful for their continued backing for our fight against poverty and injustice.

Fundraising for emergencies was a success in 2013 as the speed and quality of our fundraising response improved. We raised £0.7m from individuals following our Typhoon Haiyan appeal and an additional £1.9m from the Disasters Emergencies Committee. We also received £0.6m for our appeal for Syria.

In 2013, ActionAid's hard work in building our relationship with foundations, governments and humanitarian donors brought positive results. Income from trusts and foundations has increased for the fourth year in a row and our income from governments has increased by £0.9m. We are also in receipt of our first grant from European Community Humanitarian Office for Africa and the new Humanitarian team has accessed two tranches of income from the DfID Rapid Response Fund for separate projects in India. The year finished on a high with a single donation of £4.4m to support ActionAid International's key priorities worldwide.

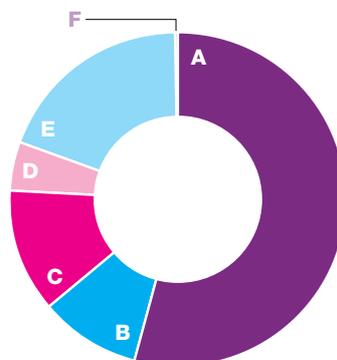
### Expenditure

Of our total expenditure in 2013, 77% was spent on charitable activities. This is a lower figure than in 2012 due to the fact that a large proportion of our income was received late in the year and has yet to be spent (this can be seen in an increase in 'restricted' reserves on the balance sheet). To adjust for this type of variance management reviews the five-year rolling average spend on charitable activities. The five-year rolling average, including 2013, is 82% of total expenditure.

As noted earlier in this section our senior management made a conscious decision to invest in some areas of fundraising and the cost of generating funds in 2013 was £12.8m (up from £11.3m in 2012). ActionAid's management is committed to continually seeking efficiency opportunities to relieve inflationary and other costs. Support costs and costs related to governance actually decreased in 2013 to £3.6m from £3.8m.

## Where does our money come from?

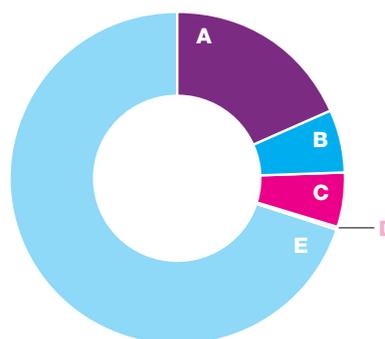
We receive income from a number of sources and the proportions have not changed significantly from 2012, with committed giving from individuals accounting for the largest element; this wonderful funding from individuals is the best guarantee of our true independence as a charity.



	£m	%
<b>A</b> Committed giving	<b>34.6</b>	54%
<b>B</b> Appeals, individuals & legacies	<b>6.1</b>	10%
<b>C</b> NGO's, trusts & companies	<b>7.7</b>	12%
<b>D</b> DEC	<b>3.0</b>	5%
<b>E</b> Governments & EU	<b>12.2</b>	19%
<b>F</b> Other	<b>&lt;0.1</b>	0%
<b>Total</b>	<b>63,660</b>	

## How was the money spent?

The chart below shows our 2013 expenditure split between raising funds, our charitable work, governance,



	£m	%
<b>A</b> Raising funds	<b>10.6</b>	18%
<b>B</b> Support	<b>3.5</b>	6%
<b>C</b> UK campaigning & education	<b>3.1</b>	5%
<b>D</b> Governance	<b>&lt;0.1</b>	0%
<b>E</b> Overseas charitable activity	<b>40.1</b>	70%
<b>Total</b>	<b>57,584</b>	

ActionAid has made grants to ActionAid International to assist country programmes deliver against our ambitious strategy and strengthen our global federation. We also undertake activities in the UK in pursuit of our global mission.

## Reserves

Reserves are funds that we are yet to spend. More detail on the classification of reserves can be found in section 1 of the notes to the accounts on accounting policies. Our supporters and donors expect that their money will help us to realise our vision in an appropriate timeframe. For this reason we do not hold excessive reserves.

Our policy is to retain at least 2.6 months of planned expenditure as general fund reserves. Our trustees believe that this balances the need to apply funds to our mission whilst ensuring sufficient funds to run our day-to-day business, to pre-finance some projects funded by the European Union and to insulate us from unanticipated shocks.

Our reserves have increased in 2013 this is due to income being received very late in the year. Firm and detailed plans for those reserves for our work in the Philippines and in other countries within the federation are already in place, and 2014 will see a reduction in reserves to previous levels.

## Grant making policy

We grant our funds to the ActionAid International Secretariat for wider disbursement to the federation's country programmes and their partners, according to the management agreement that exists between ActionAid and ActionAid International.

## ActionAid International's finances

These accounts reflect the financial performance of the UK charity, which is only part 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

Trustees have identified and reviewed the major strategic, business and operational risks faced by the charity. They are satisfied that reasonable steps are being taken to mitigate exposure and impact. Major risks identified are:

- the impact of the recession on our ability to raise funds cost effectively;
- the implications of reduced resources available to deliver our strategy;
- in a time of austerity, a shift in the public's focus to problems nearer to home;
- the nature of any funding mechanism replacing DfID's current Programme Partnership Agreement in 2016.

Mechanisms to identify, manage and mitigate the impact of risk include the annual planning process and maintaining a risk register which senior managers and trustees reviewed and updated during the year.

We have also paid particular attention to the management of certain financial risks over 2013 including credit checking, foreign exchange and liquidity to comply with Companies Act 2006 disclosure requirements.

# Governance, leadership and trustee declaration

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Our board has to balance listening to people living in poverty with accountability to our supporters for the wise use of their money.

## Trustees and their statutory responsibilities

Trustees are charged with ensuring a focus on ActionAid's mission and values, setting strategic direction, checking our progress against strategy, and ensuring that the organisation is financially sound and compliant with all relevant laws and regulations. The board, however, delegates day-to-day decision-making and operations to a Senior Leadership Team.

The board meets formally at least four times a year. There are three formal committees of the board:

### performance, finance & audit committee

- ensures the highest standards of integrity, financial reporting and internal control, ensures that ActionAid's systems of financial control comply with Charity Commission guidelines and provides reasonable but not absolute assurance against material misstatement or loss;
- reviews organisational performance and results against plan.

### governance & board development committee

- ensures good governance according to the relevant codes of good practice;
- considers governance issues, assesses the board's composition and is responsible for the recruitment, training and induction of new trustees;
- oversees the annual governance review;
- manages the board development plan.

### remuneration committee

- sets the remuneration of the CEO and directors;
- sets overall salary policy;
- monitors the external environment in relation to remuneration.

The board Chair and two Vice Chairs meet regularly as the Chairs Group to provide strong distributed leadership to the organisation.

The ActionAid board plays an active role in the ActionAid International Assembly, the top-level decision-making body in the federation. There is an informal working group (**ActionAid International relationships group**) comprising a small number of trustees and executive staff that focuses on the relationship between ActionAid and the international governance structures.

Trustees, including the Chair, are recruited by open selection and are appointed for a basic three-year term, renewable for a further three years. ActionAid International also appoints a representative to the ActionAid board with our agreement. That person plays an invaluable two-way role in ensuring effective communication.

The 'Board Development Plan' sets clear objectives for the board in terms of their work plan, development and engagement. A skills audit allows us to maintain board diversity and skills that are appropriate to current and future challenges.

There are regular governance reviews. Annual trustee appraisal ensures that trustees receive the information and development opportunities they need to make an effective contribution to ActionAid's governance.

ActionAid International pays for Trustee Indemnity Insurance for the UK 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 Trustees' Annual Report and the financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice). In their capacity as company directors the trustees are approving the Trustees' Annual Report and the strategic report included therein.

Company law requires the trustees to prepare financial statements for each financial year that give a true and fair account of the financial state of the charitable company. This includes incoming resources and their application, 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 apply them consistently;
- observe the methods and principles in the charities Statement of Recommended Practice (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;
- 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. 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 each trustee is aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all necessary steps to appraise themselves of relevant audit information and to bring it to the attention of the auditors.

The trustees are responsible for the maintenance and integrity of the corporate and financial information 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.

ActionAid operate a comprehensive accountability system. This includes annual planning, with plans approved by trustees and annual budgets. 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 of ActionAid International regularly reviews internal controls and submits reports to ActionAid's Performance, Finance & 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 2013 was ten (2012 - eleven).

#### Auditors

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

The report of the trustees including the Strategic Report was approved by the trustees on 15 May 2013 and signed on their behalf by



**Andrew Purkis** (Chair)



**Patricia Whaley** (Honorary Treasurer)

# Independent auditor's report to ActionAid members

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We have audited the financial statements of ActionAid for the year ended 31 December 2013 which comprise the Statement of Financial Activities, Balance Sheet, Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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. 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 auditors' 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.

## Respective responsibilities of trustees and auditors

As explained more fully in the statement of trustees' responsibilities set out in the report of the trustees, 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.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

## Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. In addition, we read all the financial and non-financial information in the report of the trustees to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

## Opinion on financial statements

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 2013 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the report of the trustees, including the strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements.

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

We have nothing to report in respect of the following matters where the Companies Act 2006 requires 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.



**Catherine Sayer** (Senior statutory auditor)  
19 May 2013

for and on behalf of Sayer Vincent LLP, Statutory Auditors  
8 Angel Gate, City Road, LONDON EC1V 2SJ

## Statement of financial activities

### Income and expenditure

For the year ended 31 December 2013

	Restricted funds £'000	Unrestricted funds £'000	<b>Total 2013 £'000</b>	Total 2012 £'000
<b>Incoming resources</b>				
Incoming resources from generated funds:				
Voluntary income (see Note 2a)	23,523	24,292	<b>47,815</b>	48,135
Activities for generating funds	19	17	<b>36</b>	46
Investment income (see Note 2c)	-	19	<b>19</b>	26
Incoming resources from charitable activities:				
Grants (see Note 2b)	14,472	1,278	<b>15,750</b>	11,194
Trading income from charitable activities (see Note 2b)	-	40	<b>40</b>	53
<b>Total incoming resources</b>	<b>38,014</b>	<b>25,646</b>	<b>63,660</b>	<b>59,454</b>
<b>Resources expended</b>				
Cost of generating funds:				
Costs of generating voluntary income (see Note 4)	7	12,828	<b>12,835</b>	11,286
Fundraising trading: costs of goods sold and other costs (see Note 4)	-	1	<b>1</b>	8
Charitable activities (see Note 6)	32,711	11,908	<b>44,619</b>	50,062
Governance costs (see Note 5)	5	124	<b>129</b>	108
<b>Total resources expended</b>	<b>32,723</b>	<b>24,861</b>	<b>57,584</b>	<b>61,464</b>
<b>Net incoming /(outgoing) resources for the year before other recognised gains and losses</b>	<b>5,291</b>	<b>785</b>	<b>6,076</b>	<b>(2,010)</b>
<b>Exchange rate losses</b>	<b>-</b>	<b>(188)</b>	<b>(188)</b>	<b>(65)</b>
<b>Net incoming/(outgoing) resources for the year after other recognised gains and losses</b>	<b>5,291</b>	<b>597</b>	<b>5,888</b>	<b>(2,075)</b>
<b>Total funds brought forward at 1 January</b>	<b>2,125</b>	<b>6,710</b>	<b>8,835</b>	<b>10,910</b>
<b>Total funds carried forward at 31 December</b>	<b>7,416</b>	<b>7,307</b>	<b>14,723</b>	<b>8,835</b>

The notes on pages 23-38 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 & 15 to the financial statement.

All incoming resources and resources expended derive from continuing activities

## Balance sheet

As at 31 December 2013

	2013 £'000	2012 £'000
<b>Tangible fixed assets</b> (see Note 11)	778	870
<b>Current assets</b>		
Debtors (see Note 12)	3,227	1,754
Cash at bank	16,316	11,378
	<b>19,543</b>	13,132
<b>Liabilities</b>		
Creditors: amounts falling due within one year (see Note 13)	5,598	5,167
Net current assets	13,945	7,965
<b>Net assets</b>	<b>14,723</b>	<b>8,835</b>
<b>Funds</b>		
Restricted funds (see Note 15)		
Income funds	7,416	2,125
<b>Unrestricted funds</b>		
Designated funds (see Note 14)	778	870
General funds	6,529	5,840
<b>Total funds</b>	<b>14,723</b>	<b>8,835</b>



**Andrew Purkis**  
(Chair)



**Patricia Whaley**  
(Honorary treasurer)

15 May 2014

Registered in England and Wales - company no. 1295174

## Cashflow statement

For the year ended 31 December 2013

<b>Reconciliation of net incoming/(outgoing) resources to net cash inflow from operating activities</b>	<b>2013 £'000</b>	2012 £'000
Net incoming /(outgoing) resources before other recognised gains and losses	<b>5,888</b>	(2,075)
Depreciation	<b>189</b>	199
(Increase)/Decrease in debtors	<b>(1,473)</b>	139
Increase in creditors	<b>431</b>	1,612
Interest received	<b>(19)</b>	(26)
<b>Net cash inflow/(outflow) from operating activities</b>	<b>5,016</b>	<b>(151)</b>
<b>Cash flow statement</b>		
Net cash inflow/(outflow) from operating activities	<b>5,016</b>	(151)
Interest received	<b>19</b>	26
Purchase of tangible fixed assets	<b>(97)</b>	(128)
Cash inflow/(outflow) before management of liquid resources	<b>4,938</b>	(253)
Increase/(decrease) in cash in the period	<b>4,938</b>	<b>(253)</b>

<b>Analysis of cash</b>	2012 £'000	Cashflow £'000	<b>2013 £'000</b>
Cash at bank	11,378	4,938	<b>16,316</b>
<b>Increase in cash and liquid resources</b>	<b>11,378</b>	<b>4,938</b>	<b>16,316</b>

## Notes forming part of the financial statements

For the year ended 31 December 2013

### 1. Accounting policies

#### Basis of accounting

These financial statements are prepared under the historical cost convention, and in accordance with the Companies Act 2006, Accounting and Reporting by charities: Statement of Recommended Practice and applicable Accounting Standards.

#### 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.

As permitted by section 408 of the Companies Act 2006 and paragraph 397 of SORP 2005, no separate statement of financial activities is presented for the charity.

#### Fund accounting

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

- **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. ActionAid has one designated fund as at 31 December 2013, a fixed asset fund - the value of which represents the net book value of the fixed assets in the UK originally purchased from unrestricted funds.

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. 20% of Next Step income is also unrestricted. Of the balance, 90% is spent within the selected country, while 10% may be applied to international activities.

#### Incoming resources

The Statement of Financial Activities (SOFA) recognises incoming resources when ActionAid believes it is entitled to them, the income is judged virtually certain of receipt and the amount can be reliably quantified.

Grants from the Department for International Development (DfID), European Union (EU) and European Community Humanitarian Office (ECHO) are recognised when there is a formal agreement for their receipt and under this agreement ActionAid considers that all outstanding conditions relating to the receipt of income have been met and the amount of receipt can be ascertained with reasonable certainty.

Where donor specified conditions state resources received in the year must be spent in subsequent accounting periods, the resources are carried forward in creditors as deferred income under the terms of the agreement.

## Notes forming part of the financial statements

For the year ended 31 December 2013

### Incoming resources continued

Gifts in kind are credited to income 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.

Legacy income is included in the Statement of Financial Activities when the charity is advised by the representative of an estate that payment will be made or property transferred, and the amount involved can be quantified.

Income is shown gross before any deduction of associated costs. An exception exists where sums are received from local fundraising groups in the UK net of direct expenses incurred by these groups. The amounts are not material in the context of ActionAid's total income.

### Resources expended

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 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.

The cost of generating 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 to be spent on managing and delivering the long-term development and emergency relief and rehabilitation projects in ActionAid International country programmes worldwide.
- Expenditure of funds received from the European Union for projects in country programmes.
- Policy-influencing, campaigning and 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.

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 generating funds and charitable expenditure. The basis of the cost allocation is staff numbers.

### 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

### 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.

## Notes forming part of the financial statements

For the year ended 31 December 2013

### Short-term bank deposits

Short-term bank deposits are funds not instantly accessible at the balance sheet date.

### 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 section 505 of the Income and Corporation Taxes Act 1988, and section 256 of the Tax of Charitable Gains Act 1992.

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

The charity has taken advantage of the exemption that is conferred by Financial Reporting Standard 8: Related Party Disclosures, which allows it not to disclose transactions with group undertakings that are eliminated on consolidation. Related party transactions that do not fall within this exemption are detailed in note 18.

## Notes forming part of the financial statements

For the year ended 31 December 2013

### 2. Incoming resources

<b>2 (a) Voluntary income</b>	Restricted £'000	Unrestricted £'000	<b>Total 2013 £'000</b>	Total 2012 £'000
Committed giving	19,083	15,516	<b>34,599</b>	35,726
Appeals and individual donors	1,406	3,038	<b>4,444</b>	3,486
Disasters Emergency Committee appeals - see below	2,968	59	<b>3,027</b>	2,892
UK government - Partnership Programme Arrangement (see Note 17)	-	4,107	<b>4,107</b>	4,144
Legacies	66	1,572	<b>1,638</b>	1,887
<b>Total</b>	<b>23,523</b>	<b>24,292</b>	<b>47,815</b>	<b>48,135</b>
<b>Disasters Emergency Committee Appeals income</b>				
Haiti Earthquake	-	-	-	663
Pakistan Floods	204	14	<b>218</b>	984
East Africa Crisis Appeal	649	45	<b>694</b>	1,253
Vietnam Cyclone Ketsana appeal	-	-	-	(8)
Syria Appeal	262	-	<b>262</b>	-
Philippines Typhoon Appeal	1,853	-	<b>1,853</b>	-
<b>Total Disasters Emergency Committee</b>	<b>2,968</b>	<b>59</b>	<b>3,027</b>	<b>2,892</b>

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.

<b>All Emergency/ Non-emergency income by type - 2013</b>	Emergency income £'000	Non Emergency income £'000	<b>Total £'000</b>
<b>Incoming resources from generated funds:</b>			
Voluntary income	4,553	43,262	<b>47,815</b>
Activities for generating funds	-	36	<b>36</b>
Investment income	-	19	<b>19</b>
<b>Incoming resources from charitable activities:</b>			
Grants (see Note 2b)	4,349	11,401	<b>15,750</b>
Trading income from charitable activities (see Note 2b)	-	40	<b>40</b>
<b>2013 Total</b>	<b>8,902</b>	<b>54,758</b>	<b>63,660</b>
<b>2012 Total</b>	<b>7,819</b>	<b>51,635</b>	<b>59,454</b>

Emergency income fluctuates depending on the number and severity of emergencies. The non-emergency income figure shows how underlying income changes year on year.

## Notes forming part of the financial statements

For the year ended 31 December 2013

<b>2 (b) Incoming resources from charitable activities</b>	Restricted £'000	Unrestricted £'000	<b>Total 2013 £'000</b>	Total 2012 £'000
<b>(i) Grants</b>				
Grants from governments and other public authorities:				
UK government (see Note 17)	594	-	<b>594</b>	322
European Union	6,546	294	<b>6,840</b>	5,857
Government of Jersey	90	-	<b>90</b>	179
Government of Isle Of Man	20	-	<b>20</b>	50
Government of Guernsey	40	-	<b>40</b>	105
Dutch Ministry of Foreign Affairs (see Note 17)	381	-	<b>381</b>	496
Others	70	4	<b>74</b>	-
<b>Total grants from governments and other public authorities</b>	<b>7,741</b>	<b>298</b>	<b>8,039</b>	<b>7,009</b>
Grants from companies, trusts and NGOs:				
Big Lottery Fund (see Note 17)	802	1	<b>803</b>	874
Comic Relief (see Note 17)	485	-	<b>485</b>	738
Anonymous Trust	3,579	865	<b>4,444</b>	-
Other grants	1,864	114	<b>1,978</b>	2,573
<b>Total grants from companies, trusts and NGOs</b>	<b>6,731</b>	<b>980</b>	<b>7,710</b>	<b>4,185</b>
<b>Total grants</b>	<b>14,472</b>	<b>1,278</b>	<b>15,750</b>	<b>11,194</b>
<b>(ii) Trading income from charitable activities</b>				
Sale of educational materials and fees for school talks	-	40	<b>40</b>	53
Total income from primary purpose trading	-	40	<b>40</b>	53
<b>Total income from charitable activities</b>	<b>14,472</b>	<b>1,318</b>	<b>15,790</b>	<b>11,247</b>
<b>2 (c) Investment income</b>				
Interest on deposits	-	19	<b>19</b>	26

## Notes forming part of the financial statements

For the year ended 31 December 2013

<b>3 Support costs</b>	Restricted £'000	Unrestricted £'000	<b>Total 2013 £'000</b>	Total 2012 £'000
Support costs comprise the following items:				
Communications	-	199	<b>199</b>	378
UK Director costs	-	133	<b>133</b>	157
Finance	-	508	<b>508</b>	672
Human resources	-	654	<b>654</b>	743
Information technology	-	802	<b>802</b>	668
Office administration	-	309	<b>309</b>	258
Performance and Accountability	11	271	<b>282</b>	264
Property costs	-	608	<b>608</b>	512
	<b>11</b>	<b>3,484</b>	<b>3,495</b>	<b>3,652</b>

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

Costs of generating funds (see note 4)	7	2,265	<b>2,272</b>	2,118
Charitable activities (see note 6)	4	1,219	<b>1,223</b>	1,534
	<b>11</b>	<b>3,484</b>	<b>3,495</b>	<b>3,652</b>

<b>4 Costs of generating funds</b>	Restricted £'000	Unrestricted £'000	<b>Total 2013 £'000</b>	Total 2012 £'000
Costs of generating voluntary income				
Committed giving	-	7,395	<b>7,395</b>	6,675
Other voluntary income	-	3,168	<b>3,168</b>	2,493
	-	10,563	<b>10,563</b>	9,168
Support costs allocated (see Note 3)	7	2,265	<b>2,272</b>	2,118
<b>Total costs of generating voluntary income</b>	<b>7</b>	<b>12,828</b>	<b>12,835</b>	<b>11,286</b>
Trading	-	1	<b>1</b>	8
<b>Total costs of generating funds</b>	<b>7</b>	<b>12,829</b>	<b>12,836</b>	<b>11,294</b>

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

	<b>Total 2013 %</b>	Total 2012 %
Committed giving	<b>21%</b>	19%
Other voluntary income	<b>24%</b>	20%
<b>Overall voluntary income</b>	<b>22%</b>	19%

## Notes forming part of the financial statements

For the year ended 31 December 2013

5 Governance costs	Restricted	Unrestricted	Total 2013 £'000	Total 2012 £'000
	£'000	£'000		
Auditor's remuneration - statutory audit	-	40	40	45
VAT Review	-	3	3	-
Reversal of audit accrual from prior years	-	(12)	(12)	-
Senior Staff Costs incurred on Governance work	-	33	33	35
Costs of conducting Board meetings	-	3	3	8
Governance Review	-	6	6	-
Legal Fees	5	51	56	20
<b>Total governance costs</b>	<b>5</b>	<b>124</b>	<b>129</b>	<b>108</b>

6 Charitable activities	Restricted £'000	Unrestricted £'000	Total direct charitable	
			2013 £'000	2012 £'000
Charitable grants to ActionAid International	26,589	7,436	34,025	38,601
ActionAid International (grants in kind representing support costs incurred on behalf of ActionAid International)	-	640	640	542
Charitable Grant to Other ActionAid	369	-	369	-
<b>Total grants to ActionAid International and ActionAid country programmes</b>	<b>26,958</b>	<b>8,076</b>	<b>35,034</b>	<b>39,143</b>
Grants to partner organisations	1,062	-	1,062	1,536
<b>Total grants (see Note 7)</b>	<b>28,020</b>	<b>8,076</b>	<b>36,096</b>	<b>40,679</b>
Remittances to country programmes for EU projects	3,831	6	3,837	4,112
Expenditure incurred in the UK for EU projects	392	3	395	306
UK Programme work	464	2,604	3,068	3,431
Charitable Activities	32,707	10,689	43,396	48,528
Support costs allocated (see Note 3)	4	1,219	1,223	1,534
<b>Total Charitable activities 2013</b>	<b>32,711</b>	<b>11,908</b>	<b>44,619</b>	<b>50,062</b>
<b>Total Charitable activities 2012</b>	<b>34,825</b>	<b>15,237</b>	<b>50,062</b>	

To see how ActionAid International allocates resources, including those raised in the UK, across the strategic themes refer to the AAI Financial Report and Accounts.

## Notes forming part of the financial statements

For the year ended 31 December 2013

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

Restricted funds:	Total 2013 £'000	Total 2012 £'000	Restricted funds:	Total 2013 £'000	Total 2012 £'000
<b>Africa</b>			<b>Asia</b>		
Burundi	658	606	Afghanistan	566	482
Democratic Republic of Congo	61	25	Bangladesh	750	715
Ethiopia	1,030	1,289	Cambodia	451	477
Ghana	920	1,125	China	238	349
Kenya	2,400	3,164	India	3,542	3,236
Lesotho	288	313	Myanmar	482	309
Liberia	116	131	Nepal	607	701
Malawi	1,036	897	Pakistan	974	1,633
Mozambique	617	492	Vietnam	563	479
Nigeria	594	547	Syria	567	-
Rwanda	477	480		<b>8,740</b>	<b>8,381</b>
Senegal	270	334			
Sierra Leone	783	971	<b>Latin America and the Caribbean</b>		
Somaliland	430	295	Brazil	545	640
South Africa	298	134	Ecuador	99	107
Tanzania	277	180	Guatemala	464	510
The Gambia	991	1,070	Haiti and Dominican Republic	560	1,232
Uganda	1,436	1,442	Nicaragua	100	106
Zambia	143	157	Peru	227	235
Zimbabwe	177	194		<b>1,995</b>	<b>2,830</b>
	<b>13,002</b>	<b>13,846</b>			

## Notes forming part of the financial statements

For the year ended 31 December 2013

<b>7 Grants to ActionAid International and ActionAid country programmes (continued)</b>	<b>Total 2013 £'000</b>	Total 2012 £'000
Charitable grant to other ActionAid	369	-
ActionAid International - projects involving more than one country	2,852	3,187
<b>Total restricted funds</b>	<b>26,958</b>	<b>28,244</b>
<b>Unrestricted funds:</b>		
ActionAid International (cash grants)	6,579	10,000
Country Programmes (grants designated as part of Department for International Development Programme Partnership Arrangement)	857	357
Unrestricted charitable grants to ActionAid International	7,436	10,357
ActionAid International (grants in kind representing support costs incurred on behalf of ActionAid International)	640	542
<b>Total unrestricted funds</b>	<b>8,076</b>	<b>10,899</b>
<b>Total grants to ActionAid International and ActionAid country programmes</b>	<b>35,034</b>	<b>39,143</b>
<b>Grants to partner organisations:</b>		
UN Habitat	-	235
Malteaser	-	217
Christian Aid	-	191
Concern Worldwide	336	186
Oxfam GB	152	164
Plan International	-	159
Islamic Relief	195	119
Help Age	-	112
Peoples Solidaire	111	-
Restricted grants (individually under £100,000)	268	138
<b>Total restricted grants</b>	<b>1,062</b>	<b>1,521</b>
Unrestricted grants (all individually under £100,000)	-	15
<b>Total grants to partner organisations</b>	<b>1,062</b>	<b>1,536</b>
<b>Total grants</b>	<b>36,096</b>	<b>40,679</b>
<b>8 Particulars of employees</b>	<b>Total 2013 Number</b>	Total 2012 Number
<b>The average full time equivalent number of employees during the year was:</b>		
Campaigns and policy	46	46
Fundraising	84	63
Support staff	31	36
<b>Total</b>	<b>161</b>	<b>145</b>

The average number of staff in the year was 171 (2012: 157)

## Notes forming part of the financial statements

For the year ended 31 December 2013

<b>8 Particulars of employees</b> continued	<b>Total 2013 £'000</b>	Total 2012 £'000
<b>Total remuneration of employees (full-time and part-time) was:</b>		
Gross wages and salaries	<b>6,333</b>	6,285
Social security costs	<b>646</b>	567
Pension contributions	<b>473</b>	433
<b>Total</b>	<b>7,452</b>	7,285
The number of staff whose emoluments are greater than £60,000 are shown below		
	<b>2013 Number</b>	2012 Number
£60,001 - £70,000	<b>3</b>	5
£70,001 - £80,000	<b>1</b>	2
£80,001 - £90,000	<b>-</b>	1
£90,001-£100,000	<b>1</b>	-
	<b>5</b>	8

ActionAid's Executive Director was the highest paid employee in the year and received the following remuneration in 2013: £91,927 salary (2012: £88,933). In addition £9,114 (2012: £8,893) was paid into a defined contribution pension scheme on his behalf.

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 all five (2012: eight) employees. During the year this amounted to £43,552 (2012: £55,976).

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 2013 Richard Miller, the Executive Director incurred expenses of £5,897 (2012: £2,298).

### 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 2013 or 2012. The most significant element of trustee's expenses is the cost of visits to country programmes but also includes attendance at board meetings (both ActionAid and ActionAid International). In 2013, ten trustees incurred a total of £6,746 (2012: £5,879 was paid to five trustees) through expenses reimbursed and costs incurred by ActionAid on their behalf.

## Notes forming part of the financial statements

For the year ended 31 December 2013

<b>10 Incoming resources before transfers</b>	<b>2013 £'000</b>	2012 £'000
<b>Net incoming resources are stated after the following charges:</b>		
Operating lease rentals - property	423	430
<b>Total</b>	<b>423</b>	<b>430</b>

<b>11 Tangible fixed assets</b>	Leasehold improvements £'000	Office equipment £'000	<b>Total £'000</b>
<b>Cost</b>			
At 1 January 2013	609	908	<b>1,517</b>
Additions	-	97	<b>97</b>
<b>At 31 December 2013</b>	<b>609</b>	<b>1,005</b>	<b>1,614</b>
<b>Depreciation</b>			
At 1 January 2013	98	549	<b>647</b>
Charge for year	41	148	<b>189</b>
<b>At 31 December 2013</b>	<b>139</b>	<b>697</b>	<b>836</b>
<b>Net book value</b>			
At 31 December 2013	470	308	<b>778</b>
<b>At 31 December 2012</b>	<b>511</b>	<b>359</b>	<b>870</b>

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

<b>12 Debtors</b>	<b>2013 £'000</b>	2012 £'000
Accrued income	1,928	327
Other debtors	47	34
Prepayments	45	197
Tax recoverable	1,189	1,168
Amounts due from employees	18	28
<b>Total debtors</b>	<b>3,227</b>	<b>1,754</b>

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

## Notes forming part of the financial statements

For the year ended 31 December 2013

<b>13 Creditors</b>	<b>2013 £'000</b>	2012 £'000
<b>Amounts falling due within one year:</b>		
Interest-free loans	<b>63</b>	86
Trade creditors	<b>587</b>	756
Accruals	<b>852</b>	940
Other creditors	-	19
Amounts due to ActionAid International	<b>3,906</b>	3,018
Taxation and social security	<b>173</b>	319
Deferred income	<b>17</b>	29
<b>Total creditors</b>	<b>5,598</b>	5,167

<b>14 Designated funds</b>	Balance as at 1 January 2013 £'000	New designations £'000	Utilised in the year £'000	<b>Balance as at 31 December 2013 £'000</b>
Designated funds				
Tangible fixed assets fund	870	97	(189)	<b>778</b>
	<b>870</b>	<b>97</b>	<b>(189)</b>	<b>778</b>

**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.

<b>15 Restricted funds</b>	Balance as at 1 January 2013 £'000	Income £'000	Expenditure £'000	<b>Balance as at 31 December 2013 £'000</b>
<b>Restricted funds</b>				
Africa	407	13,346	(13,465)	<b>288</b>
Asia	816	14,330	(12,722)	<b>2,424</b>
Latin America and the Caribbean	22	1,998	(1,997)	<b>23</b>
International projects and other funds	880	8,340	(4,539)	<b>4,681</b>
<b>Total restricted funds</b>	<b>2,125</b>	<b>38,014</b>	<b>(32,723)</b>	<b>7,416</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.

## Notes forming part of the financial statements

For the year ended 31 December 2013

	<b>Balance as at 31 December 2013 £'000</b>	Balance as at 31 December 2012 £'000
<b>15 Restricted funds</b> continued		
<b>The balances on restricted funds at the year end are made up of:</b>		
EU and ECHO funded projects	<b>3,125</b>	1,513
Other projects managed by ActionAid	<b>4,291</b>	612
<b>Total restricted funds</b>	<b>7,416</b>	2,125

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.

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 £0.1m (2012: £0.5m). 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 projects in deficit.

<b>16 Analysis of net assets between funds</b>	Restricted income £'000	Unrestricted		<b>Total 2013 £'000</b>
		Designated £'000	General £'000	
<b>Fund balances at 31 December 2013 are represented by:</b>				
Tangible fixed assets	-	778	-	<b>778</b>
Current assets	11,131	-	8,412	<b>19,543</b>
Current liabilities	(3,715)	-	(1,883)	<b>(5,598)</b>
	<b>7,416</b>	<b>778</b>	<b>6,529</b>	<b>14,723</b>

## Notes forming part of the financial statements

For the year ended 31 December 2013

<b>17 Grants received</b>	<b>2013 £'000</b>	2012 £'000
<b>Grants received in 2013 from the UK Department for International Development:</b>		
Partnership Programme Arrangement (PPA)	4,107	4,144
<b>Total voluntary income</b>	<b>4,107</b>	<b>4,144</b>
Enhancing Community Resilience Programme	400	227
Immersion	-	4
NGO Humanitarian Reform Project	100	-
Ready for Anything	94	-
<b>Total incoming resources from charitable activities</b>	<b>594</b>	<b>231</b>
<b>Total grants received from the UK Department for International Development (DFID)</b>	<b>4,701</b>	<b>4,375</b>
Expenditure of these grants has been in accordance with the terms agreed with DFID. The Partnership Programme Arrangement income represents 8% of ActionAid UK's total income.		
<b>Grants received in 2013 from the UK Foreign and Commonwealth Office:</b>		
Reducing Violence Against Women in Afghanistan	-	91
<b>Total grants received from the UK Government</b>	<b>4,701</b>	<b>4,466</b>
<b>Grants received in 2013 from Comic Relief were as follows:</b>		
Transforming Girls Education in Nigeria and Tanzania	60	380
Reducing Sexual Exploitation of Girls In Recife	223	252
Support for Women and Children Living with and Affected by HIV and AIDS in Kenya	-	106
Rebuilding the lives of Street Children in Rajasthan	-	-
Kenya HIV Aids CRF	27	-
Empowering lesbian activists to create safer communities	175	-
	<b>485</b>	<b>738</b>
<b>Grants received in 2013 from the Big Lottery Fund were as follows:</b>		
Violence against Girls in schools (Multi country)	803	868
Development Grant for Somaliland	-	6
Rights to life	-	(-1)
	<b>803</b>	<b>874</b>
<b>Grant received in 2013 from The Dutch Ministry for Foreign Affairs was as follows:</b>		
FLOW Women's rights to sustainable livelihoods (Ghana & Rwanda)	381	496
	<b>381</b>	<b>496</b>

## Notes forming part of the financial statements

For the year ended 31 December 2013

<b>18 Related party transactions</b>	<b>2013 £'000</b>	2012 £'000
ActionAid recognises ActionAid International and other members of the ActionAid group as related parties. Material transactions between the entities are shown below.		
Grants to ActionAid International	<b>35,034</b>	39,143
	<b>35,034</b>	39,143

See note 7 for details of grants to 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. Until August 2013, the designated trustee was Tennyson Williams the Country Director of ActionAid Kenya. His remuneration from ActionAid International is in line with other roles of comparable responsibility in ActionAid International and, more generally, with market rate. He received no remuneration for his work as trustee of ActionAid.

## 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 principal trading activity of ActionAid Enterprises Ltd is the sub-licensing of the ActionAid name to commercial organisations in exchange for royalties and licence fees.

The total investment in the subsidiary is £1 (2012: £1).

There was no activity undertaken in the subsidiary in 2013 or 2012.

<b>20 Obligations under operating leases</b>	<b>2013 £'000</b>	2012 £'000
<b>The group had annual commitments at the year end under operating leases expiring as follows:</b>		
Within one year	-	-
In two to five years	-	-
After 5 years	<b>481</b>	481
	<b>481</b>	481

## Notes forming part of the financial statements

For the year ended 31 December 2013

### 21 Contingent assets and liabilities

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ActionAid originally set up most of ActionAid International's country programmes and as such still owns the assets of those entities that have not subsequently become affiliates. Country programmes are now managed by ActionAid International rather than ActionAid.

The change in accounting policy regarding country programmes in 2007 means that country programme assets are no longer included in these accounts. However ActionAid retains the legal right to take back management of its country programmes from ActionAid International 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 practicable 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 £22.7m (2012: £20.5m).

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.

## Corporate directory

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

### Board of trustees

Andrew Purkis OBE, Chair  
 Patricia Whaley, Hon Treasurer & Vice Chair  
 Jane Esuantsiwa Goldsmith, Vice Chair  
 Frank McLoughlin CBE  
 Gemma Peters  
 Giles Fernando (from October 2013)  
 Jane Buckley Sander  
 John Monks (from October 2013)  
 Mark Haysom CBE (resigned October 2013)  
 Mike Forrest  
 Prash Naik (resigned October 2013)  
 Rosalind Eyben  
 Tennyson Williams (resigned August 2013)

### Governance & board development committee

Jane Esuantsiwa Goldsmith, Chair  
 Andrew Purkis OBE  
 Giles Fernando (from October 2013)  
 Prash Naik (resigned October 2013)  
 Rosalind Eyben

### Performance, finance & audit committee

Patricia Whaley, Hon Treasurer and Chair  
 Gemma Peters  
 John Monks (from October 2013)  
 Mark Haysom CBE  
 Mike Forrest  
 Sue Logan (co-opted)

Further information about Trustees is available on the ActionAid website - [www.actionaid.org.uk/about-us/uk-trustees](http://www.actionaid.org.uk/about-us/uk-trustees)

### Principal Officers

- Richard Miller, Executive Director
- Beverley Duckworth, Interim Policy, Advocacy & Campaigns Director (until March 2013)
- Helen McEachern, Fundraising Director
- Janet Convery, Communications Director
- Judith Davey, People, Performance & Accountability Director
- Nuria Molina, Policy, Advocacy & Campaigns Director (from April 2013)
- Steve Eddy, Financial & Central Resources Director

### Patron

His Royal Highness, the Prince of Wales

## Legal and Administrative Information

### Auditors

Sayer Vincent LLP  
 8 Angel Gate  
 326 City Road  
 London, EC1V 2SJ

### Solicitors

Bates, Wells & Braithwaite LLP  
 2-6 Cannon Street  
 London, EC4M 6YH

### Bankers

The Co-operative Bank plc  
 Charity & Social Enterprise Banking  
 4th Floor, Prescott Street  
 London E1 8AZ

### Registered Office

33-39 Bowling Green Lane  
 London, EC1R 0BJ  
 Tel: 0203 122 0561  
 E-mail: [mail@actionaid.org](mailto:mail@actionaid.org)  
 Web: [www.actionaid.org.uk](http://www.actionaid.org.uk)