

Change lives. For good.

actionaid

TRUSTEES' REPORT AND ACCOUNTS 2017



STRATEGIC REPORT

WE ARE ACTIONAID IN THE UK

Our vision

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

Our mission

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

Our approach

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

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

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WELCOME FROM THE CHAIR AND CHIEF EXECUTIVE

Margaret Casely-Hayford, Chair

Patti Whaley, Interim Chair

Girish Menon, Chief Executive

2017 will be remembered as the year in which women's rights became the centre of a huge global conversation. At the beginning of the year, we witnessed a series of sustained attacks on women's rights. From President Donald Trump's reinstatement of the Global Gag Rule, which limits women's access to safe abortion in developing countries, to a new law in Bangladesh that legalised child marriage, it seemed that hard-won rights were being rolled back.

Around the world, women rallied to reclaim them. In January, women's marches took place in cities from London to Nairobi and Washington to Kolkata, in an incredible outpouring of energy and dedication that built on the work grassroots feminist organisations have been carrying out for decades. Towards the end of the year, the #MeToo movement demonstrated the sheer scale of sexual violence and harassment that women face in every country around the world. Again, women everywhere were galvanised to take action and create change.

It was during this turbulent year that ActionAid in the UK published our new strategy: **Together, with women and girls**. It recognises that poverty isn't just lack of money – it's also lack of choice and power. For women and girls, poverty means living on the margins of society, often facing discrimination or violence. We're shifting our focus because no community can truly prosper when half its citizens are denied the rights enjoyed by the other half.

“We're shifting our focus because no community can truly prosper when half its citizens are denied the rights enjoyed by the other half.”

Putting our new strategy into action, we stood side by side with hundreds of thousands of protestors at the Women's March in London. Our 'Double Jeopardy' report underpinned our reasons for taking part, as it made the link between violence against women and girls and economic inequality explicitly clear.

In October, acid attack survivors from Bangladesh came to London to take part in a fashion show with a difference, raising awareness of violence against women and girls. Working closely with our colleagues from ActionAid Bangladesh, the Survivors' Runway was a wonderful celebration of the women's strength and courage, and their determination not to let the actions of their attackers define them.

Throughout the year, we have continued our humanitarian response to the East Africa food crisis and the Rohingya refugee crisis, recognising the rights, roles and agency of women and girls. Funds raised by ActionAid in the UK helped our partners to reach over 315,000 people with life-saving support and supplies.

Back in the UK, we welcomed a major new partnership with the People's Postcode Lottery, which will enable us to help even more women and girls receive an education and challenge gender-based violence. We were also thrilled to win a BOND award for excellence in governance, in recognition of our decision to implement feminist principles across the whole organisation.

And although this report relates to 2017, we feel we need to acknowledge that there were safeguarding failures within the sector. Like all of you, we have found the reports of sexual exploitation and abuse by some aid workers deeply distressing. This behaviour has betrayed the trust of the most vulnerable in society and contradicts the values and standards to which we are committed. We want to reassure you that our top priority is defending the rights of women and girls. ActionAid has a zero-tolerance policy on any form of sexual harassment and misconduct, and clear child protection policies aimed to protect beneficiaries. Now, more than ever, we are committed to working with the most disadvantaged, vulnerable and marginalised women and girls, particularly those at risk of violence.

Finally, we are delighted to introduce Patti Whaley, who took over as Interim Chair in May 2018. She has been Vice-Chair of ActionAid in the UK for many years, and worked closely with Margaret Casely-Hayford (the current Chair) in steering the governance review and award-winning governance directional changes that have been so well-received within the sector. Patti will assume the lead whilst the new Chair is recruited following Margaret's departure at the end of her four-year term in May 2018. It is with great regret that we say goodbye to Margaret, but we are grateful for her enormous contribution and look forward to continuing to work with her in the future.

It remains our privilege to lead this organisation as we implement our new strategy, putting the rights of women and girls at the heart of all that we do.

Thank you.

“Women and girls’ rights
are at the heart of
all that we do.”



IN NUMBERS



Over

9,800

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



ActionAid in the UK raised

over £55 million

to help change lives, for good



Our emergency appeals for the East Africa food crisis, Rohingya crisis and Sierra Leone mudslides raised over

£4.5 million

to provide life-saving humanitarian aid

A SUCCESS STORY: EDUCATING GIRLS, ENDING CHILD MARRIAGE

Mary Lily is an ActionAid child sponsorship volunteer in northern Ghana. She started working with ActionAid Ghana back in 1999. In her volunteer role, she collects drawings and updates from sponsored children. Mary Lily has also become a prominent campaigner against child marriage.

“Since ActionAid started working here, we’ve started to tackle child marriage,” she says. “Before, we didn’t take action if girls were taken away. We didn’t even know that it was wrong and against the law.” Now Mary Lily helps to organise awareness-raising sessions in her village, where she talks to the community about child marriage, abduction and the law.

When two girls from her village were abducted, Mary Lily put her training into practice. She worked with the girls’ fathers and the village chief to secure their quick release, warning the abductors that their actions were illegal and that they would face prosecution.

Mary Lily is just one of thousands of locally-recruited volunteers across Ghana who are now challenging child marriage in their communities.

“Whatever it takes, I will make sure the girls do not marry at such a tender age. They must finish their education.”

IN CRISIS



In 2017 we supported over

70,000

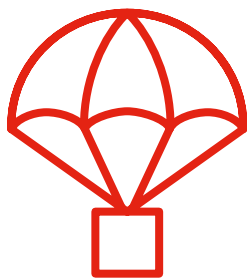
Rohingya refugees



We delivered life-saving support to over

245,000

people across Kenya, Ethiopia and Somalia, where ActionAid works in Somaliland



Over

9,200

people in Sierra Leone received humanitarian assistance, including in response to the mudslides

A SUCCESS STORY: WOMEN'S LEADERSHIP IN A HUMANITARIAN CRISIS

Fatema, 35, is an ActionAid camp counsellor and trained paramedic working in Cox's Bazar, Bangladesh.

Fatema provides psychosocial support to traumatised women and girls fleeing violence in Rakhine state, Myanmar. "One woman was pregnant and fleeing with her husband," she recalls. "Her baby and husband were killed, and she had to witness this. I saw marks of an attack on her body. She was crying and crying."

Fatema supports survivors with counselling and guidance. "We tell them that what happened is not your fault. You have to survive, you have to live. And when you live, you have to live with dignity."

In humanitarian crises, ActionAid works with local women to ensure the aid we provide is appropriate and meets the needs of women and girls. "When we do this work as women, women can open up and talk to us more comfortably," says Fatema. "They would not open up and share what is in their hearts as readily with men."

"We listen to people's experiences and we try to support them to rebuild their lives."

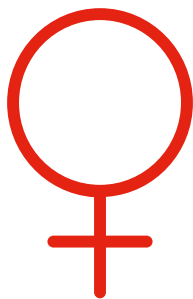
IN SOLIDARITY



Over

42,500

people in the UK campaigned to change lives for good



Almost

10,000

people in the UK called for safe cities for women



Over

100,000

people watched our Survivors' Runway event on Facebook Live, celebrating the courage and resilience of acid attack survivors

A SUCCESS STORY: STANDING WITH COURAGEOUS WOMEN IN BANGLADESH

When an intruder broke into Safura Khatun's house in rural Bangladesh and threw acid on her, she said it felt like her whole body was burnt. She was taken to hospital and went through rehabilitation but faced huge challenges. She was blamed for bringing the attacks on herself and was told that she could no longer work.

Safura was directed towards Shetu Bandan Gori, an ActionAid-supported network for acid attack survivors. She became group secretary, helping members discuss the issues they faced, and the rights they could claim. With an interest-free loan from ActionAid she was also able to start rearing livestock and provide for her family.

ActionAid Bangladesh helped to establish one of the first networks run by survivors of acid violence and also works with local government offices to advise on policies and services that will work for survivors. In the UK, the Survivors' Runway launched our three-year campaign to tackle violence against women and girls, in all its forms. Safura was one of the stars of this inspirational event.

“Through this network and ActionAid, we got this opportunity.”

IN PARTNERSHIP



ActionAid supporters
in the UK raised

£12 million

to fund child sponsorship
programmes across 35 countries



We received a

£2.5 million

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



Over

10,000

women and girls in Rwanda,
Ghana, Kenya and Ethiopia have
already benefited from this grant

A SUCCESS STORY: CHILD SPONSORSHIP

Eleven-year-old Aya lives in the West Bank of the occupied Palestinian territories. Many girls growing up here have faced deeply traumatic experiences, because of the ongoing conflict.

Thanks to child sponsorship, ActionAid is able to support children's clubs where children can learn and play in a safe and nurturing environment. Creative activities like drawing, drama workshops and singing sessions can help them come to terms with what they have witnessed.

Aya is a sponsored child. "I feel very proud that somebody from a different world is supporting Palestine," she says. "I thank them very much."

We believe that girls should have an equal chance to thrive. Through our children's clubs, girls like Aya can build their confidence and learn about their rights, bringing hope for the future.

"I feel proud that
somebody from a
different world is
supporting Palestine."

WORKING TOGETHER: ACTIONAID IN THE UK WITHIN THE ACTIONAID FEDERATION

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

The Federation is made up of 45 national organisations, most of which are based in developing countries. In the UK, our role is to raise funds to reduce poverty in the communities and countries where we work, to take action for long-term change and to act in solidarity with people fighting poverty and injustice. By working in partnership with ActionAid International and member countries around the world, we are able to make a bigger global impact.

We remitted £42.2 million to the ActionAid International Federation in 2017, being 69% of our total expenditure. ActionAid in the UK's total income was £55 million, which represents 27.5% of the budgeted income of the Federation for 2017 of £200m.

The international development and humanitarian work highlighted in this report reflects the results achieved by the Federation as a whole in 2017, and towards which UK donors made this significant contribution.

While most of ActionAid in the UK's funds go towards supporting the Federation's humanitarian and development work overseas, this isn't the whole story. ActionAid in the UK also campaigns in the UK in solidarity with people affected by poverty, and works to realise the rights of women and girls. Other areas of critical expenditure included fundraising, building understanding of development issues, governance and running costs.

ActionAid International's consolidated financial statements can be found at www.actionaid.org/publications.

GLOSSARY

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

ActionAid International brings together the work of the ActionAid International Federation, coordinated by the Global Secretariat based in Johannesburg, South Africa. The Federation is made up of 45 national organisations, most of which are based in developing countries who manage their own programme delivery but are united by shared values, vision and mission.

ActionAid on pages 2–39 of this report refers to the collective work of the ActionAid International Federation. On pages 40–87 of this report, ActionAid refers to ActionAid in the UK.

Disasters Emergency Committee (DEC) brings 13 leading UK aid charities together in times of crisis, including ActionAid in the UK. The DEC launches appeals to raise money to help those impacted by disaster, making sure that funds reach those who need them most.

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

European Commission's Humanitarian Aid and Civil Protection department (ECHO) ensures rapid and effective delivery of EU relief assistance through [humanitarian aid](#) and [civil protection](#).

Key



External video link

A woman wearing a brown shawl and a headscarf is kneeling in a field, tending to green plants. The field is filled with rows of green leafy plants and yellow flowers. The background shows a hillside with more greenery and a small structure.

OUR LAND IS OUR LIFE

Strategic objective one:

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

2017 saw drought, famine and earthquakes impact the globe, hitting the most vulnerable hardest. Months of sustained drought in East Africa left over 14 million people at risk of hunger.

ActionAid has been working with local women and girls to develop sustainable farming practices. By providing training, cash transfers and basic resources like seeds, we're helping communities become more resilient to the impacts of climate change and natural disasters.

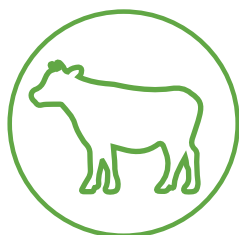


The POWER project

Women in Rwanda bear a heavy workload. Housework is their most time-consuming activity and includes everything from collecting water to looking after children. Many women also carry out agricultural tasks, but poor growing conditions and lack of time mean they can only farm on a small scale, unable to produce surplus products that they could sell.

ActionAid's POWER project, funded by the Netherlands Ministry of Foreign Affairs, has set out to change this. We've supported nearly 6,000 women farmers to meet regularly and discuss the issues they face, and have delivered training on financial management and sustainable farming practices, such as composting and rain water harvesting.

Perusi (pictured) is a mother of three. Her family used to go hungry; their land was infertile so they couldn't grow food, and they had no money to invest in livestock. Thanks to the POWER project, Perusi received training about unpaid care work and how she and other women could join a microfinance cooperative, helping them to manage their savings effectively. Her cooperative also received a cow, which the members share to provide them with milk.



In Rwanda alone, we've provided

292

cows – helping women farmers access milk and improve soil fertility with manure



Now Perusi has earned enough to build a house in a better location. Her family has also bought more land, which they use for subsistence and commercial farming. They can afford to have meals every day, and Perusi's husband now helps out at home, meaning she has time to work and attend training.

Seeds of change yield great results

Because many girls are forced to drop out of school early, and because much of their time is spent performing unpaid care work, women often lose out on learning how to make farming more profitable.

But in Asutifi, Ghana, this began to change thanks to a scheme called the Female Extension Volunteers (FEV). The scheme's goal was to help rural farmers boost revenue by increasing their yield. Initially, 20 female farmers were trained, and they learned how to prepare compost, mulching, lines and pegs, before passing their skills onto others.

Now, the 20 women who were originally trained in the pilot project are using the skills and knowledge they gained to help others in their community too. One participant of the scheme said: "The volunteers visited my farm when I requested and they supported me in planting my maize using line and pegs. I saw tremendous growth of my maize plants. After harvesting I got five bags of maize, which is more than what I got the previous season on the same piece of land. With this, I will increase the size of my farm to get more yields in the next planting season."



In 2017, ActionAid trained and organised nearly

2,400

women's groups to claim their land rights and legal entitlements



Farming through crises

The worst flooding for years to hit South Asia affected 40 million people across Bangladesh, India and Nepal in the summer of 2017. The floods destroyed crops, killed livestock and washed away people's means of making an income. Over 100,000 homes were destroyed in Bangladesh alone.

Our flood recovery response reached over 37,000 people across India, Nepal and Bangladesh, and included drinking water, food, materials for shelter repairs and hygiene kits for women and girls. Beyond this, ActionAid Bangladesh enabled farming families to plan for the future. Families like Khoma Rani's (pictured).

Khoma Rani lost her crops to flooding and struggled to find food. But thanks to support from ActionAid, she received seeds and sacking to help re-plant her land and develop her own livelihood. She said: "Despite having the desire to work, so many women cannot do this due to lack of proper opportunities.

"But I have been given the opportunity with the help of ActionAid. I was loaned ducks from my local women's circle and I have also been provided with seeds and sacks for producing vegetables to meet my family's needs during the rainy season. I hope it will help me to reduce food shortages too."



Over

330,000

people across 20 countries reported improved food security thanks to climate-resilient farming methods

STAND UP AND BE COUNTED



Strategic objective two:

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

ActionAid in the UK seeks to change the systems that sustain poverty and injustice. We achieve change by campaigning tirelessly – challenging companies who do not pay taxes in the countries in which they operate, getting fair deals for workers or ending the abuse and marginalisation of women and girls. Our grassroots partners in the global south influence governments, institutions and corporations to get a better deal for women and girls living in the poorest places.



We help build safer cities

Across 18 countries, our Safe Cities campaign called for local governments to improve the infrastructure of cities to help women feel safer. Some country offices, like ActionAid South Africa, called for better street lighting, and others, like ActionAid Vietnam, demanded CCTV to be installed on public transport to make women feel safer.

Eighteen-year-old Pauline (pictured on page 20) lives in Kenya. Her favourite subject is biology and she dreams of being a doctor. Until recently Pauline lived at home with her parents near a dumpsite, where she felt unsafe. She remembers once when she was at home without her parents.

“I was at home with my three sisters so the street boys from the dumpsite came to our house and started threatening us. The intention was to rape us. We were very scared because we didn’t have anywhere else to go.” Thanks to the Safe Cities campaign, lights and cameras have now been installed. Pauline said: “I feel a change. Now the street boys are scared – because of that lighting they can’t start threatening you like they used to before when it was dark.”



Almost
10,000
people in the UK supported our
Safe Cities for Women campaign.



We marched for women

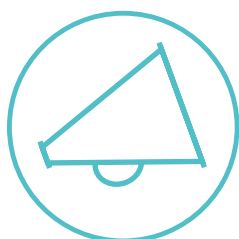
On a cold January day, ActionAid in the UK joined more than 100,000 women at London's Women's March. We marched for tolerance, equality, and inclusion. It was the first bold public stance to highlight our change of strategy and growing focus on the rights of women and girls.

Our commitment to supporting womankind globally inspired a private donor to donate £250,000 after seeing us at the march.

Ending tax haven secrecy

In 2017 over 25,000 UK campaigners called on Theresa May to end tax haven secrecy as part of the #MakeTaxFair campaign.

When companies don't pay the right tax in developing countries, it's the poorest who are hardest hit by cuts to public services. In most cases, the poorest are women and girls. As well as two events in Parliament, we also commissioned a new polling of MPs which helped to shape several parliamentary debates on tax. The impact was the ratification of a new treaty between Lesotho and the United Kingdom meaning UK companies operating in Lesotho get less of a tax break.



In 2017, ActionAid worldwide was actively involved in

48

coalitions and campaigns for tax justice



“Now my husband agrees to four children rather than the ten he wanted”

In July, we launched a new report, *Common Cause: Collaborative Response*, which highlighted the link between violence against women and girls (VAWG) and family planning. The report sets out how intimate partner violence limits women’s voices, choices and control over their bodies. For example, many women are not able to access reproductive health services because of domestic violence.

Ahead of the international Family Planning summit, campaigners called on former Secretary of State for International Development Priti Patel to act on the link between VAWG and family planning. The campaign was successful, leading Patel to reference it in her speech at the summit.

Evelyn Flomo (pictured) is a community activist in Grand Gedeh County in Liberia. Back in 2012, her husband refused to use contraception.

When ActionAid Liberia started working in her community, it was the first information Evelyn had ever received about birth control. She began to travel to a friend’s house to take contraception so her husband wouldn’t find out. As she did so, she became a spokesperson for women’s rights in the community.

“Women having too many children means we fall behind. You have to spend so much time doing housework,” Evelyn explains. Now, five years later, she is helping to change the conversation around family planning. “We went door to door to raise awareness, and now, nurses no longer request the partner’s permission before giving us contraception. Now, my husband agrees to four children rather than the ten he wanted.”

THE RIGHT TO LEARN



Strategic objective three:

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

Around the world 263 million children are still out of school – that’s a quarter of Europe’s entire population.

Across 25 countries, ActionAid works with everyone from parents to local government to ensure children receive the quality education that is their right.

For millions of girls, discrimination or violence at school leads to poor performance, absenteeism and early marriage. Our Girls’ Clubs are run by local women and teach girls about their rights and help them build confidence.



“Success at school makes me happy”

Child sponsorship changes girls’ lives. Girls like eight-year-old Maraa (pictured), who lives in Gaza.

Maraa’s cousin was killed during an outbreak of conflict in 2014, and she has grown up in the midst of violence. “I want to play outside,” she says. “But I’m afraid to go outside because of the rockets and the war. I remember flashes, lots of flashing.”

But thanks to the generosity of UK supporters, Maraa is being supported to stay in school, where she can learn and thrive. Maraa scores an average of 99% in classes, and her favourite subjects are Maths and Arabic “because they are hard”.



ActionAid in the UK’s
Christmas appeal raised over

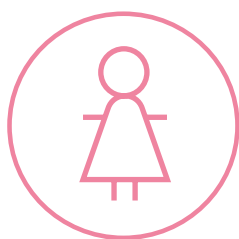
£320,000

in 2017



Fourteen-year-old Hai (pictured) has also noticed a big difference at her school in Vietnam, thanks to funding from UK child sponsorship. “At school, we have such inspiring and meaningful extracurricular activities thanks to ActionAid’s support. I myself joined the Little Journalist club and contributed many articles to our school’s newsletters. The club encouraged my dream of becoming a world-acclaimed writer.

“We have also learned about the rights of children, especially female ones, through ActionAid’s awareness-raising events on promoting rights in school and gender-based violence. As a young girl, I feel empowered to claim my rights and stand up for other children’s rights as well.”



In 2017,

3,175

children like Hai joined our sponsorship programme for the first time

Supporting girls with disabilities to reach their potential

In July 2017 ActionAid in the UK signed a £2.5 million contract for a Girl’s Education Challenge (GEC) fund in Sierra Leone. The GEC fund will help marginalised girls with disabilities to reach their learning potential by supporting them to graduate from primary to secondary school. ActionAid in the UK is in a consortium with Plan UK, Handicap International and the Open University, and the scheme is being implemented in two districts in Sierra Leone – Kono and Moyamba.



People's Postcode Lottery

In 2017, ActionAid in the UK received £2.5 million in funding from the players of the People's Postcode Lottery – a hugely generous sum that enabled us to reach thousands more women and girls living in poverty.

The majority of this funding is going towards work in Kenya, Ghana, Ethiopia and Rwanda, tackling barriers to girls' education and responding to gender-based violence within the community. We're already beginning to see the impact of this funding – we have helped over 10,000 women and girls better understand their rights and how to claim them.

Twenty-three-year-old Elina (pictured, left) was forced to leave school in 2012 and has been supported by ActionAid Kenya to re-enrol in classes.

“Life at home was not easy. I had to do odd jobs to get money for food for my mother and my siblings ... In 2015 I met a man who befriended me. When I got pregnant the man disowned me, and would not hear a thing about me and my baby. I was devastated, and isolated by the community for having a child outside marriage.

“In 2017, a neighbour of mine encouraged me to join a new group that had been formed for young mothers. I have learned about my rights, how to take care of myself and I also learned tailoring.”

Elina took a loan and set up a small business, which was so successful that she has already paid it back, bought some items for her daughter and paid for her own school costs for next year. Elina has now decided that she wants to go back to school and study to become a doctor.



WHEN CRISIS STRIKES

Strategic objective four:

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

In 2017, ActionAid International supported over 530,000 people in 13 countries. We launched 21 new disaster responses in addition to providing ongoing support to other existing crises. In the UK, we ran three emergency appeals that raised over £4.5 million in total.

Our humanitarian programmes recognise that women and girls in a crisis are vulnerable to risk but also vital to recovery. It is often women and girls who step forward first to help others. ActionAid's humanitarian work reaches and empowers local women and protects their rights.



Rohingya crisis

Over 650,000 Rohingya refugees fled violence in Myanmar's Rakhine State and are living in terrible conditions in Cox's Bazar, Bangladesh. ActionAid in the UK raised funds and worked with ActionAid Bangladesh to set up 20 community watch groups to monitor violence in Kutupalong-Balukhali camp. In 2017, our Women's Safe Spaces helped nearly 11,000 women and girls.

Although it is hoped that the Rohingya may eventually be able to return home safely, they are currently stranded in camps in Bangladesh. ActionAid Bangladesh has been working to improve conditions in the camp and give refugee women a voice.



ActionAid Bangladesh
supported over
70,000
Rohingya refugees in 2017

Initially, we prioritised life-saving interventions, such as emergency food and water. To help prevent water-borne diseases we built 20 wells, provided safe drinking water for 10,000 people and constructed 52 emergency toilets. We also delivered food packages including rice and lentils to over 40,000 people in a collaboration with the World Food Programme.



Fourteen-year-old Dolana (pictured on page 28) got her period on the second day of her terrifying week-long journey from Myanmar to Bangladesh. “I had nothing to wear,” she said. “There was no sanitary protection so people could see the blood.”

ActionAid is helping girls like Dolana maintain their dignity by providing hygiene kits containing sanitary protection, soap and clean underwear. In 2017, we distributed over 13,000 of these kits to help Rohingya women who had to flee with nothing.

We are also using our influence to advocate for Rohingya refugees at a political level. ActionAid in the UK submitted written evidence to the International Development Committee’s (IDC) enquiry into DFID’s work in Bangladesh, Burma and the Rohingya crisis. ActionAid was mentioned 12 times in the resultant report, and the IDC adopted many of our recommendations about supporting survivors of violence.

Responding to the Sierra Leone mudslides

On 14 August, after three days of torrential rain, mudslides descended on the town of Regent, just outside Freetown. The mudslides killed over 500 people and swept away thousands of homes.

ActionAid in the UK was the only UK charity which fundraised for this. We distributed food, water, clothes and hygiene kits to mudslide survivors, and trained 18 female facilitators to go house-to-house, providing vital information about sanitation. The facilitators also explained the need for communities to send their children back to school. Forty local women leaders received psychosocial training so they could provide counselling sessions for their communities.



“I feel great about being a strong female leader in the community”

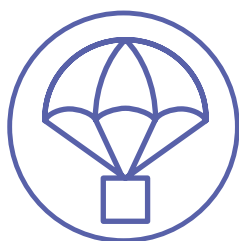
In 2017, back-to-back droughts and protracted conflict left over 14 million people at risk of hunger in East Africa. ActionAid in the UK ran an appeal which raised, inclusive of funds allocated from DEC, over £3.3m, helping us deliver life-saving support to over 245,000 people across Kenya, Ethiopia and Somalia, where ActionAid works in Somaliland.

Lujah (pictured) has worked at ActionAid Kenya for 10 years and is project monitor in Isiolo County, Kenya, which was hit hard by the 2017 drought. She manages six food distribution points which help 1,800 families in the region.

The Food for Assets programme is a lifeline during periods of crisis – it provides the most vulnerable with rations. Lujah says: “I feel great about being a strong female leader in the community. With Food for Assets, women are becoming more empowered in their household, they are managing the food. Men used to take charge of the money so women didn’t have control.”

The programme has also kickstarted a table-sharing system, where those who have more share with those who have less. Lujah says: “I love working with the community ... and helping to empower women and save lives.”

Workinesh Worega, 38, a mother of three, received ActionAid food supplies during the drought. “Women who are part of the committee make sure that all women household heads are included in the targeting process,” she explains with a smile. “They fight for women.”



More than
165,000
people received food, including
maize, rice, pulses, beans and oil.



SHE CAN

Strategic objective five:

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

We focus on women and girls' rights because the denial of women's rights is a grave and widespread global injustice. It is also a root cause of poverty. By supporting women to understand their rights and power, we enable them to be leaders and agents of change within their own communities and beyond.



A fashion show with a difference

At London's fashionable venue the Old Truman Brewery, eight acid attack survivors from Bangladesh took part in our Survivors' Runway fashion show to raise awareness of violence against women and girls. The models walked down the catwalk in proud defiance of the shame, isolation and silencing their attackers intended for them. In total, 107 media outlets covered the event and a Survivors' Runway Facebook Live reached more than 100,000 people.



In 2017, over

400,000

women and girls in 27 countries were mobilised to challenge domestic and sexual violence

ITV newsreader Nina Hossain said: "I don't normally come to these things but I felt I had to. We saw the very worst of humanity and the very best of humanity. I feel really empowered. I can't stop thinking about last night. A truly empowering event and an inspired idea."

Ganga, 49, from Bangladesh, had acid thrown in her face when a man tried to abduct her and she resisted. She was one of the women walking the Survivors' Runway catwalk. Thanks to ActionAid's acid attack survivors' network, Ganga rebuilt her life by getting a small loan to start rearing livestock. "I love farming



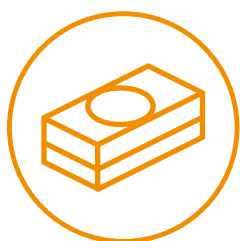
and cattle-rearing. No other task in this world can give me such peace,” she says. She now shares her farming knowledge with other women. In 2015, she received the prestigious Joyeeta Award, a scheme organised by the Bangladeshi government to recognise women who are exceptional role models.

ActionAid Bangladesh has been working with acid survivors for over 17 years. As well as successfully lobbying for greater legislation around the sale of acid, ActionAid Bangladesh also helped to establish one of the first networks run by survivors of acid violence.

Valuing women’s work

ActionAid’s POWER project is helping 21,000 rural women in Bangladesh, Ghana, Pakistan and Rwanda become economically empowered by 2020. A €14.8m grant awarded to ActionAid in the UK by the Netherlands Ministry of Foreign Affairs is addressing the burden of women’s unpaid care work, and, at the same time, supporting women to adapt their farming methods to climate change. In 2017, we started seeing positive changes at a community level with over 20,000 women farmers actively involved in the project.

In October 2017, our global briefing paper *Women as ‘underutilised assets’* called on the International Monetary Fund to urgently consider female labour force participation in the context of the work women are doing in total.



Almost

96,000

women were involved in income generating activities



Combating child marriage at a community level

Fifteen-year-old Ama (not her real name) lives in a village in the Upper West region of northern Ghana. When she was fourteen she was abducted on her way home from night studies at school. Ama was grabbed by two men on motorbikes who locked her away. She was told she needed to prepare to become a wife.

Thankfully, ActionAid Ghana had trained local women how to report violence. Ama's dad went straight to Abiba (pictured), a member of ActionAid's Community-Based Anti-Violence Team (COMBAT) squads. Abiba tracked down the kidnappers and within 24 hours Ama had been rescued. In the last five years, Abiba's COMBAT squads have helped return over 160 girls to their families. That was why Abiba's reputation alone was enough to negotiate Ama's quick release.

Ama now wants to grow up to become an ActionAid worker. "I am not afraid of being abducted again because everyone around me knows that I belong with ActionAid," she says. "I am part of the girls' club. Everybody calls us 'ActionAid girls' and they know not to mess with us!"

Across the country, thousands of local volunteers like Abiba have joined COMBAT teams, which report cases of violence and rescue girls from child marriage or female genital mutilation (FGM) so they can stay in school.

An active and growing network of 140 Girls' Clubs has given girls the training to recognise and speak out against violence. These clubs also teach girls about their rights and help them develop the confidence to aim high and realise their potential.

OUR CELEBRITY SUPPORTERS



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

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



Celebrity highlights

- Singer and *Britain's Got Talent* judge Alesha Dixon (pictured) called on the public to help end child marriage after going on a trip to Ghana with ActionAid in July. Alesha's trip secured over 300 pieces of media coverage, which played a vital role in helping our campaign reach new audiences and generate income.
- On International Women's Day eight female celebrities including YouTuber Tanya Burr and actors Emilia Fox and Emily Watson starred in a new film about ActionAid's commitment to women's rights.
- Twenty-one famous names including singer Jessie J lent their support to ActionAid and the Disasters Emergency Committee appeal for the East Africa crisis. Jessie's posts on social media alone reached over 25 million fans and followers.
- Comedians including Aisling Bea (pictured on page 36), Marcus Brigstocke and Mark Thomas entertained the public at the ActionAid tent at Latitude Festival.
- Actor Jodie Whittaker was one of five high profile supporters who appeared in a moving video about the importance of child sponsorship.
- At the Survivors' Runway event 18 celebrities including Jodie Whittaker and Andrea Riseborough joined acid attack survivors who bravely took to the catwalk.
- For ActionAid's Christmas Appeal, BAFTA award-winning actor Anna Maxwell Martin was filmed reading out Giles Paley-Phillips' inspirational children's story *The Story of Hope*.



THE YEAR AHEAD

The year 2018 is the first full year of ActionAid in the UK's new strategy: **Together, with Women and Girls**. It is a year of significant change for ActionAid as we seek to fulfil our ambition to be a powerful force for change, fighting poverty and injustice and standing strong for the rights of women and girls.

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

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

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

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

- **Mobilise resources:** Our primary aim is to mobilise resources to fight poverty and injustice and realise the rights of women and girls. In 2018 we will invest more money in fundraising, so that we can reach our goal to grow our net income by 30% over the next five years.



- **Influence for Change:** We will influence change at all levels, from local communities to multi-national agencies. In 2018, we will invest in building up our technical expertise, research and knowledge base, and strategic partnerships around our programme priority areas. We will also work to build stronger links with other members of the ActionAid Federation to deliver change for women and girls.
- **Support Humanitarian Action:** We intend to scale up our humanitarian response and resilience work, focusing particularly on women's leadership and on the specific threats faced by women and girls. In 2018, we will establish critical systems and mechanisms to help us do this more effectively, including a new humanitarian fund.

But we also recognise that 2018 will present challenges. In our report last year, we spoke of a 'fight for values' and a 'triple squeeze' on organisations like ActionAid of rising need, a challenging fundraising market and shrinking civil society space. All that is still just as valid this year. But not all criticism of the aid community is politically motivated. At the time of writing, the international aid community is facing legitimate questions around its ability to safeguard the most vulnerable from abuse and exploitation. Protection of the rights of the poorest and most vulnerable is the very core of ActionAid's reason for existence, and our programmes around the world seek to address the abuse of women and girls' rights.

ActionAid has robust systems for preventing, detecting and dealing with abuse and exploitation, but we can always do better. In 2018, we will be investing significant additional resources in strengthening skills, systems and processes to safeguard the rights of those we exist to serve.

STATUTORY REPORT AND FINANCIAL STATEMENTS

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

In this section of the Trustees' Report and Accounts 2017, 'ActionAid' refers to the UK-registered charitable company.

The Trustees present their statutory report with the financial statements of ActionAid for the year 2017. The Trustees' report has been prepared in compliance with the Charities Act 2011, the Charities and Social Investment Act 2016 and is also a Directors' Report as required by Section 415 of the Companies Act 2006.

FUNDRAISING STATEMENT

Our work changing the lives of some of the world's most vulnerable people is only possible because of the generosity and compassion of ActionAid supporters and the UK public. We are committed to making ourselves accountable to them, and take pride in the standards we uphold in our fundraising practice.

At ActionAid we have a broad spectrum of fundraising activity. The majority of our income currently comes from our committed donors, including child sponsors, and those who generously make a cash donation or leave a gift in their Will. We also have event participants, community fundraisers and groups, who not only fundraise but give their time in their support for us. In 2017 we were thrilled to launch our work with the People's Postcode Lottery, where players make such a difference to people's lives every time they play. We also work with a number of trusts and grant making foundations, as well as our major donors, who were so valuably engaged in developing our strategy this year.

In 2017 we continued to work with professional fundraising organisations to deliver some of this activity, particularly face-to-face and telephone fundraising. Our partners are carefully selected and monitored, to ensure they uphold our ethical standards, and all fundraisers working on our behalf undergo training from our fundraising team on our values, practices and policies. The team also undertake regular monitoring of our live campaigns, through listening to telephone calls, visiting face-to-face teams and completing mystery shopping. We then work with our partners on any feedback from this monitoring, to continually improve our service.

Our ActionAid website proudly displays that we work with the Fundraising Regulator, as a visible commitment to high standards. We prepared thoroughly for the launch of the Fundraising Preference Service in July 2017, and have promptly processed the small number of requests that we have received. Our policies are informed by the Code of Fundraising Practice and we ensure our compliance not only with legal requirements, but also recommended best practice. This year we also engaged with the Regulator through our feedback on the proposed data protection amendments to the Code. We welcome these ongoing opportunities to input, and will continue to participate fully with future developments in 2018.

In 2017 we developed and updated a number of policies which underpin our fundraising activity, including those around refunds, complaints, our use of website cookies and our basis for the acceptance or refusal of donations. Our Treating Donors Fairly policy is central to how we work and ensures that we raise funds and support for our charitable objectives with honesty, integrity and respect. In particular, this policy outlines how we protect individuals who may be in vulnerable circumstances. We use our Privacy Policy to ensure that supporters are aware of how we work, how we process their data and their rights around this. We updated this in 2017, and will do so again in 2018, with a communication to our supporters to highlight any changes for them. These policies help make up our Compliance Manual, which is kept under regular review and has been shared with all fundraising staff and third-party partners as an ongoing resource.

At ActionAid we try to communicate with our supporters and members of the public in a way that they welcome, and if we need to make changes, we will. In 2017, we received a total of 168 complaints about our fundraising activity, which is a 5% reduction from the 177 that we received in 2016. These largely related to direct mail (55%), face-to-face fundraising (14%) and telephone fundraising (12%). Our dedicated Supporter Contact Team work with any complainant to promptly understand their concerns and then update them on any actions that we take, or changes to ways of working that result from their feedback. We view feedback as an opportunity to learn, so we genuinely appreciate communication from our supporters and the general public and are grateful for opportunities to respond to them.

2018 is going to be a year of incredible change in the sector, and we look forward to building on our work from 2017 to ensure that we uphold the highest possible standards. We remain wholly committed to providing an open, positive and rewarding experience for everyone who engages with ActionAid.

FINANCIAL REVIEW

In 2017 the income of ActionAid fell by 8.9% from £60.4 million to £55.0 million, following a decrease of 7.5% in 2016.

The Board of Trustees was pleased with ActionAid's income levels in 2017 despite the £5.4 million reduction in income. Of this, £2.7 million merely relates to a difference in timing of the receipt of a restricted grant from the Netherlands Ministry of Foreign Affairs for POWER, a programme working through local partners in Bangladesh, Ghana, Pakistan and Rwanda. In 2016 this grant was received in December of that year, but the second payment was received in early 2018 so no income from this grant appeared in the 2017 accounts, resulting in reduced 2017 income. The rest of the drop in income is a result of the ending of the DFID Partnership Programme Agreements, under which ActionAid had received £3.1 million in the previous year, and also a similar drop in income from ECHO due to the uncertainty around Brexit and a shift in its strategic priorities. However, these reductions were significantly offset by some strong performances in fundraising, notably becoming a beneficiary of the People's Postcode Lottery draw, raising £2.5million.

We responded to the East Africa food crisis, the Sierra Leone mudslides and the Rohingya crisis for people fleeing Myanmar – generating vital funds for our emergency response. Our Christmas appeal, 'No Girl Afraid', enabled us to tell the story of how we help girls all around the world to stay safe, with a focus on Gaza. We also continued our important work on 'Every Supporter Matters', which was especially important in our preparation for the General Data Protection Act. Despite these initiatives and the growing commitment and loyalty of our financial supporters, committed giving income fell by £1.4 million to £30.6 million. Our new strategy aims to grow committed giving in the long-term through increased fundraising investment.

Expenditure

In 2017 ActionAid in the UK spent £60.9m, 85% of which was on charitable activities (2016 84%). Our charitable activities include grants to the ActionAid Federation, emergency and humanitarian work, campaigning and policy influencing in the UK and overseas, and education work in the UK on our charitable objects. The focus of these activities is to enable people living in poverty to hold governments and companies to account, to promote sustainable agriculture, to improve the quality of public education, respond to emergencies and to promote the rights of women and girls.

Despite a small reduction in total fundraising expenditure to £9.1m (2016 £9.3m), as a percentage of income in 2017 fundraising expenditure rose to 16.5% of total income, as overall income fell due to the reasons outlined above. We continue to carefully monitor the long-term effectiveness and returns from our fundraising investments to ensure that they offer best value to maximise income.

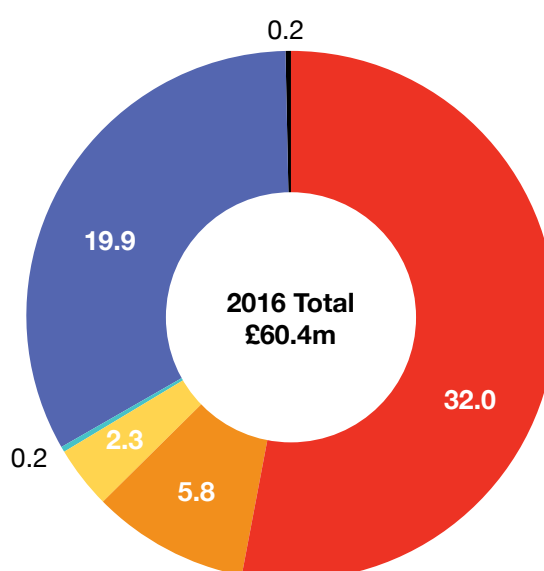
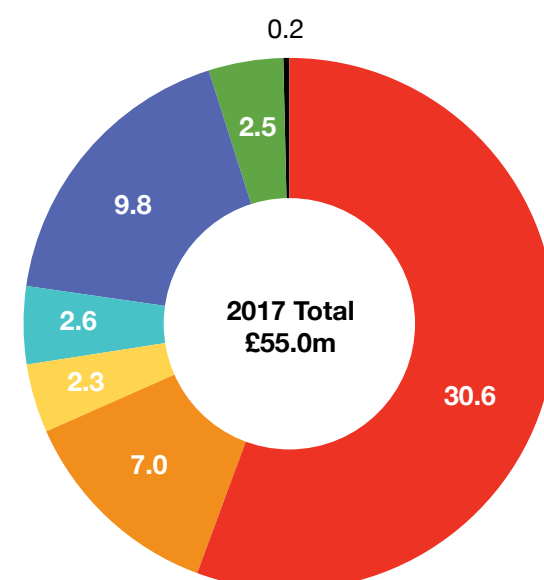
Reserves

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

The decrease in restricted reserves to £3.5 million at the end of 2017 (£8.8 million in 2016) is mainly due to the disbursement of funds received late in 2017 and the fact that funding for the Netherlands-funded POWER project was received early in 2018.

Our policy for General fund reserves is to retain a minimum of 2.6 months of planned annual expenditure (equivalent to £3.5 million). Our Trustees believe that this balances the need to apply funds to our mission whilst at the same time ensuring there are sufficient funds to run our day-to-day business, to pre-finance some projects and to protect us from unanticipated shocks. Our general reserves of £7.4 million at the end of 2017 (£7.9 million in 2016) represents 5.4 months of planned annual expenditure (5.4 months in 2016). We believe this is an acceptable level due to uncertainty about the impact of the new fundraising regulations on our committed giving programme. The new strategy forecasts that the general reserve will fall over the next three years to the policy level, with funds being used to fund systems and fundraising investments required to deliver the new strategy.

Our income

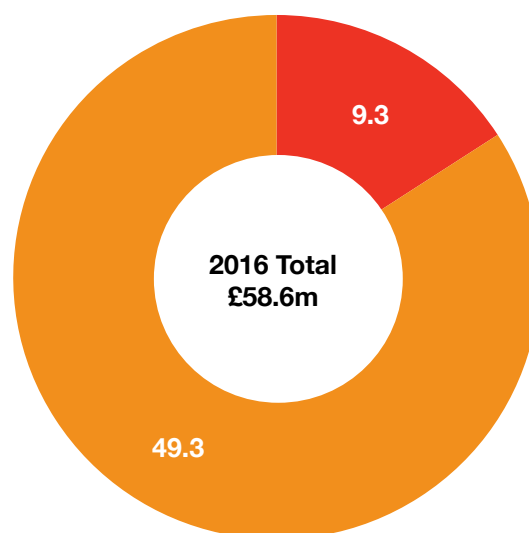
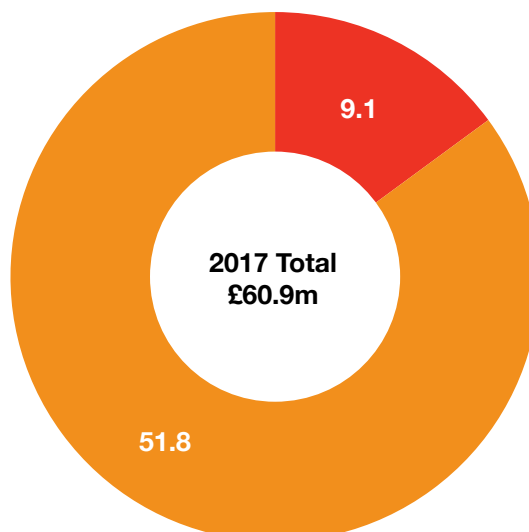


	2017 £m	2016 £m
Total income		
Committed giving	30.6	32.0
Appeals, individuals and legacies	7.0	5.8
NGOs, trusts and companies	2.3	2.3
DEC	2.6	0.2
Government and EU (including DFID PPA)	9.8	19.9
Trading income	2.5	0.0
Other	0.2	0.2
Total	55.0	60.4

ActionAid's Trustees have established designated reserves that relate to: our holding of tangible fixed assets (£0.4m), emergency and humanitarian response (£0.5m), emergency response fund (£0.25m) and exchange rate movement (£0.5m). Further details of these funds can be found in note 14. The balance of this reserve at the end of 2017 was £1,628,000 (2016 £1,832,000).

ActionAid's cash position at the end of the year stood at £13.0m and consisted of both restricted and unrestricted funds. This represents a decrease of £4.8m from 2016 and is in the main due to the disbursement of restricted funds during the year from income received before 2017.

Our expenditure



	2017 £m	2016 £m
Total expenditure		
■ Raising funds	9.1	9.3
■ Charitable activities	51.8	49.3
Total	60.9	58.6

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

ActionAid International’s finances

These accounts reflect the financial performance of the UK charity, which is a member of the ActionAid International Federation. To find out more about ActionAid International’s work or finances, see: www.actionaid.org

Where does our money come from?

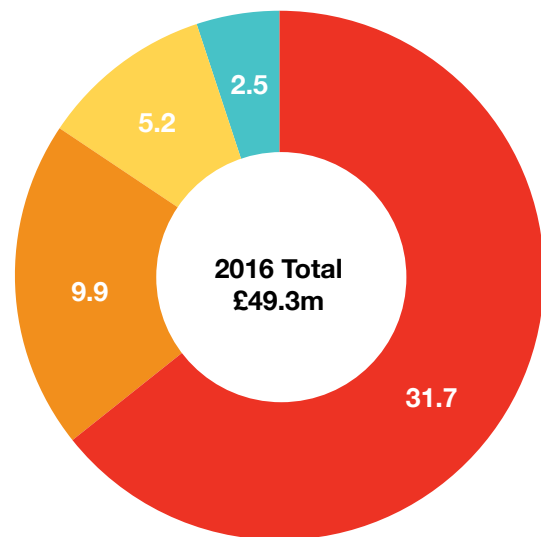
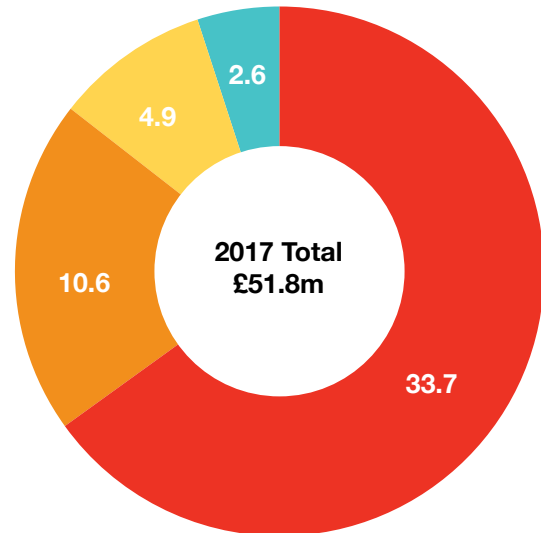
We receive income from a number of sources and the proportions have not changed significantly from 2016, with committed giving from individuals as the largest element. Funding from individuals is the best guarantee of our true independence as a charity.

How was the money spent?

The chart on the right shows our 2017 expenditure on charitable activities. ActionAid has made grants to ActionAid International to assist country programmes to deliver against our ambitious strategy and to strengthen our global Federation. We also undertake activities in the UK in pursuit of our global mission.

Our expenditure on our charitable work is further split out below between key activities.

Our charitable expenditure



Charitable activities	2017 £m	2016 £m
Grants to AAI and Federation members	33.7	31.7
Emergency and Humanitarian response	10.6	9.9
Campaigning and policy influencing	4.9	5.2
Education work	2.6	2.5
Total	51.8	49.3

PRINCIPAL RISKS AND UNCERTAINTIES

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

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

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

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

Risks

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

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

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

Assurances on Federation systems: without a clear line of sight on Federation-wide risk management systems and control mechanisms in place to ensure compliance with policies, maximise the impact of our international work and ensure value for money, we may not be able to clearly demonstrate compliance with policies and have oversight on the effectiveness of our work overseas.

Staff and volunteers' health, safety and security: a breach in our health, safety, security and safeguarding systems may lead to an incident that compromises the personal safety, health or security of our service users, staff or volunteers. In particular, staff and volunteers working internationally may face increased security risks due to the changing and potentially unstable context within which we operate.

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

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

Mitigating actions

ActionAid has requested and received safeguarding attestations from all ActionAid International member countries in receipt of UK funds with regards to their safeguarding practice and procedures.

ActionAid is also working with the Global Secretariat to strengthen and harmonise the safeguarding policy and related procedures.

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

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

We will continue to engage with ActionAid International on key global initiatives including the implementation of the global finance system, the contract management system and strengthening mechanisms to provide Federation-wide assurances on compliance, value for money and the effectiveness of our international work.

Health, safety, security and safeguarding systems, policies and procedures are in place in the UK and internationally, at ActionAid International and individual country levels. In particular, security training is provided to all staff and volunteers who travel overseas, risk assessments are undertaken before travel and appropriate monitoring and reporting mechanisms are in place.

We are working with ActionAid International to communicate and reinforce guidelines on working with UK stakeholders. Also, on implementation, the contract management system will enable the UK to better identify countries that have a relationship with UK stakeholders and manage associated risks.

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

We have also updated our content collection policies and processes to reflect the increased safeguarding requirements of communicating on women and girls' rights, especially violence against women and girls.

GOVERNANCE, LEADERSHIP AND TRUSTEE DECLARATION

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

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

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

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

ActionAid has a wholly-owned subsidiary – ActionAid Enterprises Limited (company number 05011412). The company did not trade in the year ending 31 December 2017.

Public benefit

The Trustees have taken note of the Charity Commission's guidance on public benefit. ActionAid has made grants of just over £42 million to both ActionAid International and to ActionAid International Federation members to assist country programmes to deliver against our ambitious strategy and strengthen our International Federation. Please refer to note 7 in the accounts for the detail.

The Trustees confirm that in setting objectives and planning activities for 2017, they gave consideration to the Charity Commission's public benefit guidance.

The ActionAid Board of Trustees

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

The Board delegates day-to-day decision making and operations to the Chief Executive Officer and the Senior Leadership Team. The Board meets formally at least four times a year, in addition to holding a full-day retreat to consider ActionAid's strategic direction given the changing context in which international development charities operate.

Throughout 2017 there were five committees of the Board:

- **The Performance, Finance and Audit Committee (PFAC)** is responsible for assurance oversight of the highest standards of integrity, financial reporting and internal control. In addition to reviewing organisational performance and results against plan, the committee also makes certain that ActionAid's systems of financial control in the UK comply with legal requirements and provide reasonable assurance against material misstatement or loss.
- **The Governance and Board Development Committee (GBDC)** has responsibility for good governance according to the relevant Codes of Good Practice, considers governance issues, assesses the Board's composition, and is responsible for the recruitment and induction of new Trustees. It acts as a nominations committee for appointments to ActionAid's Board committees. The committee also oversees UK governance reviews and manages the Board development plan, which sets clear objectives for the Board's work plan and development.
- **The Remuneration Committee** sets the overall salary policy for ActionAid in the UK, having regard to our agreed policies and principles and the external UK environment in relation to remuneration. It also ensures that the Senior Leadership Team implements the policy. The committee also sets the remuneration of the CEO and directors. The Annual Remuneration Statement for 2017 can be found on page 56.
- **The ActionAid International Relationships Committee (AAIRC)** focuses on the relationships between ActionAid, ActionAid International and other countries within the Federation, as well as leading our input into international policy, principles and governance structures.
- **The Public Engagement Committee** has oversight of our public communications strategy. It ensures that we are fundraising in a manner which is in line with both our legal obligations and public expectations of charities, and that associated risks are identified and managed appropriately.

In 2017 ActionAid carried out an external governance review, aimed at (among other things) considering what the optimal committee structure would look like. As a result of this review, the committees were restructured, and this new structure took effect at the start of 2018. PFAC maintained broadly the same brief as before. GBDC, the Remuneration Committee and AAIRC were amalgamated into a new Governance and Relationships Committee. The Public Engagement Committee was wound up, and oversight of ActionAid's communications and fundraising strategies now sit with the Board of Trustees. Fundraising compliance and risk now sit with PFAC.

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

The ActionAid Board plays an active role in the ActionAid International Assembly, the top-level decision-making body within the Federation. ActionAid International (AAI) also nominates a representative as a member of the ActionAid Board with our agreement. The AAI representative to the ActionAid Board in 2017 was Marilyn Aniwa. Marilyn stepped down in March 2018, and we are in the process of appointing a new AAI representative.

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

Skills audits allow us to maintain Board diversity and skills that are appropriate to current and future challenges. Annual Trustee appraisals ensure 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 report of the Trustees including the Strategic Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP
- make judgements and estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- 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 adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

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

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

Internal control

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

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

ActionAid operates 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 reviews the effectiveness of internal controls and submits reports to the Performance, Finance and Audit Committee.

Members' guarantee

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 December 2017 was 13 (2016: 15).

Auditors

Sayer Vincent LLP was reappointed as the charitable company's auditor during the year. The firm is willing to continue in that capacity. The report of the Trustees including the Strategic Report was approved by the Trustees on 15 June 2018 and signed on their behalf by:



Patti Whaley
(Interim Chair)



David Todd FCA
(Treasurer)

CORPORATE DIRECTORY

Board of Trustees

Name	Office	Date of appointment/resignation
Margaret Casely-Hayford	Chair	appointed 15 May 2014, appointed as Chair November 2014, resigned as Trustee and Chair 15 May 2018
Patti Whaley	Vice Chair Chair ActionAid International Assembly Representative (June 2017)	appointed 19 March 2010 appointed 15 May 2018
David Todd	Honorary Treasurer	appointed 9 October 2014
Marilyn Aniwa	ActionAid International Representative	appointed 6 March 2014, resigned 6 March 2018
Noelie Audi-Dor		appointed 10 March 2017
Catharine Brown		appointed 12 March 2015
Colin Byrne		appointed 12 March 2015, resigned 26 September 2017
Alex Cobham		appointed 14 May 2015
Rosalind Eyben		appointed 19 March 2010, resigned 19 March 2017
Giles Fernando		appointed 1 October 2013
Sophie Healy-Thow		appointed 10 March 2017
Joanna Maycock		appointed 4 December 2014
John Monks		appointed 1 October 2013
Helen Pankhurst		appointed 21 July 2017
Gemma Peters		appointed 1 July 2011

Governance and Board Development Committee

Name	Office	Date of appointment/resignation
Patti Whaley	Chair	appointed as member and Chair 4 December 2014
Margaret Casely-Hayford		appointed 9 October 2014, resigned 15 May 2018
Rosalind Eyben		appointed 7 April 2011, resigned 19 March 2017
Gemma Peters		appointed 24 September 2015

Performance, Finance and Audit Committee

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

ActionAid International Relationships Committee

Name	Office	Date of appointment/resignation
Rosalind Eyben	Chair	appointed 26 March 2013, resigned 19 March 2017
Margaret Casely-Hayford		appointed 9 October 2014, resigned 15 May 2018
Joanna Maycock		appointed 24 September 2015
Marilyn Aniwa		appointed 9 October 2014, resigned 6 March 2018
Alex Cobham		appointed 24 September 2015
Sophie Healy-Thow		appointed 16 June 2017
Helen Pankhurst		appointed 2 December 2017

Public Engagement Committee

Name	Office	Date of appointment/resignation
Giles Fernando	Chair	appointed 24 September 2015
Joanna Maycock		appointed 24 September 2015, resigned 26 September 2017
Gemma Peters		appointed 24 September 2015
Alex Cobham		appointed 24 September 2015
Catharine Brown		appointed 24 September 2015
Colin Byrne		appointed 24 September 2015, resigned 26 September 2017
Noelie Audi-Dor		appointed 16 June 2017

Remuneration Committee

Name	Office	Date of appointment/resignation
Margaret Casely-Hayford	Chair	appointed 4 December 2014, resigned 15 May 2018
David Todd		appointed 9 October 2014
John Monks		appointed 24 September 2015
Colin Byrne		appointed 24 September 2015, resigned 26 September 2017

Further information about the Trustees is available on the ActionAid website:
www.actionaid.org.uk/about-us/our-trustees-and-directors

Principal Officers

- Girish Menon, Chief Executive
- Janet Convery, Director of Communications and Public Engagement (stepped down 3 January 2018)
- Orla Fee, Director of Communications and Public Engagement (appointed 22 January 2018)
- Edward Tait, Director of Fundraising (appointed 26 February 2018)
- Helen McEachern, Director of Fundraising (stepped down 21 July 2017)
- Helen Pattinson (interim Director of Fundraising from 21 July 2017 to 31 March 2018)
- John Good, Chief Operating Officer
- Dorcas Erskine, Director of Policy, Advocacy and Programmes

Patron

His Royal Highness, The Prince of Wales

Legal and Administrative Information

Auditors

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

Solicitors

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


Bankers

Lloyds Banking Group
25 Gresham Street
London
EC2V 7HN

Company Secretary

Jessica Holifield

Registered Office 33–39 Bowling Green Lane, London, EC1R 0BJ
Tel: 020 3122 0561 Email: mail@actionaid.org Web: www.actionaid.org.uk

A woman with a black headwrap and a colorful patterned dress is sitting in a room with a blue wall. A red bag is hanging on the wall behind her. A framed photo is visible on the wall to the right.

“As a little girl
my ambition was to
go to school and
become a lawyer.”

Hauwa Salami works as a paralegal in her community, where she helps women stand up for their rights.

ANNUAL REMUNERATION STATEMENT FOR 2017

1. Summary

This is ActionAid's annual governance statement for remuneration. The Deputy Director of People and Culture confirms that the organisation has complied with its salary policy during 2017.

There were no additional ex gratia payments, or tribunals relating to employment or remuneration matters during the year, although there was one appeal which will continue into 2018.

2. Governance Arrangements for Remuneration

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

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

3. Remuneration Policies (Salary and Benefits)

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

A key reference point from this (although not formally encapsulated in our salary policy) is the ratio between the highest- and lowest-paid employee (our apprentices) and we maintain a commendable ratio of under 5.5:1. We are a Living Wage employer, and champion the Living Wage initiative.

We are an active member of the Charity Pay Club, sharing pay data and information that helps us to benchmark salaries and benefits with similar organisations in the sector. We also use other external data sources (including XpertHR and Croner) to compare ActionAid to similar organisations in size and scope. Taking data from a range of different sources produces a robust and consistent picture of the market, enabling us to compare our salaries to the median level of base pay that other organisations pay for similar roles at our job size level, functionality and location.

A summary of our remuneration policy is available on request.

4. Review of the Year

The Remuneration Committee met during 2017 to ensure that our Remuneration Policies (Salary and Benefits) were adhered to, and also that we remain compliant with the recommendations of the NCVO guidelines on senior pay.

The annual pay negotiations with the Trade Union were not completed in 2017 for 2018, and discussions will continue into 2018.

5. Senior staff pay

As per the NCVO guidelines the following states the numbers of senior members of staff at each of the relevant pay bands. This is not what they earned in 2017 (the cost of which is reflected in the financial accounts), it reflects their salary band at the end of 2017.

Pay bands	Number of staff in band
£100,000 to £110,000	1
£90,000 to £99,999	1
£80,000 to £89,999	0
£70,000 to £79,999	3
£60,000 to £69,999	3

Our CEO was paid £102,027 in 2017.

Our senior leadership team of 2017 consisting of four people was paid the equivalent of £336,604 for 2017 (had they all been in post for the full year).

6. Future plans

We will be implementing a new strategy for the next five years and therefore will be reviewing how we reward and recognise employees, benchmarking salaries and benefits against other, similar organisations to ensure that our pay provision remains objective, fair and consistent whilst also maintaining transparency.

INDEPENDENT AUDITOR'S REPORT

Independent auditor's report to the members of ActionAid

Opinion

We have audited the financial statements of ActionAid (the 'charitable company') for the year ended 31 December 2017 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2017 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

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

Conclusions relating to going concern

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

- The Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- The Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least 12 months from the date when the financial statements are authorised for issue.

Other information

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of Trustees

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

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

Auditor's responsibilities for the audit of the financial statements

This report is made solely to the charitable company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

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

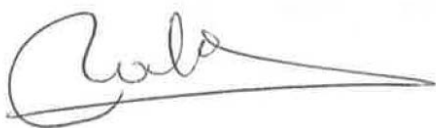
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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



Noelia Serrano
(Senior statutory auditor)

15 June 2018

Date

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

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

STATEMENT OF FINANCIAL ACTIVITIES

for the year ended 31 December 2017 incorporating an income and expenditure account

	Notes	Restricted funds (£'000)	Unrestricted funds (£'000)	2017 Total (£'000)	Restricted funds (£'000)	Unrestricted funds (£'000)	2016 Total (£'000)
Income							
Income from:							
– Donations and legacies	2a	16,920	23,297	40,217	13,790	27,360	41,150
– Trading	2a	-	18	18	-	11	11
– Investment income	2c	-	162	162	-	78	78
Income from charitable activities:							
– Grants	2b	11,523	610	12,133	18,516	640	19,156
– Trading income from charitable activities	2b	-	2,507	2,507	-	11	11
Total Income		28,443	26,594	55,037	32,306	29,100	60,406
Expenditure on:							
Raising funds:							
– Raising funds	4	228	8,895	9,123	77	9,240	9,317
– Fundraising trading: costs of goods sold and other costs	4	-	33	33	-	5	5
Charitable activities	6	33,450	18,293	51,743	30,896	18,402	49,298
Total Expenditure		33,678	27,221	60,899	30,973	27,647	58,620
Net (expenditure) / income		(5,235)	(627)	(5,862)	1,333	453	1,786
Net (expenditure) / income for the year before other recognised gains and losses		(5,235)	(627)	(5,862)	1,333	453	1,786
Exchange rate gains (losses)		-	(113)	(113)	-	569	569
Net movement in funds		(5,235)	(740)	(5,975)	1,333	1,022	2,355
Total funds brought forward at 1 January		8,758	9,767	18,525	7,425	8,745	16,170
Total funds carried forward at 31 December		3,523	9,027	12,550	8,758	9,767	18,525

The notes on pages 65–84 form part of these financial statements. There are no recognised gains and losses other than those shown above. Movements in funds are disclosed in notes 14 and 15 to the financial statements.

All income and expenditure derives from continuing activities.

BALANCE SHEET

as at 31 December 2017

	Notes	2017 £'000	2016 £'000
Tangible fixed assets	11	422	513
Current assets			
Debtors	12	3,574	4,835
Cash equivalent on deposit		750	-
Cash at bank		12,291	17,891
		16,615	22,726
Liabilities			
Creditors: amounts falling due within one year	13	4,487	4,714
Net current assets		12,128	18,012
Net assets		12,550	18,525
Funds			
Restricted funds	15		
– Income funds		3,523	8,758
Unrestricted funds			
– Designated funds	14	1,628	1,832
– General funds		7,399	7,935
Total funds		12,550	18,525

Approved by the Trustees and signed on their behalf by



Patti Whaley
(Interim Chair)



David Todd FCA
(Treasurer)

15 June 2018

Date

Registered in England and Wales – company no. 01295174

STATEMENT OF CASH FLOWS

for the year ended 31 December 2017

<i>Cash Flows from operating activities</i>	2017 (£'000)	2016 (£'000)
Net cash provided by / (used in) operating activities	(4,705)	2,229
Cash flows from investing activities		
Interest received	8	21
Proceeds from the sale of fixed assets	-	-
Purchase of tangible fixed assets	(40)	(58)
Net cash (used in) / provided by investing activities	(4,737)	2,192
Change in cash and cash equivalents in the year	(4,737)	2,192
Cash and cash equivalents at the beginning of the year	17,891	15,130
Change in cash and cash equivalents due to exchange rate movements	(113)	569
Cash and cash equivalents at the end of the year	13,041	17,891

<i>Reconciliation of net income / (expenditure) to net cash flow from operating activities</i>	2017 (£'000)	2016 (£'000)
Net movement in funds	(5,975)	2,355
Depreciation	131	118
Decrease / (Increase) in debtors	1,261	(250)
(Decrease) / Increase in creditors	(227)	596
Interest receivable	(8)	(21)
Exchange rate movements	113	(569)
Net cash (used in) / provided by operating activities	(4,705)	2,229

<i>Analysis of cash and cash equivalents</i>	2016 (£000)	Cashflows (£000)	Other (£000)	2017 (£'000)
Cash at bank	17,891	(5,487)	(113)	12,291
Cash Equivalent on deposit	-	750	-	750
Total cash and cash equivalents	17,891	(4,737)	(113)	13,041

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 31 December 2017

1. Accounting policies

Statutory information

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

Basis of accounting

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

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

Trading subsidiary

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

Public benefit entity

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

Going concern

The Trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

The Trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

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.

1. Accounting policies (continued)

Fund accounting

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

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

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

Income

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

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

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

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

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

Interest receivable

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

Expenditure

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

1. Accounting policies (continued)

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

Charitable activities comprise:

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

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

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

Grants payable

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

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

Tangible fixed assets and depreciation

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

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

Office equipment:

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

Investments in subsidiaries

Investments in subsidiaries are at cost.

Operating leases

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

1. Accounting policies (continued)

Debtors

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

Cash at bank and in hand

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

Creditors and provisions

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

Financial instruments

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

Pensions

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

Foreign currencies

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

Taxation and irrecoverable VAT

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

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

Related party disclosures

Related party transactions are detailed in note 18.

2. Income

	Restricted (£'000)	Unrestricted (£'000)	2017 Total (£'000)	Restricted (£'000)	Unrestricted (£'000)	2016 Total (£'000)
2 (a) Donations and legacies						
Committed giving	11,180	19,422	30,602	11,797	20,248	32,045
Appeals & Individual donors	3,291	1,928	5,219	1,718	2,175	3,893
Disasters Emergency Committee (DEC) appeals - see below	2,439	169	2,608	250	(5)	245
UK government - Partnership Programme Arrangement (see note 17)	-	-	-	-	3,089	3,089
Legacies	10	1,778	1,788	25	1,853	1,878
Total	16,920	23,297	40,217	13,790	27,360	41,150

Disasters Emergency Committee (DEC) Appeals income

West Africa Ebola appeal	-	-	-	34	2	36
Gaza appeal	-	-	-	15	(15)	-
Nepal Earthquake appeal	-	-	-	122	12	134
Philippines typhoon appeal	-	-	-	79	(4)	75
East Africa Crisis Appeal	2,025	142	2,167	-	-	-
People Fleeing Myanmar Appeal	383	27	410	-	-	-
Nepal Collective Initiative	31	-	31	-	-	-
TOTALS	2,439	169	2,608	250	(5)	245

DEC is the umbrella body for the 13 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.

	Emergency income (£'000)	Non-emergency income (£'000)	2017 Total (£'000)	Emergency income (£'000)	Non-emergency income (£'000)	2016 Total (£'000)
<i>All Emergency/ Non-emergency income by type - 2017</i>						
<i>Income from:</i>						
Donations and legacies	4,485	35,732	40,217	780	40,370	41,150
Trading	-	18	18	-	11	11
Investment income (note 2c)	-	162	162	-	78	78
<i>Income from charitable activities:</i>						
- Grants (note 2b)	1,680	10,453	12,133	3,911	15,245	19,156
- Trading income from charitable activities (note 2b)	-	2,507	2,507	-	11	11
	6,165	48,872	55,037	4,691	55,715	60,406

2. (b) Income from charitable activities

	Restricted (£'000)	Unrestricted (£'000)	Total 2017 (£'000)	Restricted (£'000)	Unrestricted (£'000)	Total 2016 (£'000)
2 (b) Income from charitable activities						
(i) Grants						
Grants from governments and other public authorities:						
CHARITABLE GRANTS TO AAI AND FEDERATION MEMBERS						
UK Government (note 17)	878	21	899	550	-	550
Europe Aid	3,293	218	3,511	2,042	135	2,177
Government of Isle of Man	96	-	96	146	-	146
Government of Guernsey	18	2	20	40	-	40
Netherlands Ministry of Foreign Affairs (note 17)	-	-	-	2,686	54	2,740
Other grants from governments and other public authorities	224	16	240	760	111	871
Big Lottery Fund (note 17)	268	-	268	559	-	559
Comic Relief (note 17)	423	10	433	446	-	446
Other grants from companies, trusts and NGOs	667	81	748	396	47	443
	5,867	348	6,215	7,625	347	7,972
EMERGENCY AND HUMANITARIAN RESPONSE						
UK Government (note 17)	1,108	87	1,195	1,196	49	1,245
ECHO	633	21	654	3,682	110	3,792
Government of Isle of Man	-	-	-	48	-	48
Government of Guernsey	15	-	15	-	-	-
Other grants from governments and other public authorities	2,631	145	2,776	3,384	151	3,535
Other grants from companies, trusts and NGOs	354	-	354	611	-	611
	4,741	253	4,994	8,921	310	9,231
CAMPAIGNS AND POLICY WORK						
Europe Aid	430	8	438	1,564	17	1,581
Other grants from governments and other public authorities	-	-	-	48	1	49
Other grants from companies, trusts and NGOs	484	2	486	248	-	248
	914	10	924	1,860	18	1,878
EDUCATION WORK						
Europe Aid	1	(1)	-	60	4	64
Other grants from companies, trusts and NGOs	-	-	-	50	(39)	11
	1	(1)	-	110	(35)	75
Total grants from governments and other public authorities:	11,523	610	12,133	18,516	640	19,156

2. (b) Income from charitable activities

(ii) Trading income from charitable activities						
Sale of educational materials and fees for school talks	-	9	9	-	11	11
People's Postcode Lottery	-	2,498	2,498	-	-	-
Total income from charitable activities	11,523	3,117	14,640	18,516	651	19,167

2 (c) Investment income						
Interest on deposits	0	8	8	-	21	21
Office rental Income	-	154	154	-	57	57
Total investment income	0	162	162	-	78	78

3. Support costs

	Restricted (£'000)	Unrestricted (£'000)	Total 2017 (£'000)	Restricted (£'000)	Unrestricted (£'000)	Total 2016 (£'000)
<i>Support costs comprise the following items:</i>						
Communications	-	397	397	-	390	390
General management	1	556	557	-	227	227
Finance	(36)	255	219	(18)	337	319
Human resources	-	1,028	1,028	-	550	550
Information technology	-	553	553	-	598	598
Office administration	-	163	163	-	156	156
Performance and accountability	-	603	603	-	814	814
Property costs	-	1,210	1,210	-	1,220	1,220
Supporter administration	-	589	589	-	644	644
	(35)	5,354	5,319	(18)	4,936	4,918

Support and governance costs have been allocated to the categories below on the basis of employee numbers working in each relevant area. Human resources costs are higher in 2017 because this includes the one-off costs of the organisational re-design, including redundancy costs.

	Restricted (£'000)	Unrestricted (£'000)	Total 2017 (£'000)	Restricted (£'000)	Unrestricted (£'000)	Total 2016 (£'000)
Costs of raising funds (note 4)	(14)	2,142	2,128	(8)	2,172	2,164
Charitable activities (note 6)	(21)	3,212	3,191	(10)	2,764	2,754
	(35)	5,354	5,319	(18)	4,936	4,918

4. Costs of raising funds

	Restricted (£'000)	Unrestricted (£'000)	Total 2017 (£'000)	Restricted (£'000)	Unrestricted (£'000)	Total 2016 (£'000)
Costs of raising funds						
Committed giving	-	3,919	3,919	3	3,821	3,824
Other appeals, legacies and individual donors	184	2,139	2,323	15	2,543	2,558
Grants	58	500	558	67	524	591
	242	6,558	6,800	85	6,888	6,973
Support costs allocated (note 3)	(14)	2,142	2,128	(8)	2,172	2,164
Governance costs allocated (note 5)	-	195	195	-	180	180
Total costs of raising funds	228	8,895	9,123	77	9,240	9,317
Trading	-	33	33	-	5	5
Total costs of raising funds	228	8,928	9,156	77	9,245	9,322

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

	Total 2017 (%)	Total 2016 (%)
Committed giving	13%	12%
Other income from donations and legacies	24%	28%
Overall income from donations and legacies	16%	16%

5. Governance costs

	Restricted (£'000)	Unrestricted (£'000)	Total 2017 (£'000)	Restricted (£'000)	Unrestricted (£'000)	Total 2016 (£'000)
External audit fees	-	41	41	-	42	42
Legal and professional fees	-	-	-	-	3	3
Board (including Trustee expenses)	-	26	26	-	19	19
Strategy development	-	1	1	-	25	25
Apportionment of staff time	-	271	271	-	321	321
Internal Audit	-	149	149	-	-	-
Total governance costs	0	488	488	0	410	410

5. Governance costs (continued)

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

	Restricted (£'000)	Unrestricted (£'000)	Total 2017 (£'000)	Restricted (£'000)	Unrestricted (£'000)	Total 2016 (£'000)
Costs of raising funds (note 4)	-	195	195	-	180	180
Charitable activities (note 6)	-	293	293	-	230	230
	-	488	488	-	410	410

6. Charitable activities

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

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

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

	Grants (note 7) (£'000)	Direct costs (£'000)	Staff costs (£'000)	Support cost allocation (£'000)	Governance cost allocation (£'000)	Total 2016 (£'000)
<i>2016</i>						
Charitable grants to AAI and Federation members	30,630	75	453	514	43	31,715
Emergency and humanitarian response	9,170	39	281	330	28	9,848
Campaigns and policy work	1,301	785	1,917	1,101	92	5,196
Education work	32	939	692	809	67	2,539
Total 2016	41,133	1,838	3,343	2,754	230	49,298

Of the Charitable activities set out above £30,896,000 was funded from restricted funds and £18,402,000 from unrestricted funds.

Included within the Grants to AAI & Federation members is an amount of £669,000 that relates to grants in kind to AAI (representing support costs relating to AAI)

7. Grants to ActionAid International and ActionAid country programmes

<i>Restricted funds:</i>	Total 2017 (£'000)	Total 2016 (£'000)	<i>Restricted funds:</i>	Total 2017 (£'000)	Total 2016 (£'000)
Africa			Asia		
Burundi	559	591	Afghanistan	555	579
Democratic Republic of the Congo	500	465	Bangladesh	1,672	748
Ethiopia	609	717	Cambodia	369	584
Ghana	970	720	India	1,157	1,119
Kenya	1,671	855	Myanmar	960	849
Lesotho	226	278	Nepal	2,117	1,015
Liberia	277	484	Pakistan	981	465
Malawi	455	716	Palestine	79	3
Mozambique	392	428	Philippines	-	793
Nigeria	360	432	Vietnam	211	254
Rwanda	885	978	Syria	3	-
Senegal	229	255		8,104	6,409
Sierra Leone	1,060	1,130			
Somaliland	1,343	640		Total	Total
South Africa	174	142		2017	2016
Tanzania	198	226	<i>Restricted funds:</i>	(£'000)	(£'000)
The Gambia	285	322	Latin America and the Caribbean		
Uganda	474	488	Brazil	212	230
Zambia	164	188	Ecuador	78	85
Zimbabwe	185	135	Guatemala	412	440
	11,016	10,190	Haiti and the Dominican Republic	888	1,030
			Nicaragua	73	80
			Peru	31	145
				1,694	2,010

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

	Total 2017 (£'000)	Total 2016 (£'000)
<i>Restricted funds:</i>		
Charitable grant to other ActionAid	38	833
ActionAid International – projects involving more than one country	5,794	3,103
Remittances to country programmes for EU projects	4,131	3,457
Total restricted funds	30,777	26,002
<i>Unrestricted funds:</i>		
ActionAid International (cash grants)	9,766	10,845
Country Programmes (grants designated as part of Department for International Development Programme Partnership Arrangement)	21	427
Country Programmes (Other)	1,587	-
Unrestricted charitable grants to ActionAid International	11,374	11,272
ActionAid International (grants in kind representing support costs incurred on behalf of ActionAid International)	463	669
Total unrestricted funds	11,837	11,941
Total grants to ActionAid International and ActionAid country programmes	42,614	37,943
<i>Grants to partner organisations:</i>		
Action Contre La Faim	-	343
Care international	30	-
Concern Worldwide	66	-
Dan Church Aid	-	245
Fian International	142	-
GLOPOLIS	62	-
Help Age	-	134
Islamic Relief	66	-
Oxfam	553	795
People in Need	-	250
Plan International	30	118
Save the Children	-	36
Worldvision	-	280
United Purpose	72	-
UN Habitat	-	517
Restricted grants (individually under £100,000)	358	472
Total restricted grants to partner organisations	1,379	3,190
Total grants	43,993	41,133

There are other grants related to Non Charitable activities that are included in the total grants in this note. The total of these grants are £248,044 in 2017 (2016: £Nil).

8. Particulars of employees

	Total 2017	Total 2016
The average number of employees (head count based on number of staff employed) during the year was:		
Charitable activities	66	76
Fundraising	57	61
Support staff	58	59
Total	181	196

	Total 2017 (£'000)	Total 2016 (£'000)
The average number of full time equivalent staff in the year was 173 (2016: 186)		
Gross wages and salaries	7,214	7,518
Redundancy and termination costs	268	46
Social security costs	752	782
Employer's contributions to defined contribution pension schemes	454	531
Total	8,688	8,877

	Total 2017 (£'000)	Total 2016 (£'000)
The number of staff whose emoluments (excluding employer's NI and employer's pension costs) are greater than £60,000 are shown below		
£60,001 - £70,000	4	6
£70,001 - £80,000	6	1
£80,001 - £90,000	-	-
£90,001-£100,000	1	2
£100,001 - £110,000	1	-
	12	9

The remuneration, being the gross salary and employer's pension contributions, of the Chief Executive, Girish Menon, during 2017 was £111,790 (2016: £106,743), with £8,281 (2016: £7,907) paid into defined contribution schemes on his behalf.

In 2017, the remuneration, being the gross salary and employer's pension contributions, paid to the Directors of ActionAid, who the Board consider to be key management personnel, fell within the following bands; Director of Fundraising £60,001 - £70,000 – Interim Deputy Director of Fundraising £70,001 - £80,000, Director of Policy Advocacy & Partnership; £80,001 - £90,000 – Director of Public Engagement; £90,001 - £100,000 – Chief Operating Officer; £90,001 - £100,000. Together with the Chief Executive, the costs of these key management personnel, inclusive of gross salaries, employer's pension contributions and employer's national insurance contributions were £567,508 in 2017 (2016: £591,703) of which £29,833 (2016: £48,558) was paid into defined contribution pension schemes.

Of those employees who earned £60,000 or more during the year (as defined above) employer contributions were made to defined contribution pension schemes in respect of ten (2016: eight) employees. During the year this amounted to £47,314 (2016: £62,777).

8. Particulars of employees (continued)

Of the expenditure included as Redundancy and termination costs of £268,471 all settled except £12,002 accrued during the year (2016: £46k) relates to redundancy costs.

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 2017, the Chief Executive incurred costs of £5,615 (2016: £4,077)

For more information on the principles and implementation of our remuneration policies, please see the Annual Remuneration Statement for 2017.

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 2017 or 2016. The most significant element of trustees' expenses is the cost of visits to country programmes but also includes attendance at Board meetings (both ActionAid and ActionAid International). In 2017, six trustees incurred a total of £5,798 (2016: £8,915 was paid to eight trustees) through expenses reimbursed and costs incurred by ActionAid on their behalf.

10. Net (expenditure) / income

	2017 (£'000)	2016 (£'000)
Net (expenditure) / income are stated after the following charges:		
Depreciation	131	118
Operating lease rentals Payable - property	932	941
Operating lease rentals Receivable - property	127	49
Auditor's remuneration - statutory audit current year	35	35
Auditor's remuneration - other services (Corporation tax return)	2	2

11. Tangible fixed assets

	Leasehold improvements (£'000)	Office equipment (£'000)	Total (£'000)
Cost			
At 1 January 2017	667	793	1,460
Additions	-	40	40
Disposals	-	(72)	(72)
At 31 December 2017	667	761	1,428
Depreciation			
At 1 January 2017	(267)	(680)	(947)
Charge for year	(55)	(76)	(131)
Disposals	-	72	72
At 31 December 2017	(322)	(684)	(1,006)
Net book value			
At 31 December 2017	345	77	422
At 31 December 2016	400	113	513

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

12. Debtors

	2017 (£'000)	2016 (£'000)
Accrued income	2,594	4,124
Other debtors	64	119
Prepayments	424	70
Tax recoverable	473	505
Amounts due from employees	19	17
Total debtors	3,574	4,835

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

All of the charity's financial instruments, both assets and liabilities, are measured at amortised cost. The carrying values of these are shown above and also in note 13 below.

13. Creditors

	2017 (£'000)	2016 (£'000)
Amounts falling due within one year:		
Interest-free loans	63	63
Trade creditors	363	209
Accruals	1,336	1,572
Other creditors	163	236
Amounts due to ActionAid International	2,320	2,405
Taxation and social security	189	229
Deferred income	53	-
Total creditors	4,487	4,714

14. Designated funds

	Balance as at 1 January 2017 (£'000)	New designations (£'000)	Utilised in the year (£'000)	Balance as at 31 December 2017 (£'000)
<i>i) Designated funds</i>				
Designated funds				
Tangible fixed assets fund	513	40	(131)	422
Emergency and Humanitarian fund	500	-	-	500
Emergency response fund	250	-	-	250
Exchange rate movement fund	569	-	(113)	456
	1,832	40	(244)	1,628

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

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

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

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

	Balance as at 1 January 2016 (£'000)	New designations (£'000)	Utilised in the year (£'000)	Balance as at 31 December 2016 (£'000)
<i>ii) Designated funds - comparative</i>				
Designated funds				
Tangible fixed assets fund	573	58	(118)	513
Emergency & Humanitarian fund	-	500	-	500
Emergency response fund	-	250	-	250
Exchange rate movement fund	-	569	-	569
	573	1,377	(118)	1,832

15. Restricted funds

	Balance as at 1 January 2017 (£'000)	Income (£'000)	Transfers (£'000)	Expenditure (£'000)	Balance as at 31 December 2017 (£'000)
Restricted funds – 2017					
Africa	583	12,156	1,249	(13,206)	782
Asia	2,439	8,439	910	(10,202)	1,586
Latin America and the Caribbean	300	1,589	-	(1,882)	7
International projects and other funds	5,436	6,259	(2,159)	(8,388)	1,148
Total restricted funds – 2017	8,758	28,443	0	(33,678)	3,523
	Balance as at 1 January 2016 (£'000)	Income (£'000)	Transfers (£'000)	Expenditure (£'000)	Balance as at 31 December 2016 (£'000)
Restricted funds – 2016					
Africa	370	10,751	377	(10,915)	583
Asia	2,914	8,994	(912)	(8,557)	2,439
Latin America and the Caribbean	-	2,497	-	(2,197)	300
International projects and other funds	4,141	10,064	535	(9,304)	5,436
Total restricted funds – 2015	7,425	32,306	(0)	(30,973)	8,758

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.

	Balance as at 31 December 2017 (£'000)	Balance as at 31 December 2016 (£'000)
EU and ECHO funded projects	505	1,647
Other projects managed by ActionAid	3,018	7,111
Total restricted funds	3,523	8,758

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 £0.2m (2016: £0.2m). The trustees consider that the likelihood of reimbursement is sufficient to justify carrying the deficit fund balances at the end of the year for all projects in deficit.

16. Analysis of net assets between funds

16. i) Analysis of net assets between funds	Unrestricted			Total 2017 (£'000)
	Restricted (£'000)	Designated (£'000)	General (£'000)	
Fund balances at 31 December 2017 are represented by:				
– Tangible fixed assets	-	422	-	422
– Current assets	6,015	1,206	9,394	16,615
– Current liabilities	(2,608)	0	(1,879)	(4,487)
	3,407	1,628	7,515	12,550

16. ii) Analysis of net assets between funds – comparative	Unrestricted			Total 2016 (£'000)
	Restricted (£'000)	Designated (£'000)	General (£'000)	
Fund balances at 31 December 2016 are represented by:				
– Tangible fixed assets	-	513	-	513
– Current assets	11,600	1,319	9,807	22,726
– Current liabilities	(2,842)	-	(1,872)	(4,714)
	8,758	1,832	7,935	18,525

17. Grants received

	2017 (£'000)	2016 (£'000)
Grants received in 2017 from the UK Department for International Development:		
Partnership Programme Arrangement (PPA)	-	3,089
Total income from donations and legacies	-	3,089
Enhancing Community Resilience Programme (funds received through Christian Aid)	129	301
Ready for Anything DFID Aid Match	48	275
Braced Ethiopia development (Funds received through Christian Aid)	329	295
Braced Myanmar development (Funds received through Christian Aid)	308	255
SHE-CAN DFID Aid match	475	550
Haiti Hurricane - DFID RRF	381	119
Girls Education Challenge Sierra Leone (funds received through Plan)	424	-
Total income from charitable activities	2,094	1,795
Total grants received from the UK Government	2,094	4,884

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

17. Grants received (continued)

	2017 (£'000)	2016 (£'000)
Grants received in 2017 from Comic Relief were as follows:		
Reducing Sexual Exploitation of Girls in Recife, Brazil	-	11
Empowering lesbian activists to create safer communities, South Africa	7	-
Empowering Communities to collectively abandon FGM/C in Somaliland	88	295
Safe Cities in DRC	338	140
Total grants received from Comic Relief	433	446

	2017 (£'000)	2016 (£'000)
Grants received in 2017 from the Big Lottery Fund were as follows:		
Access to justice for women in Liberia	119	160
Empowering women and girls in Somaliland to claim their rights (Somaliland)	24	144
Improving food security and economic opportunities for women farmers in Muko, Rwanda	-	116
Sign up! Mozambique	125	139
	268	559

	2017 (£'000)	2016 (£'000)
Grants received in 2017 from The Netherlands Ministry for Foreign Affairs were as follows:		
FLOW Women's rights to sustainable livelihoods (Ghana and Rwanda)	-	91
FLOW Women's rights to sustainable livelihoods 2 (POWER)	-	2,649
	-	2,740

	2017 (£'000)	2016 (£'000)
Grants received in 2017 from The START Fund were as follows:		
START Build - Shifting the Power	1,596	1,837
START Build - Surge Capacity	717	1,032
Southern Europe and Western Balkans Refugee response	-	81
Response to flooding in Garissa county in Kenya	-	47
Strengthening action against Lassa fever outbreak in Nigeria	-	51
Protection and resilience for Refugees in Lesvos	-	444
European Refugee response - bridge funding	-	39
Emergency flood response for the affected population in Jamalpur, Bangladesh	102	-
Emergency response to the Landslide affected communities of Bandarban and Rangam	86	-
Sierra Leone flooding and landslide Response	41	-
Kenya Analysis for Action for Kenya Elections	10	-
Anticipation of election based violence in Kenya	224	-
	2,776	3,531

17. Grants received (continued)

	2017 (£'000)	2016 (£'000)
Grants received in 2017 from The Alborada Trust were as follows:		
Supporting women in Nepal to rebuild their lives	89	82
Hurricane Matthew emergency response in Haiti	160	-
	249	82

18. Related party transactions

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

	2017 (£'000)	2016 (£'000)
Grants to ActionAid International	38,445	33,653
Grants to ActionAid Federation members	4,169	4,290
	42,614	37,943

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. The designated trustee is Marilyn Aniwa. Her remuneration from ActionAid International is in line with other roles of comparable responsibility in ActionAid International and, more generally, with market rate. She receives no remuneration for her work as trustee of ActionAid.

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

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

19. Subsidiary undertakings

ActionAid has one subsidiary undertaking:

ActionAid Enterprises Limited

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

The total investment in the subsidiary is £1 (2016: £1).

There was no activity undertaken in the subsidiary in 2017.

20. Obligations under operating leases

	2017 (£'000)	2016 (£'000)
The charity had non-cancellable commitments at the year end under operating leases for land and buildings expiring as follows:		
Within one year	1,132	1,079
In two to five years	4,344	4,224
After five years	2,642	3,728
	8,118	9,031

21. Future income under operating leases

In 2016, the charity sub-let the second floor of its rented premises in Bowling Green Lane, London.

The future minimum lease payments under non-cancellable operating leases are:

	2017 (£'000)	2016 (£'000)
Within one year	180	180
In two to five years	556	736
	736	916

22. Contingent assets and liabilities

ActionAid originally set up most of AAI'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 AAI rather than ActionAid.

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

No situation exists or is anticipated to occur, whereby ActionAid would exercise its right to terminate the agreements with AAI, however the legal position is stated here to give a full picture of the assets of ActionAid. It is not practical to estimate the value of assets which would revert to ActionAid control and would be included in the accounts. The funds held in ActionAid Country Programmes but which are not consolidated in these accounts is £9.5m (£2016 £8.7m (restated)). This does not include those countries which are Associate or Affiliate members of AAI – although they may hold assets which are legally owned by ActionAid. For accounting purposes the depreciated value of these assets is nil (2016: nil). This is a change in accounting policy since in previous years the contingent assets of these members would have been included at the value of funds held.

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

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

Residual legacies

At the end of the year, we have been notified that we are entitled to funds from a total of 12 (twelve) (2016: 22) residual legacies. However, as at 31 December 2017, we have not been notified as to the value of our entitlement or when this will be received. As such we are not able to recognise these funds in the financial statements for the year, but we include the existence of these as a contingent asset.

23. People's Postcode Lottery (PPL) Income

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

	2017 (£'000)	2016 (£'000)
Ticket Value	8,058	-
Prize Fund	(3,223)	-
Management Fee	(2,337)	-
	2,498	-



Twelve-year-old Suneeta (pictured right) is a sponsored child living in Chachro, Pakistan. The child sponsorship scheme has helped her community grow kitchen gardens to provide fresh vegetables.

“I’m happy when I see my village covered with trees - it looks like a garden.”

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- Page 5: Patti Whaley, Margaret Casely-Hayford and Girish Menon. Photo credit: ActionAid.
- Page 7: Mary Lily, Ghana. Photo credit: Ruth McDowall/ActionAid.
- Page 9: Counsellor and paramedic Fatema, Bangladesh. Photo credit: Noor Alam/ActionAid.
- Page 11: Acid Survivors' Network member Safura, Bangladesh. Photo credit: Turjoy Chowdhury/ActionAid.
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- Page 20: Pauline Kahindi, Kenya. Photo credit: Jennifer Huxta/ActionAid.
- Page 21: Safe Cities Week, Liberia. Photo credit: ActionAid.
- Page 22: ActionAid UK at the Women's March, London. Photo credit: Alice Whitby/ActionAid.
- Page 23: Evelyn Flomo, a community activist in her village in Liberia. Photo credit: ActionAid.
- Page 24: Girls Forum, Kilifi County. Photo credit: Sheldon Moultrie/ActionAid.
- Page 25: Maara, a sponsored child living in Gaza. Photo credit: Paul Evans/ActionAid.
- Page 26: Hai, a sponsored child living in Vietnam. Photo credit: ActionAid.
- Page 27: Elina and a friend back in school, Kenya. Photo credit: ActionAid.
- Page 28: Dolana, a 14-year-old Rohingya refugee. Photo credit: Noor Alam/ActionAid.
- Page 29: Cox's Bazar Refugee Camp, Bangladesh. Photo credit: Md. Sariful Islam/ActionAid.
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- Page 33: Survivors' Runway fashion show, London. Photo credit: Abbie Trayler Smith/ActionAid.
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- Page 35: Abiba, 31, is a programme officer for ActionAid Ghana. Photo credit: Ruth McDowall/ActionAid.
- Page 36: Comedian Aisling Bea at the ActionAid tent, Latitude festival. Photo credit: Jack Pasco/ActionAid.
- Page 37: Alesha Dixon meets Felicia and her baby girl, Ghana. Photo credit: Abbie Trayler Smith/ActionAid.
- Page 38: A child in Baniyag village in Chamba, India. Photo credit: Raul Irani Kirmani/ActionAid.
- Page 39: A woman in the Gujjar community carries a calf, India. Photo credit: Raul Irani Kirmani/ActionAid.
- Page 55: Hauwa Salami, a paralegal in Nigeria. Photo credit: Fati Abubakar/ActionAid.
- Page 85: Suneeta, a sponsored child in Pakistan and her friend. Photo credit: ActionAid.

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