

# Annual Report 2022

## **Our vision**

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A just, equitable and sustainable world in which every person enjoys the right to a life of dignity, freedom from poverty and all forms of oppression.

## **Our mission**

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To achieve social justice, gender equality, and poverty eradication by working with people living in poverty and exclusion, their communities, people's organisations, activists, social movements and supporters.

## **Our approach**

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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.

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# Welcome from the Chief Executive and Chair of Trustees

Every year brings new challenges and opportunities for women and girls around the world to advance the cause of global equality. Throughout 2022 ActionAid staff, partners and volunteers have been proud to stand alongside the women and girls who are making real and lasting change, and the pages of this Annual Report clearly show that by working together we are continuing to have a significant impact.

A number of events and issues seriously impacted our rightsholders in 2022, but looming over all of them was the Russian invasion of Ukraine in February. That act triggered a devastating war which has claimed untold numbers of lives and sent shockwaves not just throughout the entire region, but across the world.

As these pages show, ActionAid has been an active and impactful force for good, throughout the ongoing crisis in Ukraine. We are keenly aware of the disproportionate risks to women and girls during times of conflict, including increased risk of gender-based violence, unwanted pregnancies, maternal mortality, displacement related insecurity and rise in poverty, as female-led households increase. As such, much of our response has focused on working with women's rights organisations to provide safe spaces and protect the rights of women and girls who have been forced by the fighting to flee their homes.

Thanks to our long-standing partnerships in the region, we have been able to work not just within Ukraine itself, but in the countries surrounding it, who have seen a huge influx of refugees. This is one of the most serious and large-scale crises to strike Europe since the Second World War, which has necessitated a huge response. We are deeply grateful to the other organisations who join us in the Disasters Emergency Committee, and we remain committed to doing all we can for as long as the disastrous fallout from this conflict continues.

Just as the support we provide is interconnected with other humanitarian organisations and with key networks in the countries where we work, so are the issues themselves. One of the most notable effects of the war in Ukraine has been an upward spiral in the costs of grain and other essentials coming from the region. For countries experiencing severe hunger and food shortages for example in East Africa, this has only compounded an already bad situation, with a disproportionate amount of the impact being felt by women and girls who comprise the majority of farm workers.

The world is changing, whether due to relatively localised factors like the war in Ukraine or to global ones like the Covid-19 pandemic and the climate crisis. ActionAid will need to be at the forefront of the response to these changes. And, of course, not all change is negative – every single day women and girls are creating much-needed and long-lasting change that will transform the lives of many generations to come, for the better. Thanks to their work, women and girls are seeing fresh opportunities, creating their own futures, stepping into

leadership positions, making their voices heard, and building a world without gender-based violence and exploitation.

This work may never be completed, but that's not a reason to shy away from doing it. Bold, enterprising, trailblazing women and girls are very aware that there is always more that needs to be done. As they stand up and shape their destinies, ActionAid is proud to stand alongside them.

John Good, Interim Chief Executive

Dr Kendi Guantai, Chair of Trustees



## In Spotlight: Crisis response

- ActionAid has implemented **40** partnerships across Poland, Romania, Moldova, and Ukraine supporting more than **1 million** people during the Ukraine crisis
- Our generous supporters donated over **£440,000** to the East Africa food crisis appeal to tackle urgent needs caused by the ongoing drought
- We received over **£12.7 million** through our membership of the DEC for our emergency responses to crises in Afghanistan and Ukraine

### Our urgent response in Ukraine

When Russian troops moved into Ukraine on 24 February, this act marked the beginning of a truly devastating campaign that would claim tens of thousands of lives and destabilise an entire region. Heavy fighting, shelling and air strikes continue to wreak destruction within Ukraine itself, while the wider impact of the war is being felt not just in neighbouring countries but across the entire world.

The human cost of the war is impossible to fully determine. In addition to the numbers of people killed and injured, an estimated three million people – the majority of them women and children – have fled Ukraine to escape the fighting. These refugees find themselves in unfamiliar countries (mainly Poland, Hungary, Moldova and Romania) with no contacts, little money, few possessions and nowhere to go.

ActionAid's response has been significant in scope and in impact, both within Ukraine and in other countries affected by this crisis.

We ramped up our fundraising efforts, urging our supporters to donate as well as forming part of the wider Disasters Emergency Committee appeal that was launched to raise funds following the outbreak of war. ActionAid supporters gave generously in response, with the total raised reaching £2.3m.

We have implemented 40 partnerships in four countries (Poland, Romania, Moldova, and Ukraine) supporting more than a million people. Working in affected communities, we and our partners have provided humanitarian support including food, cooked meals, non-food items, period products and hygiene items, housing, legal advice, information, translation services, psychosocial care and protection support to women, children, and other vulnerable groups such as elderly people, disabled people, Roma refugees and members of the LGBTQ+ community.

Our particular focus has been on partnering with grassroots feminist organisations led by women and young people. ActionAid is extremely concerned about the impact the conflict is having on women and girls, who face an increased risk of gender-based violence, trafficking and exploitation during emergencies, especially when displaced from their homes.

This has led us to do all we can to address the needs of women refugees and survivors of gender-based violence, as well as partnering with organisations working to prevent trafficking and exploitation. We have worked closely with existing women's networks; established shelters and outreach programmes; and supported helplines and other services designed to provide support, advice and information.

At the time of writing, the fighting in Ukraine shows little sign of easing – ActionAid is resolved to remain an active presence in the region, providing a wide range of vital support for all those affected, especially women, girls and other vulnerable people.



## In Spotlight: Solidarity action

- Over **7,300** people signed our petition to scrap damaging proposals in the UK Government's Police, Crime, Sentencing and Courts Bill.
- Over **£11,200** was raised by our crowdfunder supporting a grassroots group campaigning to end violence against women and girls in Ghana.
- Nearly **3,000** people in just two weeks petitioned then-PM Liz Truss to fulfil her promise to reinstate and increase funding of sexual and reproductive health services overseas.

### Standing in solidarity with women ending violence in Ghana

When Covid-19 struck, the Oti region of Ghana saw an escalation in gender-based violence and forced marriages for thousands of women and girls.

In response, Agnes Afua Obour and her dedicated team at the Network of Communities in Development (NOCID) formed a six-month plan to bring together traditional leaders, girls' clubs and volunteers across 30 communities in Ghana. Their aim was to end violence against women and girls for good.

At ActionAid we know it is women like Agnes who are making positive change for their communities. They know best what is needed, how to create the transformation they want to see.

We also know how hard it is for smaller charities like NOCID to raise money for key projects like this. So, to support Agnes and her team, ActionAid launched a crowdfunding campaign to raise the money she needed to carry out this vital work.

We used our large platform to spread the word and ask for donations, letting our supporters know that every penny they gave would go directly to Agnes and NOCID, rather than to ActionAid. We knew that, if hundreds of us came together, we could show a different way of working. By teaming up with grassroots organisations and securing direct funding for their work, we wanted to change the status quo and help redistribute power.

The target for the crowdfunding appeal was £9,000, and our supporters did us proud. With their generosity they smashed this target, giving a total of £11,200, all of which went straight to Agnes, making it possible for her to buy the essentials she needed.

Agnes was delighted with the outcome of this appeal. "NOCID has struggled to access funding in Ghana," she said. "But now we will have enough funding to do our work. [This money] will do a lot."

Using the funds raised, Agnes and NOCID plan to turn the tide on violence with a wide range of activities. They will be able to kickstart youth-led campaigns against early forced marriage and sexual violence; bring together traditional and religious leaders to agree an action plan

to prevent sexual violence in their communities; and organise community forums for women and girls to share their experiences and ideas for action to end violence.

Agnes also aims to lead a regional Girls' Empowerment Day and run counselling training for COMBAT Squads to provide guidance and support to survivors of violence in schools.

In the long term, she will be gathering evidence of all this work's impact and advocate to local government to set up a legal aid office for survivors of violence in the Oti region.

This is just one example of how the generosity of ActionAid supporters is having a direct and transformative impact on the work of amazing women across the world.





## In Spotlight: Public giving support

- ActionAid UK's individual committed givers generously donated a total of **£27.3** million towards our work for women and girls' rights.
- ActionAid supporters in the UK raised nearly **£11.2** million to fund child sponsorship programmes across **29** countries.
- More than **12,200** new supporters in the UK signed up to give a regular monthly gift.

### Preparing for the unexpected with a fistful of rice

The impact of climate change means we are all seeing changes in our weather patterns. In the mountainous regions of Nepal, the results are extreme – with flash floods and landslides putting lives at risk, endangering livelihoods and threatening food security.

When these disasters strike, women and girls are often the hardest hit, which is why we put them at the heart of our approach in preparing for the unexpected. Thanks to the support of our child sponsors, women's groups are forming, enabling women to access vital training to help build resilience against the growing crisis.

Putali is a member of her village's women's group, who meet regularly to discuss matters related to finance and farming, which boosts members' business knowledge and confidence, as well as providing business loans. Not only is Putali's group preparing for future emergencies, but they are also supporting other families when they need it.

"Our group of 30 members has initiated a fist saving scheme," Putali explains. "Every day each group member saves a fistful of rice. We then meet once a month to pool the collected rice. Some of that rice is distributed to families in our village that we know are struggling. The remainder is sold and the money put into our emergency fund so that we have a backup in times of crisis."

With the support of child sponsorship, women's groups like Putali's are leading projects to help lessen the impact of disasters and build resilience in the face of climate change. These groups are providing a vital support to their wider communities, ensuring families can quickly re-establish their source of food, livelihoods and homes following emergencies.



## In Spotlight: Our partnerships

- In 2022 we received **£3 million** from funds raised by players of People's Postcode Lottery to support our work combatting violence against women and girls, respond to emergencies and progress our organisational strategy.
- With funds raised by People's Postcode Lottery players, we supported over **21,000** women and girls and **10,000** men and boys in Zimbabwe, Sierra Leone and Rwanda to prevent, respond to and speak out about gender-based violence.
- In partnership with Ethical Tea Partnership (ETP) and their member companies Taylors of Harrogate and Lavazza, we trained over **1,500** Rights Champions in three tea producing communities in Kenya to support smallholder farmers and informal workers' rights.

### The power of partnership: the Girl-Led Research Project

All around the world, adolescent girls living in poverty face unequal power dynamics. This imbalance impacts girls' capacity to get the support they need and to make their own decisions about all kinds of aspects of their lives.

Structural inequalities shape girls' ability to claim so many of their rights – the right to be listened to; the right to access quality education, information, support services and community spaces; the right to make decisions about their own bodies or to live free from violence. This inequality has deep roots, and the Covid-19 pandemic only served to make a bad situation worse.

In order to understand this issue more deeply and to develop effective solutions, ActionAid enlisted the girls themselves to carry out a research project – made possible thanks to players of People's Postcode Lottery – into the impact of inequality on themselves and their peers.

Designed and carried out by teams in Bangladesh, Ethiopia, Indonesia and the UK, this girl-led research provides an opportunity to shift power back to girls and express their power to make change. Participating groups of girls identified relevant research questions, themes and interview subjects, then they collected and analysed information and contributed it to the final report.

The girl-led research highlighted the economic and social impacts of the Covid-19 pandemic on the lives of adolescent girls, the ways in which their rights and support systems have been weakened or eroded, and the way inequality has increased.

The research process also gave girls an opportunity to build collective power, increasing their sense of self-confidence, providing opportunities to connect with peers, mentors and supporters, and to take action to share research results and express their power to make change. In fact, 97% of participating girls reported believing more strongly in girls' power to

make positive change in their communities and girls' greater power when they come together.

Girls around the world are creating change, disrupting systems, challenging patriarchy and putting an end to unequal power – we are proud to stand with them.

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## Working together - ActionAid UK within the ActionAid Federation

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

ActionAid is a global Federation working for a world free from poverty and injustice. The Federation is made up of 44 national organisations, most of which are based in Lower Income Countries. In the UK, our role is to raise funds to reduce poverty in the communities and countries where we work, to take action for long-term change and to act in solidarity with women and girls addressing 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 £37.9 million to the ActionAid International Federation in 2022, just over 65% of our total expenditure of £57.9 million. ActionAid UK's total income was £59.6 million, which represents 27.5% of the actual income of the entire Federation for 2022 of £217m.

The international development and humanitarian work highlighted in this report reflects the results achieved by the Federation as a whole in 2022, and the significant contribution that UK supporters made to these successes. While many of ActionAid UK's funds go towards supporting the Federation's humanitarian and development work overseas, this isn't the whole story. We also campaign in the UK in solidarity with people affected by global poverty, for example to ask the British Government to consider the potentially harmful impact of its trade policies on women and girls, particularly those in Lower Income Countries. Other areas of critical expenditure included fundraising, building understanding of development issues, governance and running costs. ActionAid International's combined financial statements can be found at [www.actionaid.org/publications](http://www.actionaid.org/publications).

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# Glossary

ActionAid UK is part of the ActionAid International Federation and raises funds to support the Federation's development and humanitarian work overseas, campaigns in solidarity with people affected by poverty and injustice, 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 44 national organisations, most of which are based in Lower Income Countries who manage their own programme delivery but are united by shared values, vision and mission.

ActionAid on pages 1-30 of this report refers to the collective work of the ActionAid International Federation. On pages 31-91 of this report, ActionAid refers to ActionAid UK, the UK-registered charity.

**Support to Africa-Led Movement to End Female Genital Mutilation (ALM-FGM)** is a UK Aid funded five-year programme working to end FGM across East and West Africa. ALM-FGM is implemented by a consortium led by Options which includes ActionAid, Amref Health Africa, Orchid Project, Africa Coordination Centre for Abandonment of Female Genital Mutilation/Cutting and University of Portsmouth.

**Disasters Emergency Committee (DEC)** brings together 15 leading UK aid charities in times of crisis, including ActionAid UK. The DEC launches appeals to raise money to help those impacted by disaster, making sure that funds reach those who need them most.

**The Foreign, Commonwealth and Development Office (FCDO)** is a ministerial department which leads the UK's work to reduce poverty and tackle global challenges with its international partners.

**Official Development Assistance (ODA)** is the FCDO's overseas aid budget to support and deliver the four strategic objectives of the UK Government's 2015 UK Aid Strategy.

**People's Postcode Lottery** created by Novamedia to provide a source of long-term, unrestricted funds for charities and good causes. Players' support for ActionAid is helping transform the lives of women and girls living in poverty.



## Our Goals

As an organisation, ActionAid UK has three overarching goals. Our staff, partners and volunteers are working in over 45 countries worldwide to achieve the following:

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

Sadly, gender-based violence remains far too common across the world, with women and girls alike living in fear – even with their very lives under threat – which has serious impacts on their mental and physical health as well as on their independence and opportunities.

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

Economic inequality is a blight on the lives of too many women and girls across the globe. Women need to have equal access to secure, high-paying jobs – as well as benefitting them, this will also have positive impacts on their families and on their local and national economies.

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

Time and again, around the world, we have seen the life-saving difference it makes when women participate in crisis response – not only in on-the-ground delivery of aid but in positions of leadership as well. ActionAid is working to ensure that women, who are often worst affected by disasters when they occur, are brought to the centre of planning and response.

In this section we provide details of our progress in these three key areas over the past year.

# Goal One: Significantly reduce the risk of violence against women and girls

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

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

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

Our support to women's rights organisations and women's groups has resulted in an increased understanding of and support to women and girls who have experienced violence, as well as a strengthening of mechanisms that enable them to approach their authorities in addressing these. We have also successfully influenced policies at local and national level so that the critical role of support systems to deal with cases of violence are resourced and accessible to those who need it most.

## Ending gender-based violence in Rwanda: The Speak Out project

The past year saw the close of the four-year Speak Out project, whose aim was to address sexual reproductive health rights and gender-based violence in Rwanda.

Funded by UK Aid Direct through FCDO, Speak Out was implemented by ActionAid Rwanda and its partners, using a holistic, youth-led approach, working at the individual and community level.

The goal was to collaborate with girls to build an environment in which they are empowered with knowledge, support and the ability to demand their rights, to take control over their bodies and to hold decision-makers to account. Key to creating that environment was challenging boys and men to shift social attitudes and practices alongside influencing duty bearers at all levels.

The work of Speak Out was carried out through a combination of school-based and community activities. In schools, safe spaces were created where girls could gather on

weekends and have sessions delivered by mentors – specially trained girls aged 18-25 – while other groups were led by teachers.

Community engagement activities included quarterly community awareness raising on gender-based violence and sexual and reproductive health and rights (SRHR) through parents' evening forums and community gatherings. Psychosocial support was also provided for teen mothers, violence survivors were linked with One-Stop Centres, and training was given to Male Change Agents.

One participant – Denise, who is 12 years old – said she was glad to learn about the different channels for reporting violence. "I will never keep silent if I see people violating women and girls' rights," she said.

At the close of its four years, the Speak Out project has had a significant positive impact. To highlight some of the impact in numbers:

- **5,596 girls** (against a target of 5,600) have increased willingness, confidence and ability to report and respond to cases of violence
- **12 Women's Rights Organisations** reported an increased willingness, confidence and ability to report and respond to cases of violence in four districts in Rwanda (this was against a target of 14, as not all organisations responded to the end of project survey)
- **48,186 community members**, including boys, were sensitised and mobilised to denounce and prevent violence against women and girls (our target was 48,600, which we fell slightly short of due to the impact of the pandemic and subsequent lockdown measures by the Rwandan government.)





## Goal Two: Fight for women's equal rights to economic opportunities

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

If women in Lower Income Countries were paid as much as men and had the same access to jobs as men, they could be US\$9 trillion better off.

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

This is vital in enabling women to have control over their own lives.

### Supporting women farmers as they adapt to climate change

"My life is changing little by little."

*Delencia, Mozambique*

Delencia is 22 and lives in a community in rural Mozambique with her parents and three of her brothers. Like many of their neighbours, she and her family depend on agriculture for their livelihood. She is a member of a farming association, who work together to grow and sell everything from beans and peanuts to sweet potatoes and corn.

In recent years, as the impact of climate change has made itself felt, farming in Delencia's region has become far more challenging.

The increasingly unstable climate has led to irregular rainfall patterns, with alternating droughts and flooding taking their toll on crops. Decreasing vegetable production has plunged Delencia's community into economic uncertainty and food insecurity.

ActionAid is providing vital assistance to many affected by the changing climate in Mozambique. Working with NADEC, a partner organisation in the region, we are running training sessions to help farmers build resilience and adapt in the face of climate change.

As a result of the training, the farmers develop their business plans, plans for processing agricultural products, and establish sales points. In addition, with the financing and installation of a drip irrigation system for four local agricultural associations within a one-hectare area, the associations now have access to new technologies to improve production.

Delencia was one of a group of 320 who took part in the training. “I am very happy with the project that aims to improve food security and has financed the installation of a drip irrigation system,” she says. “I was trained in sustainable agriculture, managing the drip irrigation system, which is contributing to the increase in production, saving efforts in irrigation of crops.”

In the days before the irrigation system, the work of farming was gruelling. Delencia recalls the hard work that went into water collection. “We had many difficulties. It took us a long time, since we used watering cans with a capacity of 10 litres each.”

But now, Delencia has a real feeling of progress. “My life is changing little by little and at this moment. With the sale of the produce from our farm, I was able to support my parents by putting energy into the house, connecting drinking water, supporting our diet through processed products and management of the association's money.”

Delencia and many of her neighbours have received training, seeds and crop monitoring, and she is delighted with the results. “This programme is very valuable, as it teaches us the best paths to follow so that we can guarantee the sustainability of our families. I hope the system can help us for many years to come and the production of tomatoes, cabbage, carrots, peppers and other vegetables will increase year after year.”

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## Goal Three: Prioritise women and girls' rights and their leadership in humanitarian crises

Women and girls often suffer the most during humanitarian emergencies. Typically, more women than men are killed by rapid onset disasters like tsunamis and earthquakes. Violence against women and girls increases during all emergencies, especially in conflict.

There is nothing natural about the increased vulnerability that many women and girls face in emergencies. It is the direct result of the gender inequality and discrimination that women and girls experience in their daily lives.

Our approach in an emergency is to empower women to lead the response. Women-led and women's rights organisations understand best the specific needs of women and girls. They know that, in crisis, services that prevent and respond to gender-based violence, and sexual health services, aren't just important – they are lifesaving. Local, women-led responses are rooted in their communities, along with the understanding, networks, and connections to respond rapidly to crisis.

### East Africa Food Crisis: hope in the face of hunger

The ongoing food crisis in East Africa has continued to have a severe impact across several countries, with millions of people facing severe hunger. The already dire situation was further exacerbated by the outbreak of the war in Ukraine, as inflation has led to much higher prices and scarcity of food and water for people facing great uncertainty in an already vulnerable region.

Water shortages have compounded the problem. After a fifth consecutive insufficient rainy season, the lack of water is having a devastating impact. Shortage of water for drinking and pasture has led to over three million livestock deaths across Somalia and Somaliland alone, which has had knock-on effects across the entire economy. Meanwhile, farmers who rely on crops are suffering too, with some not having had a successful harvest since 2020.

Water scarcity has forced many individuals and families to migrate in search of better conditions, while for those who choose to stay put, people – often women and girls – have to walk long distances in order to collect water.

All of this instability is putting women and girls in East Africa at greater risk of harm – not only from hunger but from gender-based violence, trafficking, forced early marriage and other forms of abuse and exploitation.

The severe drought in East Africa is an ActionAid 'Red Alert' emergency and a Federation-wide priority. ActionAid have been responding to the humanitarian crisis since 2021. Our

supporters have given generously to make this work possible – in 2022 alone donating over £440,000 to our East Africa Hunger Appeal.

Our focus is on women-led interventions on a wide range of fronts. Working with organisations and partners throughout the region, we are distributing multi-purpose cash and in-kind food supplies, constructing greenhouses and solar systems, rehabilitating and building classrooms and water infrastructure, and providing livelihood support including income diversification options, cash grants and agroecology training.

In addition, we are providing cash grants to families to keep girls in school, or for women to start businesses. We are creating women's safe spaces; providing training to build women's capacity to claim their rights; raising awareness and holding community dialogues on female genital mutilation (FGM) and sexual and gender-based violence ; establishing referral pathways, women's coalitions and cooperatives; offering psychosocial support; and distributing dignity kits.

In Somaliland alone we have reached more than 30,000 households in 2022 – over 185,000 people. We have reached 15,000 people with anti-FGM messaging, as well as supporting 85 Women's Coalitions and conducted awareness raising sessions on gender-based violence to 10,000 people. We have also established 24 safe spaces for gender-based violence referrals.

Hibo, 34, is a lawyer who works with ActionAid Somaliland as a Women's Rights Officer and Protection Specialist, leading its Women's Rights Programmes. "The drought is very serious," she says. "We are losing a lot of [livestock] and a lot of people [are dying], especially vulnerable people – breastfeeding women, pregnant women, children, disabled people [and elderly] people.

'The work of safe spaces is to raise awareness, to monitor [people's] situations and to [do] prevention and response," she continues. "[We tell people that if they] fear a problem [they can] call our number. Our safe space is open 24 hours [a day], our staff [are] ready."

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# Our strategic objectives

ActionAid UK is proud to be a member of the ActionAid International Federation. We support the Federation by focusing on four specific areas in our work in the UK, as stated in our 2017-2022 strategy [‘Together, with women and girls’](#):

1. **Mobilising resources.** We will raise money through investment, adapting our approach and innovation, to fight poverty and injustice and achieve the rights of women and girls.
2. **Influencing for change.** We will work alongside women and girls living in poverty to challenge violence and exploitation, fight for women’s equal rights to economic opportunities and support women’s leadership in humanitarian crises.
3. **Supporting humanitarian action.** We will build our capacity to respond when emergencies strike working with and through local communities, focusing on women’s leadership, and on the specific threats faced by women and girls.
4. **Enabling effectiveness.** We want to deliver our goal, core focus and strategic objectives as efficiently and effectively as possible, ensuring that the maximum level of resources are dedicated to delivering impact for people living in poverty, especially women and girls.

Together, this represents the most effective contribution ActionAid UK can make to the struggle against poverty and injustice, and to the realisation of women and girls’ rights.

In this section we outline our key achievements against our four strategic objectives in 2022 – the final year of our ‘Together, with women and girls’ strategy.

## 1. Mobilising resources

**Thanks to our supporters, donors, local staff and partners, we have made great strides forward in the fight against poverty and injustice. But there is still much to be done. Our primary aim is to raise money in the UK to fight poverty and injustice and achieve the rights of women and girls. To make a lasting difference, we must raise more money through investment, adapting our approach and innovation.**

In 2022, ActionAid UK raised a total of £59.6m, against a budget of £49.2m. Driven by huge response to the Ukraine Emergency Appeal, this is the highest income total we have seen since 2016. Our public fundraising income in 2022 was £37.6m, a decrease on £39.5m in 2021.

2022 was an exceptionally busy year for emergency fundraising. We launched multiple major public appeals responding to crises and disasters worldwide. The largest one was the Ukraine Emergency Appeal, which saw incredible levels of engagement and support from our audiences. We raised a record-breaking £2.3m to enable our partners in the region to provide emergency assistance and services to thousands of people since the Russian invasion in February 2022 caused a mass displacement crisis. In addition to our own fundraising, we received £12.7m through our membership of the Disasters Emergencies Committee for our emergency responses to crises in Ukraine and Afghanistan in 2022.

The drought and associated food crisis in East Africa have also been a focus of our work, but it has proved difficult to make a significant breakthrough in raising awareness in a crowded news agenda and competing crises. Nevertheless, in 2022 we raised over £440,000 from our generous supporters to tackle urgent needs.

We made some progress on our innovation related initiatives in resource mobilisation, such as mainstreaming innovation approach across our public fundraising programme through development of new learning and training resources, and adoption of innovation tools in large cross-organisational projects, such as our strategy review.

Despite challenges with staff turnover and leadership changes, we completed the build phase of our new Customer Relationship Management system, with the core team performing exceptionally, adapting the project and providing clear communications. We have delayed our go-live to autumn 2023 to allow for recruitment of key technical posts in the project team. We have used a matrix line management approach here that has worked well to ensure appropriate involvement from both the Project Management Office and technical teams. Learnings from this project will inform other significant projects planned for 2023 and 2024.

We successfully completed a public fundraising activity review, assessing our public fundraising portfolio through a shared focus on income sustainability, supporter engagement and our core values. The outputs of this review will inform much of our public fundraising work in 2023 and beyond, as we continue to develop our fundraising programme in order to help us maximise our impact across the global ActionAid Federation.

Throughout the year, we sought to test, refine and embed fundraising messaging principles in line with our new anti-racist storytelling commitments. Reasonable progress was made in this area, with our resource mobilisation and creative teams working together to develop new materials, scripts and communications more aligned with anti-racism.

We also began to promote de-colonised and feminist finance principles in our programme funding and philanthropy teams, starting off internally with all teams operationally working to change ways of working to be more de-colonial and feminist. We continued with the many strong and long-standing partnerships with philanthropists, trusts and foundations and corporate partners we have forged over the years, as well as formed new ones.

We continued to support other ActionAid Federation members and the Global Secretariat to build a diverse portfolio of impactful programming. Working bilaterally with Federation members, we identified funding sources and provided assurance, technical and finance support directly to members and partner organisations. A significant achievement in 2022 was the restoration of funding to the Africa-Led Movement to End Female Genital Mutilation (ALM-FGM). The FCDO consider this a 'gold standard' contract and it is worth approximately £5.6m to the wider ActionAid Federation.

## 2. Influencing for change

**It's going to take some bold thinking to overturn the injustices that lock women and girls in poverty. But we're ready for that. Change is needed at all levels of society to challenge the inequality that means the world's poorest women do not receive an education, cannot own land and face multiple forms of discrimination. ActionAid cannot achieve such a huge change alone. We will work alongside local communities, women's networks, governments, institutions and multinational agencies to ensure women and girls know and can claim their rights.**

In 2022, ActionAid UK expanded our work with key influencing targets in the UK and Scottish Governments and parliaments, enabling us to access and influence technical government officials, as well as more senior decision-makers and Ministers. ActionAid UK's parliamentary reception in Speakers House marking the 16 Days of Activism to end gender-based violence was attended by a wide range of officials, decision-makers and parliamentarians, which we have used to further build strong relationships with teams designing, delivering and making decisions over women and girls' rights policy and programmes. We have furthered our partnership approach with women's rights organisations, which is central to our work on anti-racism and de-colonisation.

In summer 2022, we launched our first-ever girl-led research report 'Building power together', a research project shifting power back to girls, collaboratively designed and carried out by ActionAid teams in Bangladesh, Ethiopia, Indonesia and the UK. The research was incredibly successful and provides a blueprint for influencing work that is girl-led and from the ground up. The report was launched at a reception in ActionAid Federation Member countries, including a launch in the UK Houses of Parliament in June, and we also held a closed learning session with the Foreign, Commonwealth and Development Office, receiving positive feedback on the wide-ranging discussion as they develop their own girl-led approach. You can read a more in-depth case study of the girl-led research on pages 9-10 of this report.

We conducted new research into gendered understanding of humanitarian emergencies and responses, and launched reports on the impacts of climate change-induced loss and damage on women at risk of marginalisation in four African countries, and on the ways women's rights and women-led organisations have steered responses within humanitarian and peacebuilding initiatives. We also supported our first ever delegation to Women, Peace and Security week in New York, made up of ActionAid staff and representatives of women's rights organisations. We co-organised a successful public event, promoting our feminist approach and meeting directly with and influencing donors and decision-makers.

ActionAid UK increased our influencing work on domestic issues, acting in solidarity with women and girls and organisations working to push back on the UK Government's restrictive legislation and policies, including the Crime and Policing Bill, Nationalities and Borders Bill and immigration policy to deport asylum seekers to Rwanda. Standing in solidarity with UK women's and girls' rights organisations helps root our influencing work in the UK and is an important part of ActionAid's Human Rights Based Approach (HRBA).

Our campaigning work with our UK audiences and community campaigners saw great successes in the year. Together with grassroots women organisers in Ghana, we rolled out a



crowdfunder for Network of Communities in Development (NOCID), a grassroots group campaigning to end violence against women and girls in Ghana – you can read more about this on page 6 of this report. We continued to hold the UK Government to account on Overseas Development Assistance, launching a reproductive rights pledge at Latitude Festival in the summer and a petition calling on then-Prime Minister Liz Truss to keep her promise of restoring aid for women and girls, specifically to support access to sexual and reproductive health services. In 2023, with continued mixed signals from the Government, we will need to step up campaigning to ensure the UK fulfils its promises.

During the annual UN climate conference in November, COP27, we campaigned in the UK for the countries that are most responsible for climate change to establish a Loss & Damage fund to support those hardest hit by its impacts. This campaign supported ActionAid Federation efforts and together, along with civil society globally, we managed to secure a historic moment for climate justice with the agreement to establish a loss and damage fund.

Despite a challenging year with leadership changes and high staff turnover, ActionAid UK made significant progress in anti-racist storytelling and de-colonising our communications work in 2022. In the past year, we have developed internal Anti-Racist Storytelling guidelines and training series, and we are also working jointly with ActionAid Senegal to build an anti-racist communications hub in West Africa. We built on our commitment to use local content gathering teams whenever possible for all our own communications. We also worked to influence the approach taken by others in the sector, for example through working with colleagues in other organisations, actively participating in networks and coalitions and by helping to shape the Disasters Emergency Committee responses to humanitarian crises.

### 3. Supporting humanitarian action

**With conflict and climate-driven crises on the increase, the world is facing an unprecedented number of humanitarian emergencies. We are meeting this challenge by scaling up our humanitarian and resilience work, putting local partners and women leaders at the forefront of our response. ActionAid's humanitarian response programmes are led by local staff and partners who have a true understanding of community needs and can shift decision making closer to affected communities. Protecting women's rights and promoting their leadership during emergencies is also key to our approach.**

In 2022, we used our resources to effectively fulfil our mandate to support the global federation's humanitarian response. We are the largest fundraiser for the ActionAid Federation's humanitarian work by a significant margin and we contribute significantly to the Federation's influencing, communication and response capacity.

We worked with ActionAid Federation members and partners to respond to several significant humanitarian crises throughout the year, including Ukraine, Afghanistan, East Africa and Myanmar. We supported other federation members to secure direct funding to respond to emergencies, such as ActionAid India for flood response and ActionAid Nigeria to provide support to internally displaced people. Eleven members of staff from several different teams were deployed for short periods to provide surge capacity to support the launch of the Ukraine humanitarian response led by ActionAid Spain (Alianza por la Solidaridad).



Our influencing work promoted a gendered understanding of humanitarian emergencies and responses, for example a feminist perspective on loss and damage from climate change and leading the first ActionAid delegation to Women, Peace and Security week, as mentioned above, using it to support partners to access decision-makers and ensure that a wide range of conflicts and humanitarian emergencies were profiled at a global stage.

We further developed our public communications about ActionAid's humanitarian work, raising awareness and sharing about our approaches to protection, localisation, and women's leadership in emergencies. To highlight this work, we ran a three-month spring campaign, 'Women in Action', which showcased stories of women working on the frontline of humanitarian emergencies. This cross-organisational campaign included fundraising, communications and influencing. For International Women's Day, we organised an event focusing on women's leadership in emergency response, chaired by Sarah Champion MP. .

In 2022, the ActionAid UK Humanitarian team secured UK-held contracts worth £15.5m in total (£3.5m in 2021) and provided significant support to other members of the ActionAid Federation for contracts worth £22.5m (£8.6m in 2021).

ActionAid UK's strong performance in 2022 positions us to deliver for the wider ActionAid Federation and push for change in the broader humanitarian sector in 2023.

#### 4. Enabling Effectiveness

**We want to deliver our goal, core focus and strategic objectives as efficiently and effectively as possible, ensuring that the maximum level of resources are dedicated to delivering impact for people living in poverty, especially women and girls. We will build a strong enabling environment to deliver on our strategic objectives, centred on an agile, empowering and performance-focused culture, a 'digital first' approach to communication and enhanced accountability and transparency.**

We had aimed to build a roadmap by the end of 2022 establishing how ActionAid UK will work in post-Covid context, including travel and remote working policies. We successfully implemented a Hybrid Working project and piloted a hybrid office and remote working model, and continue to act on the project learnings in 2023 as we develop our Remote Working policies.

In 2022 we successfully delivered a planned IT Security and Infrastructure programme which allowed us to achieve Cyber Essentials Plus Certification. The best practices enabled as part of the programme are now being implemented through the remainder of our IT Infrastructure portfolio with a goal of having all our core IT Infrastructure Cloud based before the end of 2023. The safety and security of our staff is a top priority for us, and we made good progress updating and testing our crisis management processes and identifying areas of process improvement that will be implemented in 2023.

We made progress, albeit slow, on our anti-racism journey at ActionAid UK. In our public communications, we developed an action plan to implement anti-racist storytelling principles, and an Anti-Racist Storytelling Manager was appointed to deliver the plan. However, the

development and implementation of an organisational equality, diversity and inclusion programme – an anti-discrimination programme – including a detailed action plan was delayed until 2023 due to a significant turnover in both ActionAid UK's Board and senior management team. As at May 2023, work on this is well underway (you can find more details in the Year Ahead section on page 27).

ActionAid UK has made reasonable progress on our environmental commitments and improving our operations from environmental sustainability perspective. We have completed organisational carbon footprint calculations for years 2020 and 2021 and as at May 2023 are finalising our 2022 measurement. Our Environmental Policy is publicly available on our website, which outlines our policy commitments. This area of work is detailed more in the report section Annual Carbon Reporting (page 40).

In November 2022, we launched a new strategic vision for ActionAid UK following several months of cross-organisational working and consultation across the global ActionAid Federation, the ActionAid Global Secretariat, and other key partners. This new Purpose Statement articulates our mission and our role in the ActionAid Federation, and will guide ActionAid UK in the long term, for the next seven years. We then progressed to the development of a two-year 'Bridging Plan' which will enable us to operationalise the Purpose Statement over the next 2-3 years. Given the amount of change that prevented us from fully achieving our previous strategy, Together, with Women and Girls, this plan is intended to 'bridge' us from that strategy to our next operational plan. This will see us carrying forward some elements, while also incorporating new elements of the ActionAid Federation's plans, for example a far greater emphasis on the climate crisis.



# Our celebrity supporters

## Women in Action campaign

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A host of celebrities and influencers showed their support creatively on social media for ActionAid's Women in Action campaign on International Women's Day. Actresses Hayley Atwell, Erin Doherty, Golda Rosheuvel, broadcaster Sonali Shah and influencers Tilly Fitzgerald, Bushra Wasty, The Constant Reader all posted bookstacks of some of their most inspiring feminist books. Disco legends Sister Sledge, broadcaster Lauren Layfield and actress Rebecca Hazlewood also created playlists of their favourite female performers.

## Support for our humanitarian work

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Many of our celebrity supporters, once again, came out in support of our humanitarian work in the face of the Ukraine crisis. We secured actor Adrian Lester to front the ITV broadcast of the DEC appeal. Over a dozen celebrities including actress Phoebe Dynevor and Aisling Bea also posted about the appeal on Instagram. The video Phoebe shared had 2.9 million views alone.

## Fundraising challenges

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We had two high profile supporters take on physical challenges to raise funds for ActionAid. Content creator Tova Leigh, along with three other influencer friends took part in the Lake District Challenge and raised over £1,000 while author, podcast host and ActionAid Ambassador Giles Paley Phillips undertook two challenges: a 60 mile walk from his hometown in East Sussex to London as well as the distance from Land's End to John O'Groats on his exercise bike raising over £2,000.

## Share A Better Period

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Broadcaster and period poverty campaigner Lauren Layfield presented a video for our annual paid social fundraising campaign Share A Better Period. Sewing influencer Holly Dennett also created a video on how to make your own sanitary pads influencer. Another sewing influencer, Lucy Brennan also created a similar video in support.

## My Body Is Mine at Latitude Festival

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Seventeen artists including comedians Alex Horne, Kemah Bob, Maisie Adam and Olga Koch, musicians Snow Patrol, Shed Seven, Mahalia, The Shires and authors Laura Bates and Mary-Ann Sieghart all performing at Latitude festival showed their support for our #MyBodyIsMine campaign. We also had visits to the ActionAid tent and tattoo parlour from influencer and author Natalie Lee, singer Rumer and comedians Luisa Omielan and Charlie George. Festival headliners Foals also agreed to a meet and greet as a competition for festival goers.

## Christmas Appeal

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Our long-term Ambassador, actress Emma Thompson, recorded a video for social media use to help to raise awareness and funds for our 2022 Christmas fundraising appeal, Shelter from violence.

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## The Year Ahead

2022 marked the final year of ActionAid UK's five-year strategy, '[Together, with women and girls](#)'. As part of the ActionAid Federation, ActionAid UK shares the vision and mission of the Federation, and supports the shared ActionAid Federation strategy, '[Action for Global Justice](#)' (2018-2028).

In November 2022, we launched a new strategic vision for ActionAid UK following consultation across the global ActionAid Federation, the ActionAid Global Secretariat and other key partners. This new Purpose Statement articulates our mission and our role in the ActionAid Federation and will guide ActionAid UK for the next seven years. We developed a 'Bridging Plan' that sets objectives for ActionAid UK for the next three years.

The pandemic disrupted the implementation of our previous strategy 'Together, with women and girls' – the Bridging Plan is intended to 'bridge' us from that strategy to our next operational plan. This will see us carrying forward elements of 'Together, with Women and Girls', while incorporating new elements from the ActionAid Federation's current Strategic Implementation Framework (2021-2024). At the end of this Bridging Plan, ActionAid UK will base its future operational plans on the ActionAid Federation's next Strategic Implementation Framework (SIF). ActionAid UK will update its operational plan 12 months after the ActionAid Federation launches a new Strategic Implementation Framework, giving ActionAid UK time to finish off work on the previous SIF and make the changes required to support the new one. This change will improve the alignment between ActionAid UK and the broader ActionAid Federation.

ActionAid UK's key objectives and focusses for the year 2023 are outlined below.

### Anti-racism and decolonialisation

Anti-racism and decolonialisation is an overarching objective for ActionAid UK and will run through all our work in 2023 and beyond. It requires a deep understanding of what needs to change and a lifetime's commitment to ensuring that we are truly accountable to women and girls in the Global South.

We will build a shared understanding of what it means to be anti-racist and decolonial to effectively support women's and girls' rights organisations and movements. We will engage in Federation-wide discussion to agree what decolonisation means within the ActionAid Federation.

We will develop and organisational anti-racism working plan and embed it into all teams' work by the end of the year. We will work to make sure that our identity, voice and storytelling are feminist, anti-racist and evidence-based, and in 2023 we will develop and roll out anti-racist storytelling training workshops to all ActionAid UK staff. We will also develop and roll out anti-racist storytelling and story gathering standards and guidance, alongside devising critical success factors for our anti-racist identity against which to measure our progress.

As at May 2023, we are on track to publish internal digital guidance and learning materials on anti-racist storytelling from Q2 onwards for all staff, and roll out face-to-face training in Q3. We have also recruited and appointed an Anti-Racist Storytelling Manager and an Anti-Racist Storytelling Educator and Facilitator, who will continue to develop our anti-racist storytelling curriculum.

In early 2023, our staff began to undertake a decolonisation learning series, with attendance and completion mandatory for all. Part one was completed in April, with part two being rolled out in late May. As we continue to define the broader working plan, we have also established an anti-racist and decolonial small projects fund for smaller pieces of work that will help progress our commitments in individual teams and departments. Towards the end of 2023, we are also establishing an Anti-Racism and Decolonisation Hub with a dedicated Director, as well as a steering group to ensure we meet the organisational commitments we have made.

## Income

Our primary contribution to our shared global ActionAid strategy is supporting the ActionAid Federation to generate the financial resources it needs.

In 2023, ActionAid UK's aim is to generate £46.6m in income through a diverse pool of income streams including individual giving, philanthropy, trust & corporate partnerships, community events and community engagement, legacies and institutional funding. We will also update our voluntary income fundraising strategy by end of 2023.

We will continue to develop a more robust approach to emergency response in ActionAid UK with sufficient resource, relevant propositions and processes, enabling us to respond to the growing number of emergencies and humanitarian crises occurring around the world. We will use more innovation and insight to explore approaches to income generation that are consistent with our commitments to decolonisation, feminism, anti-discrimination, sustainability and climate justice.

We will begin the development of a new public fundraising product, working together with the ActionAid Federation members and the Global Secretariat. We will pursue our strategy of institutional funding diversification, for both development and humanitarian programming and research, to generate the maximum level of income for the ActionAid Federation both through ActionAid UK and direct to ActionAid Federation members, in line with our priorities for women and girls.

We will also continue to develop our work with the ActionAid Federation on securing and managing commercial contracts. Importantly, we will carry on our work to influence funders and decision makers within the international development sector to apply more feminist and decolonial approaches to their funding models, and increase the levels of funding and research grants available to frontline women's rights organisations in the countries ActionAid works in.

## Influencing for change

We will influence the UK Government, parliament, public and key stakeholders to prioritise women and girls' rights in environmental, humanitarian and development policy and programmes. Our approach will be decolonial, feminist, anti-discriminatory, sustainable and climate-just approach to influencing; one that opens space for women and girls from the global south to influence stakeholders directly. We will deliver public engagement activities that increase the public's engagement and support for women and girl's rights in the context of development.

Our work on building and developing new influencing targets in the UK and devolved governments, parliaments, public, media, academia and other key stakeholders will continue. Areas of specific focus include the environment, women's economic rights, humanitarian, violence against women and girls, Official Development Assistance (ODA), and women's rights organisations. We will engage with the UK Government and influence their work on the rights of women and girls, in particular focussing on the FCDO's newly launched Women and Girls Strategy. Women's economic rights is an important part of the global ActionAid Federation's work, and AAUK will host an event on the topic during the 67<sup>th</sup> session of the Commission for Status of Women at the UN.

Building on our successful grassroots campaign work in 2022, we will broaden our community campaigner base and support campaigners to develop agency, campaigning and organising skills that will enable them to run decentralised and distributed campaigns on issues relevant to ActionAid. We will mobilise in the UK to support the ActionAid Federation's climate justice campaign, launching in the autumn.

## Humanitarian

ActionAid UK will continue our work to support the delivery of humanitarian work by the ActionAid Federation and the promotion of the Federation's humanitarian signature (accountability, localisation and women's leadership).

We will advocate on the scale of response the East Africa food crisis, and for UK to provide funding and women-led organisations and recognise leadership role of women in emergencies. We will prioritise fundraising for Red and Orange Alerts through our own supporter appeals and participation in DEC appeals. We will recruit, train and manage the Rapid Action Communications in Emergencies (RACE) roster in support of ActionAid Federation-wide humanitarian appeals.

We will support ActionAid Federation members and global ActionAid humanitarian programming and response with resource mobilisation for institutional donors, both UK managed and in-country, through technical inputs, programme quality and accountability support.

Working together with the ActionAid Federation, we will deliver strong ActionAid UK-supported programmes and influencing activities that use and promote gender-

transformative approaches to building climate resilience. We will be part of the UK contribution to the global ActionAid climate campaign.

## Operational effectiveness and sustainability

Improving our organisational, financial, environmental, and technological sustainability remains core to our internal work.

In 2023, we will implement our new Customer Relationship Management system as well as seek to further improve the flexibility and efficiency of our core IT infrastructure and business processes, including having all our core IT Infrastructure cloud-based before the end of 2023.

We will continue to progress our environmental commitments as laid out in our Environmental Policy (available on our website), including exploring the environmental impact of some of our core business activities, reviewing our partnership screening processes, minimising international travel, and continuing with the annual measurement and publication of our carbon footprint. Our anti-discrimination programme, accompanied by a detailed action plan, will be developed before the year end.

Our organisational policy work will focus on revising policies to ensure efficient and effective governance systems are in place and the content of our internal policies is in line with our values. We will continue to build and review our assurance frameworks with the ActionAid Global Secretariat to ensure that our legal obligations as a charity are met.



# Statutory Report and Financial Statements

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

In this section of the Annual Report 2022, 'ActionAid' refers to the UK-registered charitable company. The Trustees present their statutory report with the financial statements of ActionAid for the year 2022. 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

2022 was another year of incredible generosity from our supporters and members of the public. Our fundraising is dependent on building effective and long-lasting relationships with our supporters, guided by our Every Supporter Matters ethos and ActionAid values. This support enables us to continue our work to support women and girls in poverty to change their lives and communities for good.

## How we fundraise

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We work with supporters in a variety of ways. Child Sponsorship remains key for us, with our dedicated supporters building a personal connection to the communities in which we work through their generous, long-term giving. Our Individual Giving programme also supports our donors to make either stand-alone or regular gifts and inspires our supporters and members of the public through direct mail, print, television, outdoor and digital updates and advertising. Our trading products remain popular and enable support via entry into our ActionAid Lottery, or through purchase of Christmas cards or virtual products.

We also inspire supporters to carry out their own fundraising in their own communities, supported by our Events & Community Engagement team. Some of this fundraising is related to participation in challenges or events, often sporting related, and whilst virtual events featured across 2022, we continued to see a return to in-person activity like the London Marathon back to its traditional point in the year, April. We worked very closely with our First-Hand Experience trip participants, who carry out fundraising in advance of their trips overseas to support specific projects and completed trips to Rwanda and Cambodia this year. These supporters sign a Fundraising Agreement with us to ensure that they are compliant with all relevant aspects of the Fundraising Code of Practice, and we monitor this through our close relationships with them. A further trip to Cambodia is planned in 2023.

We are so grateful to have received over 130 legacy gifts in 2022, totalling £2.7m, from generous supporters who chose to leave us a gift in their Will. We remain a part of the Will Aid network, which connects individuals looking to write their Will with a participating solicitor who can support them through the process and do not charge for their service. We do ask those who participate in the scheme to consider donating the cost of the Will to share between the partner charities, however there is no obligation to leave a gift to ActionAid, nor to donate to us when using the service. We are grateful to those supporters who chose to donate to us.

Our Philanthropy & Partnerships team works with individuals and organisations able to give at a high level, including businesses, trusts, grant-making organisations and our ActionAid Ambassadors. We are incredibly grateful to them all.

We are also proud to have continued to benefit from funds raised by players of People's Postcode Lottery. In 2022, we received £3 million thanks to funds raised by players of Postcode Lottery and awarded by the International Postcode Trust, which is supporting a range of vital programmatic work and emergency appeals.

We work in close contact with any commercial participator to ensure that agreed messaging is used and that any feedback is discussed and swiftly addressed. Our commercial participation agreements cover the requirements from the Fundraising Regulator and Charity Commission to ensure that consumers and the general public are informed and protected.

### **Maintaining high standards**

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At ActionAid we firmly believe that Every Supporter Matters and so we always set high standards across fundraising, not simply to meet our compliance obligations, but because it is the right thing to do: our supporters and values are central in our decision-making. We maintain registration with the Fundraising Regulator, work to the Code of Fundraising Practice and can confirm that we have not been the subject of any investigations by the Fundraising Regulator. We regularly participate in best practice discussion groups across the sector, networks of other fundraising compliance professionals and the Data & Marketing Association.

We regularly assess our fundraising activity against the code of fundraising practice and maintain a programme of training on fundraising compliance, including an induction for all new staff with our head of team, and specialist training on data protection. All staff in the organisation receive a copy of our Compliance Handbook upon joining, which outlines our standards including template solicitation statements and our approach to marketing consent.

### **Monitoring activity, carried out on our behalf**

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Our fundraising activity continues to be supported by specialist agencies who can provide telephone or face-to-face services. This is often seasonal work, and so it becomes cost-effective to work in partnership with industry experts who can also share best practice from across the sector. Any new agency is brought on board through our diligent procurement process, and we then maintain monitoring in line with our Working with Agencies Framework.

We work closely with our agency partners on training, monitoring and continuous improvement, to ensure that they consistently operate at a high standard. In 2022 we continued face-to-face fundraising activities and for these campaigns we undertook mystery shopping. We also carry out call listening of our telephone agencies, with this increased for new suppliers, new campaigns or in the event of any concerns. The result of this monitoring is discussed regularly with our partner agencies, with actions agreed and tracked to completion. This is overseen by our Head of Fundraising Compliance, with quarterly reporting to our Board of Trustees.

Our Events & Community Engagement supporters work 'In Aid Of' rather than 'On Behalf Of' ActionAid, but we provide them with a Stay Safe & Legal guide to highlight the relevant aspects of the Fundraising Code.

### **Our approach during the pandemic**

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In 2022 we have continued to implement robust risk assessments referencing COVID requirements of public fundraising, we continue to act cautiously and look to balance our public fundraising with maintaining high standards, safety and comfort for our staff and the public.

## **Complaints & Feedback**

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Embracing respectful feedback and learning from mistakes are key to our feminist leadership approach and so we always welcome feedback from our supporters and the public. We sincerely believe that complaints present an opportunity to learn and improve.

Our complaints process is readily available [on our website](#) or by post on request, outlining how we address feedback and what a complainant can expect from us, including our timelines for investigation. We always encourage a complainant to get in touch with us so that we can address their concerns directly, but we also provide information on how they can escalate any issue to the Fundraising Regulator if they are unsatisfied with our approach or response. We are gratified that as with previous years, no complainant has chosen this route of escalation in 2022.

We received a total of 83 complaints about our fundraising work in 2022 and are pleased to note this is a 32% decrease from the previous year. All of these were resolved; all our fundraising complaints are resolved within 10 days of receipt. All complaints are classified according to severity and then swiftly addressed in line with our policy, giving a full and open response to the complainant. Should we receive a complaint relating to the work of one of our partner agencies, we discuss this with them as a matter of urgency, and we hold all partner agencies to a contractual obligation to supply us with prompt and thorough investigation results and monitored action plans if appropriate. Our Board of Trustees are given quarterly reporting on our complaints including volumes, themes of feedback and actions taken to ensure that they have a good overview of how our work is received by and impacts supporters and the public. We also track positive feedback, and any individual contacting us via email is given the chance to complete a quick survey on their experience. We are delighted that 89% of respondents in 2022 rated they were 'Satisfied' or 'Very Satisfied' with their supporter contact experience.

## **Protecting our supporters and the general public**

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We want to ensure that supporting ActionAid is a positive experience for everyone, and we strive to ensure that any interaction is conducted with respect, dignity, and fairness. Our Treating Supporters Fairly policy guides this, ensuring that supporters and members of the public are treated fairly, and that anyone in potentially vulnerable circumstances is protected. We reviewed this policy in 2022 to ensure that it is in line with industry best practice. All new staff are introduced to this policy via the Compliance Handbook, and we also include it in our training and contracts with partner agencies.

We have a cross-team Supporter Communications group, who meet regularly to ensure that we have a full picture of how and how often we communicate with our supporters. This helps us to manage the number and frequency of communications that any supporter receives. We also offer multiple ways for our supporters to manage their communication preferences, and any requests received via the Fundraising Preference Service (FPS) are swiftly acted upon, usually within three working days.

We are grateful for the generous support that we have seen in 2022, and to every individual who has engaged with us, be that financially, through support for our campaigns, or by giving us feedback to enable us to improve our work.

## Keeping People Safe

As an organisation that works with women and girls living in poverty, we take the risk of harm happening within our organisation very seriously. ActionAid is committed to preventing any form of sexual harassment, exploitation and abuse (SHEA, which includes child abuse and adult at-risk abuse) and responding robustly when these harms take place.

ActionAid has a zero-tolerance approach to sexual harassment, exploitation and abuse and other harmful behaviours and demonstrates this by ensuring that all allegations of sexual harassment, exploitation and abuse and other Safeguarding concerns are responded to in a timely, robust, and survivor-centred manner.

At ActionAid we ensure that we embed our SHEA and Safeguarding approach into every aspect of our work, from how we recruit, to how we build capacity, to how our programmes are designed, so that we uphold the rights of all to live and work with integrity, free from violence and harm.

The best way to prevent such harm is to be survivor-centred and to give survivors the confidence to come forward in the knowledge that they will be listened to, heard and believed. At ActionAid, we ensure that our approach to SHEA and Safeguarding is survivor-centred; that is, that we are committed to upholding the power and dignity of survivors by respecting their confidentiality and their right to make decisions over what happens to them, where it is safe and appropriate for them to do so. We work with survivors to ensure they are central to any response, are not further harmed or disempowered by any processes, and receive support throughout. We are committed to ensuring that our safeguarding work continuously learns from the voice and experience of marginalised and oppressed groups and challenges destructive systems of power, in line with ActionAid's intersectional feminist approach.

Globally, our structure is that safeguarding policies and standards are set, and performance against them monitored, by the staff of ActionAid International, known as the Global Secretariat (GS). Adherence to these policies is reviewed through ActionAid's internal assurance and auditing mechanisms.

Where a safeguarding incident occurs in the UK, it is for ActionAid in the UK to investigate and handle the matter, but since the majority of our work is undertaken overseas, it is often in other countries that safeguarding reports are received. Where this is the case, it is the responsibility of that country member of the ActionAid Federation to investigate in line with the policies, processes and procedures upheld across the Federation. If UK funded projects are involved, ActionAid seeks regular assurances from the GS (Global) Safeguarding team about the progress of the investigation and monitors its outcome. The GS Safeguarding Team has oversight of all country investigations to ensure that these are handled properly and that lessons learned from cases are implemented. In some cases, the GS Safeguarding team may themselves carry out the investigation.

ActionAid Trustees have a duty to ensure that we do not cause harm to those we seek to support, employ, or work with. This means assuring themselves that there is a zero-tolerance approach to safeguarding violations wherever UK funds are being spent overseas or within the organisation itself. As a result, every concern is investigated, irrespective of whom the person of concern is. To enable the Board to maintain oversight of safeguarding matters both in the UK and overseas, Trustees receive a quarterly report of all cases within the UK organisation, and where UK funding is involved, as well as a more general update on progress with implementing the safeguarding strategy in ActionAid and its legal branches.

One member of the Board acts as a designated Board Safeguarding Focal Person, who receives more regular updates and additional information on the progress of individual cases. Since December 2021, this has been Caleb Stevens.

If Trustees have concerns about the way that safeguarding standards are being implemented in a member country, they would support that country to improve, working with the Global Safeguarding Team. Ultimately if there is an ongoing risk to those we work with and the assurances received are not robust enough, then they will consider whether to continue funding that member.

In this way, the Trustees of ActionAid maintain oversight of safeguarding across any work carried out around the world using funds raised in the UK, or within the UK organisation, and work to fulfil their responsibility to protect those we seek to support through our programmes and those who have committed to work for us.

At ActionAid, we consider it essential that we prioritise creating an environment in which people feel safe to report incidents that make them feel uncomfortable or threatened in any way. We do this by creating a safe working culture that upholds the rights and dignity of all, founded on our mission, our human rights-based approach, and as outlined in our Code of Conduct, and our Feminist Leadership Principles. Staff, other representatives working with ActionAid, Rights Holders and community members need to feel confident that our safeguarding policies will protect and support keeping people safe. ActionAid's Code of Conduct states that it is the duty and the responsibility of all staff and other representatives to report any suspicions or incidences of sexual harassment, exploitation and abuse. If a staff member or other ActionAid representative does not report an incident or suspicion, they will be in breach of the safeguarding policy and may face disciplinary proceedings. This does not apply to survivors who can decide if, when and how to report.

We have a Sexual Harassment, Exploitation, and Abuse (SHEA) at Work Policy the purpose of which is to ensure that ActionAid provides a safe working environment and that procedures are in place to protect staff and other representatives from any form of sexual harassment, exploitation, and abuse carried out by any member of the ActionAid Federation or other representative.

ActionAid's Child Safeguarding Policy ensures that procedures are in place to protect all children from deliberate or unintended actions that place them at risk of abuse or exploitation carried out by any member of the ActionAid Federation or other representative; and our Protection from Sexual Exploitation and Abuse (PSEA) Policy ensures that procedures are in

place to protect the rights holders and communities we work with, including adults at-risk, from sexual abuse or exploitation carried out by any member of the ActionAid Federation or other representative

In 2022 ActionAid took several steps to further strengthen safeguarding across the organisation including:

- Formally incorporating the signing of the ActionAid Code of Conduct as part of the onboarding process.
- Drafting a 2-year SHEA and Safeguarding Strategy. This strategy sets out to explain how ActionAid UK will further strengthen its SHEA and Safeguarding approach, in-line with our vision, to ensure that we are upholding the rights and dignity of everyone who comes into contact with our work both internally (within the organisation) and externally.
- Following approval at the General Assembly meeting, the suite of new SHEA and Safeguarding Policies were circulated across the ActionAid Federation in January 2022. ActionAid policies were reviewed and updated accordingly and approved in March 2022.
- Further strengthening our work on safeguarding and data protection to support handling data around safeguarding.
- Reviewing the content and delivery of ActionAid's mandatory safeguarding induction training for all new starters.
- Rolling-out mandatory safeguarding refresher training, using an e-learning course offering certificated training, valid for 2 years.
- Creating an Action Aid Safeguarding SharePoint Hub which includes information about ActionAid's approach to Safeguarding, our safeguarding policies, guidance on reporting Sexual Harassment Exploitation Abuse (SHEA) and safeguarding concerns and access to safeguarding resources.
- Creating systems and processes to work with ActionAid Branches to seek assurance in relation to safeguarding.
- Providing safeguarding advice and support. This included post-travel debriefs, to further strengthen ActionAid's travel protocol, and preparing for the introduction of a Disclosure and Barring Service (DBS) checking for relevant staff which will commence in 2023.

### Safeguarding Statistics for 2022

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

The following tables set out the cases that ActionAid responded to in 2022, and the outcomes of these cases. It is important to note that these figures do not relate to the entire ActionAid Federation, but rather cases relevant to ActionAid (the England and Wales-registered charity). This includes any incident where the complainant and/or the person of concern is an ActionAid staff member, or other individuals acting as representatives of

ActionAid. These figures also include cases in countries where any work is funded from the UK.

In the interests of transparency, we have included data since 2019. The incidents included in the figures range from breaches of policy and verbal sexual harassment to sexual and non-sexual assault. We have set out the figures so that it is possible to see how we are dealing with the complaints/reports we receive; however, it is important to note that a report can result in a range of outcomes. For example, an investigation or other process is upheld when it finds in favour of the complainant. When an investigation or other process is not upheld it finds that there is insufficient evidence to confirm that the alleged inappropriate behaviour did take place or that, on the balance of probability, it is most likely that the behaviour did not take place. In some cases, a complaint may be partially upheld; this is when it may not be possible to uphold all parts of a complaint, but some aspects of the complaint may be upheld.

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

In the tables below, Figure 1 relates to cases concerning survivors who are adult programme participants, Figure 2 relates to cases concerning survivors who are child programme participants, and Figure 3 refers to staff and/or associated personnel (including partners and third parties) who are either the subjects of concern or survivors.

Figure 1: Adult programme participants (incl. community members)	2020	2021	2022
Number of reports received	1	0	2
At the end of year respectively, how many open reports were carried forward into the following year?	1	1	2
How many reports were not investigated and are now closed?	0	0	1 <sup>1</sup>
How many reports were investigated and are now closed?	1	0	0
Out of the reports substantiated, how many resulted in dismissals?	0	0	0
Out of the reports substantiated, how many resulted in other disciplinary action?	0	0	0

Figure 2: Child programme participants (incl. community members)	2020	2021	2022
Number of reports received	5	2	3
At the end of year respectively, how many open reports were carried forward into the following year?	3	1	2

<sup>1</sup> ActionAid was unable to complete an investigation as the Person of Concern was unknown, but wider actions were taken in relation to this concern.

How many reports were not investigated and are now closed?	0	0	0
How many reports were investigated and are now closed?	4	4	3
Out of the reports upheld, how many resulted in dismissals?	0	0	0
Out of the reports upheld, how many resulted in other disciplinary action?	1	0	0

Figure 3: AA Staff/Other Representatives (incl. relatives/partners/other NGO staff)	2020	2021	2022
Number of reports received	14	9	12
At the end of year respectively, how many open reports were carried forward into the following year?	8	8	12
How many reports were not investigated and are now closed?	1	1 <sup>2</sup>	1 <sup>3</sup>
How many reports were investigated and are now closed?	14	8	7
Out of the reports upheld, how many resulted in dismissals?	1	1	3
Out of the reports upheld, how many resulted in other disciplinary action?	4	1	1

Of the cases above reported in 2022, 8 relate to someone directly employed by an ActionAid entity. 1 of these was a member of ActionAid staff in the UK.

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<sup>2</sup> In line with our Survivor-centred approach this case was not investigated at the request of the survivor. Other follow up work was carried out as a result of the concern being raised.

<sup>3</sup> In line with our Survivor-centred approach this case was not investigated at the request of the survivor. Other follow up work was carried out as a result of the concern being raised.



# Carbon reduction and energy reporting

The Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 ("the 2018 Regulations") implement the UK Government's policy on Streamlined Energy and Carbon Reporting (SECR). ActionAid falls within the scope of the SECR as a large unquoted company. Below reporting includes the mandatory elements ActionAid are required to report.

## UK energy use disclosure

Unit	Metric	2020	2021	2022
<i>Kilowatt-hours (kWh)</i>	<b>Electricity<sup>4</sup></b>	218,933	216,157	261,850
	<b>Gas combustion<sup>5</sup></b>	23,909	27,623	27,119
	<b>Travel/Transport</b> (purchased fuel inc. company fleet and employee-owned vehicles i.e. 'grey fleet')	171	569	3,134
<i>Carbon dioxide equivalent in tonnes (tCO<sub>2</sub>e)</i>	<b>Electricity<sup>6</sup></b>	55.4	49.9	55.3
	<b>Gas combustion</b>	4.4	5.0	4.9
	<b>Travel/Transport</b> (purchased fuel inc. company fleet and employee-owned vehicles i.e. 'grey fleet')	0.04 (41 kg)	0.136 (136 kg)	0.757 (757 kg)
	<b>Business Travel<sup>7</sup></b> (voluntary under SECR)	104.3	2.7	134.8

## Carbon disclosure and intensity ratio

	Metric	2020	2021	2022
<i>Carbon dioxide equivalent (tCO<sub>2</sub>e)</i>	<b>Full carbon footprint</b>	2,683	1,792	2,075
<i>£million funds raised</i>	<b>ActionAid UK income</b>	£50.3 m	£49.6m	£59.6m
<i>Grams of carbon per £1 raised</i>	<b>Carbon intensity</b>	53.3 gCO <sub>2</sub> e	36.2 gCO <sub>2</sub> e	34.8 gCO <sub>2</sub> e

<sup>4</sup> The purchase of electricity by the company for its own use, including for the purposes of transport.

<sup>5</sup> Natural gas for property heating: standard natural gas received through the gas mains grid network in the UK.

<sup>6</sup> Emissions include electricity transmission and distribution losses.

<sup>7</sup> Includes organisational travel for business purposes (air, rail, car) and hotels. Excludes employee commuting.

## How our carbon footprint and energy consumption are calculated

We use the Greenhouse Gas (GHG) Protocol as the methodology for measuring our carbon emissions, applying UK Government-approved greenhouse gas conversion factors. For certain elements of the full carbon footprint calculation, we use operational data (energy bills, travel records etc.) whereas for some elements we have used spend levels as the data point for the calculation. We have measured our carbon footprint with support from the company Positive Planet Ltd for 2020, 2021 and 2022.

When calculating energy consumption from transport activities, as reported in the UK energy use disclosure above, we use data available from employee expense and mileage claims for private car use. We then use the relevant GHG emission factors to calculate energy consumption in kWh and carbon emissions in CO<sub>2</sub>e, respectively.

We report using an operational control approach to define our organisational boundary, reporting on sources of environmental impact over which we have operational control and have the authority to introduce and implement operating policies.

## Carbon reduction and energy efficiency actions

ActionAid acknowledges that our own operations, especially the use of renewable and non-renewable resources, the use of goods and services, and our international and domestic travel, directly and indirectly, impact the environment. We are therefore committed to being an environmentally responsible organisation and to becoming sustainable in our operations.

We completed our first-ever organisational carbon footprint measurement for the year 2020. That year was heavily impacted by the Covid-19 pandemic and normal operations were disrupted, so we acknowledge the challenge of using 2020 figures as a meaningful baseline.

The area with most visible changes in emissions year on year have been in organisational travel, particularly overseas air travel. In 2020, our footprint from business travel was 104 tonnes CO<sub>2</sub>e, with most of this occurring in the first quarter before the UK lockdown was introduced in late March. In 2021, a year heavily marked by various lockdowns and travel restrictions, our business travel emissions dropped to under three tonnes CO<sub>2</sub>e. This also greatly impacted the overall drop in our carbon footprint between 2020 and 2021, with other contributing factors including a slight reduction in waste, reduction in electricity usage (with our London office electricity supplier providing renewable energy), and a drop in purchased goods and services.

In 2022, as international air travel opened up again, our travel-related emissions increased, which also pushed up our overall footprint. Our 2022 business travel emissions were just under 135 tonnes CO<sub>2</sub>e. This is still a significant reduction compared to pre-pandemic 'business as usual' organisational travel however, as our 2019 business travel emissions are estimated to have been closer to 400 tonnes CO<sub>2</sub>e.

Below are actions and initiatives ActionAid has taken in the past two years to progress greening our operations.

- We review and update our organisational-wide Environmental Policy annually. The policy is available on our website.
- We began measuring our organisational CO2e footprint, starting with 2020 data, and we will continue to do this exercise annually to track our emissions. ActionAid is committed to reaching net zero by 2040.
- We have issued Sustainable Travel Guidance to all staff which includes parameters around international travel, and how we can reduce our emissions from air travel. Pre-pandemic in 2019, travel would have been our second-largest source of emissions.
- We have a dedicated staff group of 'green champions', called the Green Task Force, who support the implementation of the company Environmental Policy and seek to innovate, trial and champion green initiatives across the organisation.
- We have embedded environmental considerations into our current company strategy, and during annual team planning cycles we issue staff an environmental checklist to guide their planning process.
- We have developed new product development principles for the innovation of new products, so that teams consider green principles in product design, alongside anti-racism, diversity, and inclusion.
- We have switched to vegetarian and plant-based catering in all our company events, as we know plant-based food has a lesser impact on the environment than the cattle and dairy industries.
- We have included environmental sustainability as one of the screening criteria in our company procurement process when we assess potential new business suppliers.
- Our office is fitted with motion-censor lighting to save electricity, we only provide unbleached paper for our office printers, and we avoid purchasing single-used plastics for any staff or company events.
- We are planning to set a formal cap on international travel from 2024 onwards to help further drive down our air travel related emissions. Since the pandemic, we have already drastically reduced our air travel mileage when compared to 2019 levels.
- We have developed tools and risk assessments to ensure we are not harming the environment through our work in programmes, by including considerations around environmentally friendly procurement, transport and partnerships options in our project design process.



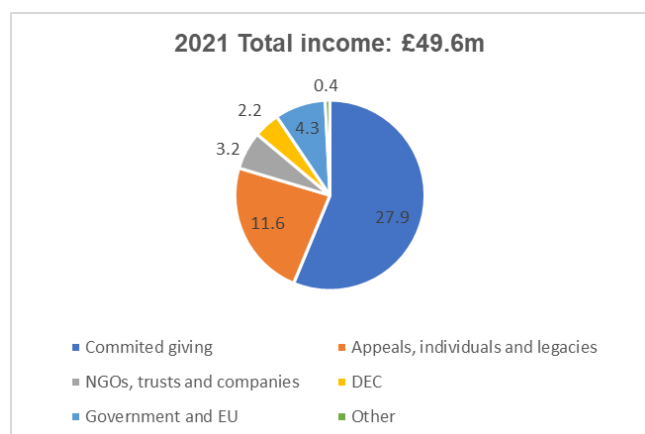
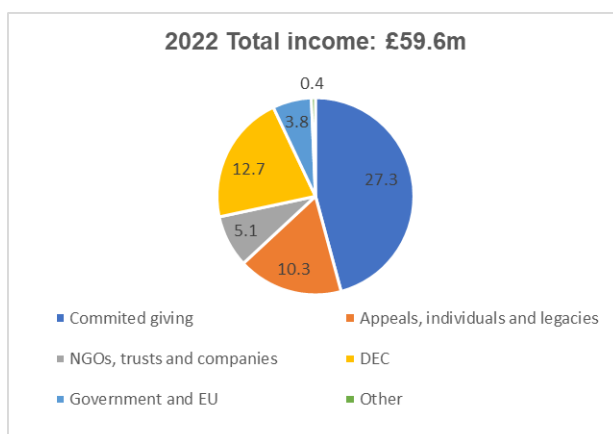
# Financial review

## Income

In 2022, income of ActionAid increased significantly by 20.3% from £49.6million to £59.6 million, following a decrease of 1.5% in 2021. The increase in income was primarily a result of the income raised to the Ukraine appeals in 2022.

Despite the impact of the cost of living crisis in the UK, our supporters continued to show their incredible generosity as we raised over £3.0m on the emergency appeals that we ran during the year for humanitarian crises in Ukraine, Afghanistan, East Africa and Pakistan. During 2022, the Disasters Emergency Committee (DEC) appeal for Ukraine raised more than £200m, and by the end of 2022 we had been allocated just over £11.5m. In addition, we received a further allocation from the DEC for the Afghanistan appeal of just under £1.1m. The DEC also ran an appeal for the Pakistan Floods in September and whilst we no longer work in the country, we were able to pass on over £100k raised by our supporters to this appeal. Supporting and fundraising for humanitarian crises continues to be a key part of our strategy.

In line with previous years, the majority of our income, more than 84% (2021: 84%), was in the form of donations and legacies. We continue to be immensely thankful of the growing commitment and loyalty of our financial supporters, especially with the current cost of living crisis and rising prices. However, the impact of this crisis saw income from committed giving, donations, appeals and legacies fall from £39.4m in 2021 to £37.6m in 2022. Committed giving income fell from £27.9m to £27.3m following a strong start to 2022. Whilst we still achieved net gains in regular giving supporters, the drop in our child sponsorship supporters was larger than we had seen since before the Covid-19 pandemic.



As part of our institutional funding work in 2022, we were again pleased to collaborate with many key donors and partners including UK Aid, the Belgian Government, Disasters Emergency Committee, Start Network, People's Postcode Lottery, Hewlett Foundation, and Options.

Our grant income increased by £1.1m for the year to £8.3m (2021: £7.2m), in large part due to emergency and humanitarian response grants of £2.9m (2021: £1.2m), and income from

the Africa-Led Movement to end Female Genital Mutilation (ALM-FGM) contract increased to £0.6m (2021: 0.2m). We commenced two large humanitarian grants, funded by the Belgium government and the United Nations Peacebuilding Fund (UNPBF) in Mozambique (£0.6m) and Liberia (£0.7m) respectively. These added to our continued success with Start Fund application submissions of £1.1m (2021: £1.3m), where we received funding for humanitarian projects in the DRC, Somaliland, India and Ethiopia, among others.

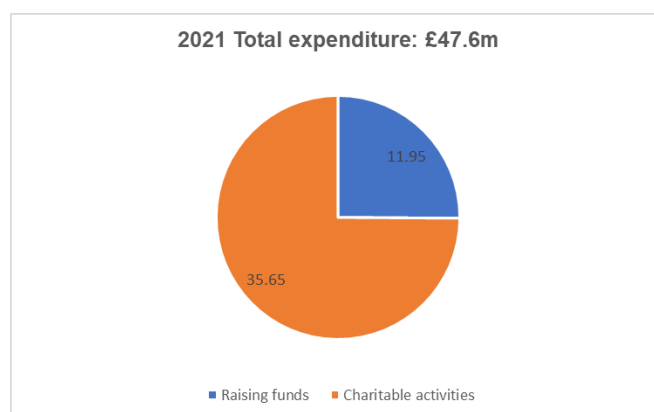
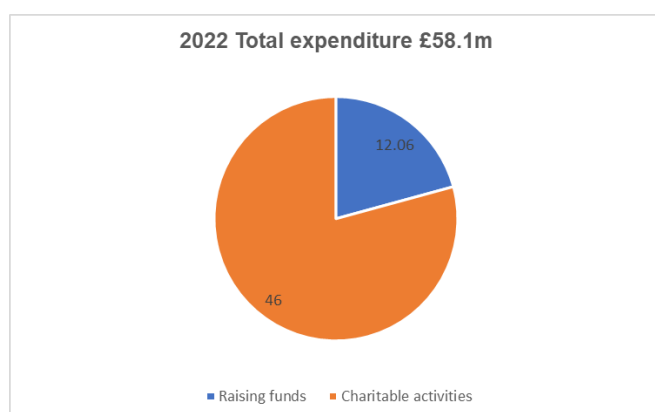
Grants received from People's Postcode Lottery International Trust increased by £0.4m to £3.0m (2021: £2.6m), and we chose to allocate these funds to development programmes being implemented in Jordan and Zimbabwe, and humanitarian projects being implemented across the ActionAid Federation. These included projects supporting access to quality education, and responding to over 20 emergencies over the world. Through the support from the players of the People's Postcode Lottery, we were also able to start work in three new locations; Syria, Cabo Delgado in Mozambique, and South Central Somalia. In addition, we have been able to progress work in expanding our presence across Zimbabwe and Somalia to build resilience to climate induced emergencies.

In addition, grant funding for our campaigns and policy work increased by £0.5m to £1.0m (2021: £0.5m), largely due to funding from the William and Flora Hewlett Foundation for the Bretton Woods Project, which is hosted by ActionAid.

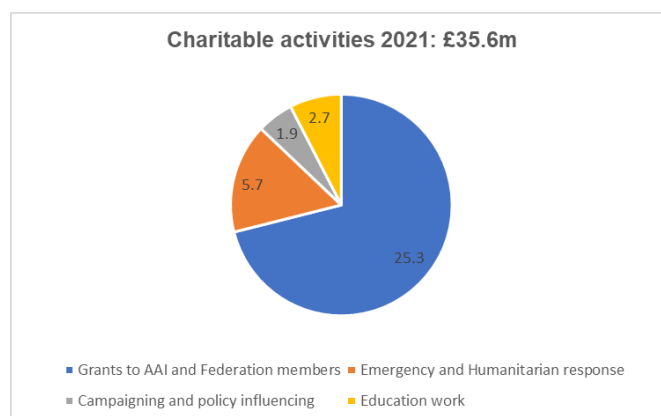
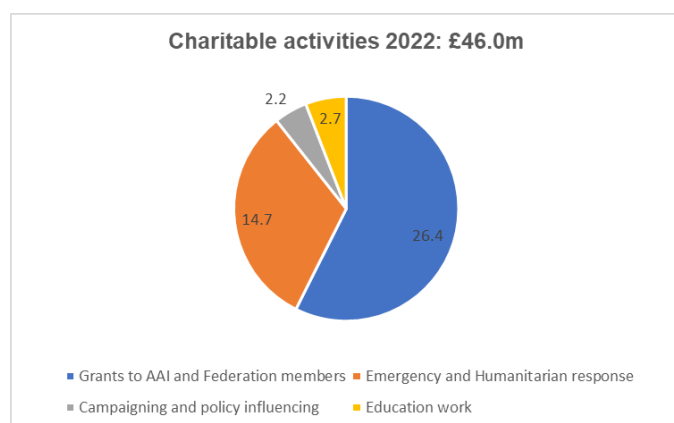
These increases were offset by a reduction in grants funded by the UK Government's Foreign, Commonwealth and Development Office (FCDO) of £1.3m, where grants being implemented in 2021 came to an end and no new grants funded by the FCDO started in 2022. ActionAid is also the grant signatory for European Commission grants implemented by some members of the ActionAid Federation, and these decreased by £0.3m in 2022.

## Expenditure

Just as the increase in income was driven by the Ukraine appeals, a similar impact also occurred on expenditure in 2022. Overall, expenditure increased in 2022 to £58.1m from £47.6m as a result of an increase in grants remitted to the Federation of £9.4m to £37.9m, of which £9.6m were to help with the humanitarian and resilience programme supporting those affected by the Russian invasion of Ukraine.



As a result of the increase in grants being remitted, expenditure on ActionAid's charitable activities rose from £35.6m in 2021 to £46.0m in 2022. This represented over 79% of our total expenditure (2021: 75%). 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 objectives. The focus of these activities is to enable people living in poverty to hold governments and companies to account, to improve the quality of public education, respond to emergencies and to promote the rights of women and girls.



With the ending of our current strategy, total fundraising expenditure remained at similar levels to the prior year at £12.1m (2021: £11.9m), including an allocation of £3.1m of support and governance costs, up from £2.7m in 2021. Not included in these figures is £1.1m of costs relating to the development of the new Customer Relationship Management system, which have been capitalised and will be released once the new system goes live later in 2023. Whilst this demonstrates our commitment to invest in fundraising, we are also carefully monitoring the long-term effectiveness and income returns of these investments to ensure that they offer best value to maximise income for ActionAid and the wider ActionAid Federation.

Support and governance costs are allocated to fundraising and charitable activity expenditure based on the number of staff employed working in each of these areas. Support and governance costs have increased from £5.1m in 2021 to £6.0m due to an increase in legal and professional fees as a result of the project to transfer the country programmes to ActionAid International and in increase in recruitment fees due to a high turnover of trustees and senior management during the year. It is also reflective of increased electricity and utility prices at our London offices and the fact that no grant in-kind was made to the ActionAid Global Secretariat (GS) following the reimagination of the GS which significantly reduced the numbers of staff based in the UK.

## Reserves

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

Our restricted reserves increased from £6.3m in 2021 to £9.1m in 2022. The drivers for this were the receipt of significant allocations of funds from the DEC for the Ukraine and Afghanistan appeals, which will be spent over the next 18 months in line with our programme of work in those regions. In addition, the change in the way we receive funds from People's Postcode Lottery from 2021 onwards is likely to increase our minimum holding of restricted reserves at any one time. We are committed to reducing the level of restricted reserves down to much lower levels in the future and ensure that all restricted committed giving is remitted to the ActionAid Federation within a month of it being received.

Our policy for general fund reserves is to retain a minimum of 2.6 months of planned annual expenditure (equivalent to £4.5million). 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 fell to £7.81m at the end of 2022 (£9.3m in 2021), which represents 4.5 months of planned annual expenditure (5.4 months in 2021). We believe this is an acceptable level due to uncertainty about the impact of the rising cost of living, high inflation and the war in Ukraine on the future economy. It will also allow us to finish the CRM project and make planned investments over the next three years to 2026 in line with our Bridging Plan. Whilst we expect to make an unrestricted deficit in 2023, we are working to break even in 2024 and beyond. Our current forecasts show that the general reserve will fall in 2023 but will remain above the policy level. During this time, funds will continue to be invested in new systems, anti-racism and decolonisation activities and fundraising investments required to deliver the Bridging Plan.

ActionAid Trustees have established designated reserves that relate to our holding of tangible fixed assets £0.242m; Intangible fixed assets £1.195m, Emergency & Humanitarian Fund £50k; Exchange rate movement fund £0.3m; and FGM-ALM Contract £22k. During the year, the People's Postcode Lottery funds for overseas programmes and Strategic Investment Pot (SIP) designated funds were fully utilized and subsequently closed. We expect these funds to be actively utilized during 2023.

### **Grant-making policy**

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We grant our funds to ActionAid International (Global 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. We also grant funds directly and bilaterally to other ActionAid Federation members. 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. In 2022 (and in 2023), we signed bilateral agreements with each Federation member to which we remit committed giving and institutional grants.

### **ActionAid International's Finances**

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These accounts reflect the 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, please visit [www.actionaid.org](http://www.actionaid.org).

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# 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 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 UK Leadership Team.

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

- The Board of Trustees receives regular reports on performance against the board-approved strategy and annual plans and budgets. Trustees also review the work of its respective committees and the UK 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, Risk 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, the UK 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 UK Leadership Team considers new and emerging risks, reviews internal audit and risk management reports, and assesses progress on implementing mitigating actions.
- We recognise both our legal obligation and moral duty to safeguard funds entrusted to us and have zero tolerance towards fraud, bribery, corruption and terrorist financing. In addition to policies and procedures for raising complaints and grievances, there is also a whistleblowing policy whereby members of staff or volunteers can raise suspicions of wrongdoing, risk or malpractice within the organisation.
- 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 our work in support of ActionAid International, are reviewed on an annual basis by senior management and our Trustees. These are set out in the following table.



Risks and Uncertainties	Mitigating actions
<b>Operational</b>	
<p><b>Safeguarding rightsholders:</b> We fund programmes that work with vulnerable adults and children. A failure in our safeguarding practice could contribute to harm to vulnerable adults or children.</p> <p>We continue to focus on safeguarding and build it into all aspects of our work.</p>	<p>ActionAid receives assurances from the Global Secretariat through annual attestations from ActionAid Federation members on their safeguarding practices and procedures. Mitigating actions to improve controls are identified and followed up through the Global Secretariat and directly with branches.</p> <p>A global safeguarding lead coordinates the ActionAid Federation's work on safeguarding including its policies, systems, processes and training. Across ActionAid countries there are staff who act as safeguarding focal points.</p> <p>Please review the 'Keeping People Safe' section (page 35) for a fuller explanation of ActionAid's safeguarding approach.</p>
<p><b>Safety and Security:</b> Harm could occur to a staff member, volunteer, trustee or other person formally associated with ActionAid UK in the course of work-related international travel.</p>	<p>Continue to supplement ActionAid's internal security management skills with specialist advice from the Global Secretariat and travel safety advisory specialists.</p> <p>Provide specialist advice and training to Board Members, staff, consultants and volunteers travelling on behalf of ActionAid.</p> <p>Seek assurance from the Global Secretariat on cross-ActionAid Federation compliance with key policies on security, health and safety and staff conduct.</p> <p>Monitor compliance with key domestic policies related to travel and safeguarding.</p>
<p><b>Anti-Racism:</b> ActionAid's progress towards being an anti-racist organisation has been slow. This creates a risk of harm to staff, increased staff turnover, reputational damage, and damage to the relationship between the UK Board, Leadership and Management.</p>	<p>In 2022 ActionAid worked to mitigate the impact on staff engaging specialist staff wellbeing services, undertaking a roundtable progress to promote reconciliation, and developing an action plan. ActionAid is rebuilding trust between the UK Board, Leadership Team, and staff.</p> <p>Unfortunately, the development and implementation of an organisational equality, diversity, and inclusion programme; an anti-discrimination programme was delayed from 2022 to 2023, this will include a detailed action plan. The delay was caused by significant turnover in both ActionAid's Board and senior management team. Work in this area has seen good progress during the first half of 2023 (see more on page 27.) The work so far includes launching a Decolonisation Learning Series mandatory for all ActionAid staff; recruitment of</p>

	<p>roles to begin formation of a dedicated Anti-Racism and Decolonisation Hub; and development of anti-racist storytelling curriculum including guidance to be applied in all ActionAid communications.</p>
<p><b>IT:</b> ActionAid currently relies on a number on premises servers that are no longer supported. If one of these servers fails, parts of our operation could be disrupted.</p>	<p>ActionAid is migrating servers to the cloud or replacing the servers with Software as a Service (SaaS).</p> <p>We aim to have all our core IT Infrastructure, cloud based before the end of 2023.</p> <p>Our Cyber Essentials Plus Certification provides a more rigorous test of the organisation's cyber security systems, where cyber security experts carry out vulnerability tests to make sure that the organisation is protected against basic hacking and phishing attacks.</p>
<p><b>Customer Relationship Management (CRM):</b> ActionAid is developing a new CRM to replace our legacy system. We hoped to implement the new system in 2022. However, staff turnover delayed the project.</p> <p>The current CRM is outdated, and there is limited knowledge in the organisation to maintain it, this increases the risk of disruption to our operations, financial loss and reputational damage.</p>	<p>We are working with former staff members on a consultancy basis to maintain the current CRM system.</p> <p>A new data warehouse is in place.</p> <p>We hope to implement the CRM in Q3 2023.</p>
<p><b>Cyber Attack:</b> ActionAid may be subject to a cyber-attack. This could disrupt our operations, lead to financial loss, data theft and reputational damage.</p>	<p>ActionAid operates on MS Office 365 which includes a high degree of cyber security, and we purchase additional screening services.</p> <p>We aim to have all our core IT Infrastructure cloud-based before the end of 2023.</p> <p>ActionAid is migrating all systems to secure cloud services.</p> <p>We have achieved Cyber Essentials Plus Certification</p> <p>Cyber security training is mandatory for everyone in ActionAid.</p>
<p><b>Data Breach:</b> A data breach or leak of information relating to supporters, partners or rightsholders caused by either cyber-attack or staff negligence could cause harm to those affected, reputational damage to ActionAid, regulatory action against ActionAid and financial loss.</p>	<p>Information Security Policy outlines how information that we hold for others and ourselves must be classified, controlled and protected.</p> <p>Data Protection Policy – outlines how we remain compliant with regulation and legislation. Data</p>

	<p>Breach Policy – outlines what we do in the event of a breach.</p> <p>ActionAid operates on MS Office 365 which includes a high degree of cyber security and we purchase additional screening services.</p> <p>Cyber security training is mandatory for everyone in ActionAid.</p>
<b>Environmental / External</b>	
<p><b>Increased cost of living:</b> UK household living standards have fallen and the amount of disposable income available has dropped. This may affect our public fundraising.</p> <p>ActionAid is primary source of public fundraising income to the ActionAid Federation and a significant fall will cause challenges in the wider Federation as well as the UK.</p>	<p>We have a diverse fundraising portfolio and will work to target income sources that are less affected by current challenges.</p> <p>We continue to innovate to identify new income sources.</p>
<p><b>Innovating in a challenging environment:</b> Over the next 2-3 years we want to develop an anti-racist, decolonial, feminist, sustainable and climate-just fundraising model and approach. We want to develop this while continuing to provide a sufficient level of income to our ActionAid Federation.</p> <p>The pressures caused by our operating context (falling UK living standards, high turnover in our organisation) may impact our ability to develop a new fundraising model. Failure to develop a new model will impact our reputation, staff morale and future income.</p>	<p>We are reviewing our fundraising products and scaling back or pausing some activities to free capacity for innovation.</p>
<p><b>Official Development Assistance (ODA):</b> Political uncertainty may cause further delays and changes in the allocation and disbursement of ODA. This could result in removal of funds from gender equality or delays in the releasing funding opportunities of funding or both.</p> <p>Delays in the releasing of funds and reduction in funds for gender equity may lead to fewer resources for ActionAid Federation programming.</p>	<p>We continue to advocate for a return to 0.7%.</p> <p>We continue to advocate for the UK Government to increase its prioritisation of women and girls' rights in its FCDO policies and programmes, including making practical recommendations for how this can be done.</p> <p>We have a diversified ODA portfolio including donors beyond the UK.</p> <p>We support members of our ActionAid Federation to develop relationships with UK</p>

	<p>High Commissions and Embassies to access locally managed ODA.</p> <p>We are investing in commercial contracting.</p>
<p><b>Polarisation:</b> ActionAid takes stances on potentially divisive issues related to our values and work. ActionAid may experience negative responses to its stances. This could lead to financial loss, reputational damage and harm to staff answering to hostile responses.</p>	<p>Crisis management approach developed, and roles and responsibilities assigned.</p> <p>Media lines and messages related to potentially divisive issues are regularly reviewed and updated.</p> <p>If negative feedback on social media is likely to cause harm to our staff or others, we turn off the 'comments' facility.</p> <p>Complaints procedure updated to better support internal resolution of complaints arising from value positions taken by ActionAid.</p>
<b>Law and Regulation</b>	
<p><b>Assurances on Federation Systems:</b> ActionAid relies on the Federation's Global Secretariat (GS) for cross Federation assurance on compliance to policy and regulation.</p> <p>The Global Secretariat underwent a major restructure in the opening months of 2022. The Global Secretariat retained an internal audit team and an assurance team however, these teams had less capacity than before the restructure. The Global Secretariat may not be able to deliver the assurance that ActionAid needs.</p>	<p>ActionAid provides additional capacity to support the Global Secretariat's assurance and internal audit teams.</p> <p>ActionAid has put in place bilateral agreements with all the ActionAid Federation members that it provides funds to. Monitoring of these agreements is undertaken by a team in ActionAid and our Trustees receive quarterly updates on performance against these agreements.</p>
<b>Governance</b>	
<p><b>Turnover of senior staff and trustees:</b> A significant number of senior staff and trustees left ActionAid in 2022. We have many interim appointments in senior leadership and lots of new trustees.</p> <p>This may lead to delay in decision making, a loss of institutional knowledge and loss of confidence among staff.</p>	<p>We have reviewed and updated the recruitment process for both trustees and senior staff.</p> <p>We have an induction process for trustees with handovers from their predecessors.</p> <p>We are refreshing our induction process for senior staff (Director and above).</p> <p>We have defined roles and responsibilities for Board members, CEO and senior leaders.</p> <p>We have agreed notice periods and staff who are leaving prepare handovers.</p>

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# Directors' duties

How ActionAid Directors have complied with their duties in regard to the following:

## **The likely consequences of any decision in the long term.**

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All key decisions that will have an impact on the long-term future of the charity are discussed at the relevant sub-committee and board. For major and long running projects, the board receives regular updates to ensure that there is appropriate oversight and that appropriate action is taken where necessary.

## **The interest of the company's employees.**

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The impact of major decisions on staff are discussed by the board who also receive regular updates on staff pay; health and safety; and safeguarding.

The board receives a summary of the annual engagement survey which highlights both strengths and areas for potential improvement on employment matters and how these will be mitigated through specific actions.

## **The need to foster the company's business relationships with suppliers, customers and others.**

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The board receives regular updates on supporters' complaint levels and any underlying themes. In addition, a survey is undertaken with key partners annually, feedback from which is shared with the board. The board regularly discusses the nature of the relationships it wants with key stakeholders and there are clear processes for engagement with suppliers and donors.

## **The impact of the company's operations on the community and the environment.**

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ActionAid's key objective is to have an impact on the lives of women and girls living in poverty. The board receives regular updates on the work that funds raised in the UK are being used for, to ensure funds are used efficiently and effectively. In addition, an assurance framework is in place with the rest of the ActionAid Federation to ensure compliance requirements for funding are met and the expected impact is delivered.

## **The desirability of the company maintaining a reputation for high standards of business conduct.**

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The nature of ActionAid's work as a charity makes the maintenance of its reputation for keeping high standards of particular importance. Appropriate systems and processes are in place to ensure the highest standards in business conduct. The senior leadership team will also update the board with any matters that may have given rise to a reputational risk including any mitigating actions being taken.

## **The need to act fairly between members of the ActionAid Federation.**

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While an independent entity, ActionAid is a member of an International Federation and as such has a common strategy with fellow members. ActionAid board members work to ensure the work of ActionAid is well aligned with the rest of the ActionAid Federation and its work is influenced by its fellow members working in the global south.

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# Governance, leadership and Trustee declaration

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

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

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

ActionAid is an England & Wales and Scotland-registered charity and 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 2022.

## **Public benefit**

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Full details of how ActionAid provides a benefit to a sufficient section of the public in line with our charitable purposes is set out in the Strategic Review section of this report. ActionAid has made grants of just under £38 million to the ActionAid Federation in 2022 to assist country programmes to deliver against our ambitious strategy and strengthen our Federation. Please refer to note 7 in the accounts for the detail.

The Trustees confirm that in setting objectives and planning activities for 2022, having given consideration to the Charity Commission's public benefit guidance.

## **The ActionAid Board of Trustees**

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

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

There are four committees of the Board:

**The Performance, Risk and Audit Committee** is responsible for assurance oversight of the highest standards of integrity, financial reporting and internal control. In addition to reviewing organisational performance and results against the Annual Plan, the committee also makes certain that ActionAid's systems of financial control comply with legal requirements and provide reasonable assurance against material misstatement or loss. It also has oversight of safeguarding across our organisation.

**The Governance and Relationships Committee** has responsibility for good governance across the organisation including overseeing governance reviews and managing the Board Development Plan, which sets clear objectives for the Board's work plan and development. It acts as a nominations committee for appointments to the Board's committees, as well as having oversight of the recruitment and induction of new Trustees. The Governance and Relationships Committee also focuses on the relationships between ActionAid, ActionAid International and other countries within the ActionAid Federation, as well as leading our input into international policy, principles and governance structures, especially the General Assembly of AAI. Lastly, the Committee has oversight of remuneration, setting overall salary policy for ActionAid and making recommendations to the Board regarding the salary of the Chief Executive.

In addition to these formally constituted Committees, there is also the **Insight and Foresight Group**, which meets two to three times a year. This Group has no set membership, though Trustees are asked to attend at least one meeting per year. The Group has a roving brief to look in depth at the major strategic matters affecting ActionAid in a generative way.

Lastly, a new **Anti-Discrimination Committee** was established in 2023 to oversee the implementation of recommendations from the anti-racism work being done by the organisation. As at May 2023, the Terms of Reference are being drafted and the proposed membership is being finalised. The Committee will be chaired by Trustee Amina Folarin, a HR professional with extensive experience in diversity, equality and inclusion at global scale.

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

The ActionAid Board plays an active role in the ActionAid International General Assembly, the top-level decision-making body within the ActionAid Federation.

Trustees, including the Chair, are recruited by open selection and are appointed for a four-year term, renewable for a further four years. Following the end of term of office of David Todd and Joanna Maycock and the resignation of Srabani Sen, Nasima Kahun and Felicia Willow as trustees, we conducted extensive Trustee recruitment in 2022 including for a replacement Chair. The process was successful, and we appointed a new Chair, Dr Kendi Guantai and new Treasurer, Anne Tutt in September 2022. In addition, we appointed Rajiv Vyas, Fik Woldegiorgis and Amina Folarin in December 2022 and Stella Abani in March 2023. All new Trustees will receive a tailored induction through 2023. The Board took part in

additional training throughout 2022 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. AAI and ActionAid together pay for Trustee Indemnity Insurance for the ActionAid Trustees.

### **Trustee responsibilities for reporting and financial statements**

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

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

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

The Trustees are responsible for keeping 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 auditor are unaware; the Trustees have taken all steps that they ought reasonably to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

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

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



## **Internal control**

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

## **Members' guarantee**

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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 2022 was 11 (2021: 16).

## **Auditor**

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Sayer Vincent LLP was reappointed as the charitable company's auditor during the year. The firm is willing to continue in this capacity but is aware that ActionAid will be tendering for external audit services in 2023 in line with its procurement policy and procedures.

The report of the Trustees including the Strategic Report was approved by the Trustees on 16 June 2023 and signed on their behalf by:

**Anne Tutt**  
(Treasurer)

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# Corporate Directory

## Board of Trustees

Name	Office	Date of Appointment / End of Term / Resignation
Dr Kendi Guantai	Chair	Appointed on 16 September 2022
Anne Tutt	Honorary Treasurer	Appointed on 16 September 2022
David Todd	Honorary Treasurer	Appointed 19 October 2014  Stepped down at the end of term of office as a Trustee on 16 September 2022
Shantha Sinha	ActionAid International Representative	Appointed 14 June 2019  Resigned as a Trustee on 23 March 2023
Kath Abrahams		Appointed 13 December 2018  Stepped down at the end of term of office as a Trustee on 18 December 2022
Catharine Brown		Appointed 12 March 2015  Stepped down at the end of term of office as a Trustee on 31 January 2023
Sophie Healy-Thow		Appointed 10 March 2016
Joanna Maycock		Appointed 04 December 2014  Stepped down at the end of term of office as a Trustee 31 December 2022
Paul George		Appointed 24 March 2020  Resigned as a Trustee on 31 March 2023
Abdul Shiil		Appointed 24 March 2020
Caleb Stevens		Appointed 23 September 2021
Rajiv Vyas	Vice Chair	Appointed on 08 December 2022 Appointed as Vice Chair from 31 March 2023

Amina Folarin		Appointed on 08 December 2022
Fik Woldegiorgis		Appointed on 08 December 2022
Stella Abani		Appointed on 23 March 2023

### **Governance and Relationships Committee**

Name	Office	Date of Appointment / End of Term / Resignation
Caleb Stevens	Chair	Appointed as Member and Chair 24 May 2022 Resigned as Chair of GRC on 20 May 2023
Rajiv Vyas		Appointed as Member and Chair on 30 May 2023
Shantha Sinha		Appointed 14 June 2019 Resigned as a Trustee on 23 March 2023
Joanna Maycock		Appointed 01 January 2018 Stepped down at the end of term of office as a Trustee on 31 December 2022
Sophie Healy-Thow		Appointed 01 January 2018
Abdul Shiil		Appointed 03 September 2020

### **Performance, Risk and Audit Committee**

Name	Office	Date of Appointment / End of Term / Resignation
David Todd	Chair	Appointed as member and Chair 09 October 2014 Stepped down at the end of term of office as Trustee on 16 September 2022
Anne Tutt	Chair	Appointed as Chair from 16 September 2022
Catharine Brown		Appointed 24 September 2015 Stepped down at the end of term of office as a Trustee on 08 December 2022
Kath Abrahams		Appointed 12 March 2019 Stepped down at the end of term of office as Trustee on 31 December 2022
Paul George		Appointed 14 September 2020

		Resigned as Trustee 31 March 2023
Caleb Stevens		Appointed 23 September 2021
Amina Folarin		Appointed 08 December 2022
Rajiv Vyas		Appointed on 08 December 2022

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

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

### Senior Leadership Team

- John Good, Interim Chief Executive (appointed effective from 30 June 2022)
- Orla Fee, Director of Communications and Public Engagement
- Edward Tait, Director of Fundraising (resigned effective from 21 July 2022)
- Elizabeth Mickel, Interim Co-Director of Fundraising (appointed 25 January 2023)
- Susan Wilders, Interim Co-Director of Fundraising (appointed 25 January 2023)
- Martha Adam Bushell, Interim Chief Operating Officer (appointed 12 September 2022)
- Nicola Peachey, Interim Director of Organisational Development and Transformation (appointed 01 November 2021, contract ended 08 July 2022)
- Mike Noyes, Interim Co-Director of Policy, Advocacy and Programmes (appointed 22 September 2022)
- Hannah Bond, Interim Co-Director of Policy, Advocacy and Programmes (appointed 22 September)

### Legal and Administrative Information

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

Registered Office  
33–39 Bowling Green Lane  
London  
EC1R 0BJ  
Tel: 020 3122 0561  
Email: [mail@actionaid.org](mailto:mail@actionaid.org)  
Web: [www.actionaid.org.uk](http://www.actionaid.org.uk)

Solicitors  
Bates Wells  
10 Queen Street Place  
London  
EC4R 1BE

Company Secretary  
Victoria Skinner  
(Resigned effective from 31 May 2023)

Bankers  
Lloyds Banking Group  
25 Gresham Street  
London  
EC2V 7HN

# Remuneration Statement 2022

## 1. Summary

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This is ActionAid's annual governance statement for remuneration. The Acting Chief Executive Officer confirms that the organisation has complied with its salary policy during 2022.

This year ActionAid made three ex-gratia payments to staff relating to employment or remuneration matters. These matters are now closed.

## 2. Governance Arrangements for Remuneration

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The Governance and Relations Committee is a subgroup of the Board of Trustees that oversees ActionAid's salary policy. The Committee consists of the Chair of the Board, the Treasurer and at least one other Trustee, with expertise in Human Resources issues.

The Governance and Relations Committee:

- Ensures there is a formal, transparent policy and process for setting the remuneration of staff so that ActionAid can attract, retain and motivate staff of the right quality while ensuring that salaries are affordable and comparable with other similar organisations;
- Sets the remuneration of the Chief Executive;
- Sets the remuneration for Directors' salaries, upon the recommendation of the Chief Executive;
- Sets and oversees principles and policy for staff remuneration;
- Makes recommendations to the Board on the level of annual pay increases.

## 3. Remuneration Policies (salary and benefits)

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ActionAid begun to revise its current salary policy in 2022, which will be finalised and shared with all employees in 2023. The policy sets out the principles upon which salaries are determined and ensures that ActionAid possesses and utilises a grading and pay structure that is fit for purpose and in line with our chosen market (not-for-profit and public sectors).

In addition, at least once a year, HR will convene a special meeting of the Senior Leadership Team to discuss remuneration and salary policy; in particular reviewing external salary trends and salary related issues highlighted through recruitment processes and whether the premia policy has been applied consistently. Issues are brought to the attention of the Governance & Relations Committee.

The revised policy establishes ActionAid's commitment to equal pay for all employees and the ways in which a fair and transparent pay system, based on objective criteria and free from gender bias will be maintained; mainly by conducting annual audits, preparing gender and ethnicity pay gap reports, monitoring the job evaluation scheme and implementing a complaints procedure.

ActionAid continues to be a Living Wage Employer and a member of an International Aid Charities Pay Club which allows us to share remuneration data and benchmark salaries

against other organisations that match our work, size and demographic. In addition to independent specialists we also take data from a range of other benchmarking sources, such as XpertHR and Croners, enabling us to produce a robust picture of the market in which we and our comparators operate.

Another key reference point (although not formally encapsulated in our salary policy) is the ratio between the highest and lowest-paid employee. In 2022 this ratio was calculated as the difference between our lowest assistant salary and CEO pay and was 4.0:1. (5.8:1 in 2021)

A summary of our salary policy is available on request.

#### **4. Review of the Year**

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

#### **5. Senior staff pay**

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As per the NCVO guidelines this table shows the numbers of senior members of staff at each of the relevant pay bands. The amounts are different to what is quoted in Note 8 of the accounts, as they reflect the range in the salary bands, which may be lower than what each employee actually earned in 2022.

Pay bands:	Number of staff members in band during 2022:
£110,000 to £120,000	1
£100,000 to £109,999	2
£90,000 to £99,999	0
£80,000 to £89,999	1
£70,000 to £79,999	1
£60,000 to £69,999	8

Our Interim CEO was paid £102,467 as at December 2022.

Members of our senior leadership team (excluding the Chief Executive) were paid a total of £494,388 for 2022. (This comprises of Gross salary plus Employer pension contribution). This figure does not include pension contributions, and therefore differs from the SORP report.

#### **6. Future plans**

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In 2023 we begin the preliminary work of reviewing our existing pay structure, benchmarking salaries and benefits against similar organisations in order to develop an updated framework and sustainable approach to managing pay; based on our principles of fairness, consistency and transparency. The pay review and new pay scheme will be implemented in 2024.

# 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 2022 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 2022 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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on ActionAid's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

## **Other Information**

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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 contained within the annual report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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**

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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; and
- 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**

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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**

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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**

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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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud are set out below.

#### Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management and members of the Performance, Finance and Audit Committee, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
  - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
  - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations;
  - Reporting received from ActionAid International on internal audit and local self-attestation activities undertaken in the year;
  - Monitoring of country programmes within the ActionAid Federation from the UK, particularly those identified as high-risk.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the

financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.

- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### **Use of our report**

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

**Noelia Serrano** (Senior statutory auditor)

23 June 2023

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 2022 incorporating an income and expenditure account.

	Notes	Restricted funds (£000)	Unrestricted funds (£000)	Total 2022 (£000)	Restricted funds (£000)	Unrestricted funds (£000)	Total 2021 (£000)
<b>Income</b>							
Income from							
Donations and legacies	2a	26,967	23,411	50,378	17,028	24,642	41,670
Investment income	2c	1	32	33	-	38	38
Income from charitable activities:							
Grants	2b	8,305	-	8,305	7,242	-	7,242
Contracts	2b	-	588	588	-	235	235
Income from other trading activities	2d	8	323	331	8	303	311
Other income	2e	-	-	-	-	57	57
<b>Total Income</b>		<b>35,281</b>	<b>24,354</b>	<b>59,635</b>	<b>24,278</b>	<b>25,275</b>	<b>49,553</b>
<b>Expenditure on:</b>							
Raising funds:							
Raising funds	4	1,299	10,756	12,055	343	11,589	11,932
Fundraising trading: costs of goods sold and other costs	4	-	7	7	-	8	8
Charitable activities	6	31,152	14,849	46,001	20,716	14,920	35,636
<b>Total Expenditure</b>		<b>32,451</b>	<b>25,612</b>	<b>58,063</b>	<b>21,059</b>	<b>26,517</b>	<b>47,576</b>
<b>Net income / (expenditure)</b>		<b>2,830</b>	<b>(1,258)</b>	<b>1,572</b>	<b>3,219</b>	<b>(1,242)</b>	<b>1,977</b>
<b>Net income / (expenditure) for the year before other recognised gains and losses</b>		<b>2,830</b>	<b>(1,258)</b>	<b>1,572</b>	<b>3,219</b>	<b>(1,242)</b>	<b>1,977</b>
Exchange rate (losses) / gains		(7)	67	60	113	(197)	(84)
<b>Net movement in funds</b>		<b>2,823</b>	<b>(1,191)</b>	<b>1,632</b>	<b>3,332</b>	<b>(1,439)</b>	<b>1,893</b>
<b>Total funds brought forward at 1 January</b>		<b>6,319</b>	<b>10,807</b>	<b>17,126</b>	<b>2,987</b>	<b>12,246</b>	<b>15,233</b>
<b>Total funds carried forward at 31 December</b>		<b>9,142</b>	<b>9,616</b>	<b>18,758</b>	<b>6,319</b>	<b>10,807</b>	<b>17,126</b>

The notes on pages 69-91 form part of these financial statements. There are no recognised gains and losses other than those shown above. Movements in funds are disclosed in notes 14 & 15 to the financial statements. All income and expenditure derive from continuing activities.

# Balance Sheet

as at 31 December 2022

	Notes	2022 (£'000)	2021 (£'000)
Fixed assets			
Tangible assets	11a	242	309
Intangible assets	11b	1,195	37
Total Fixed assets		1,437	346
Current assets			
Debtors	12	6,514	4,265
Cash equivalent on deposit		10,519	7,000
Cash at bank		4,188	12,723
		21,221	23,988
Liabilities			
Creditors: amounts falling due within one year	13	3,900	7,208
Net current assets		17,321	16,780
Net assets		18,758	17,126
Funds			
Restricted funds	15		
Income funds		9,142	6,319
Unrestricted funds			
Designated funds	14	1,806	1,467
General funds		7,810	9,340
Total funds		18,758	17,126

Approved by the Trustees and signed on their behalf by:

**Anne Tutt**  
(Treasurer)

**Dr Kendi Guantai**  
(Chair)

**Date** 16 June 2023

Registered in England and Wales – company no. 01295174

# Statement of Cash Flows

For the year ended 31 December 2022

Cash flows from operating activities	2022 (£'000)	2021 (£'000)
Net cash (used in) / provided by operating activities	(3,914)	6,777
Cash flows from investing activities		
Interest received	33	38
Purchase of tangible fixed assets	(37)	(58)
Purchase of intangible fixed assets	(1,158)	(37)
Net cash (used in) / provided by investing activities	(5,076)	6,720
Change in cash and cash equivalents in the year	(5,076)	6,720
Cash and cash equivalents at the beginning of the year	19,723	13,087
Change in cash and cash equivalents due to exchange rate movements	60	(84)
Cash and cash equivalents at the end of the year	14,707	19,723
Reconciliation of net income / (expenditure) to net cash flow from operating activities	2022 (£'000)	2021 (£'000)
Net movement in funds	1,632	1,893
Depreciation	105	98
(Increase) in debtors	(2,250)	(67)
Increase / (Decrease) in creditors	(3,308)	4,807
Interest receivable	(33)	(38)
Exchange rate movements	(60)	84
Net cash (used in) / provided by operating activities	(3,914)	6,777

Analysis of cash and cash equivalents				
	January 2022 (£'000)	Cashflows (£'000)	Other (£'000)	December 2022 (£'000)
Cash at bank	12,723	(8,595)	60	4,188
Cash Equivalent on deposit	7,000	3,519	-	10,519
Total cash and cash equivalents	19,723	(5,076)	60	14,707
Loans falling due within one year	(63)	-	-	(63)
Total	(63)	-	-	(63)

# Notes forming part of the financial statements

For the year ended 31 December 2022.

## 1. Accounting policies

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### Statutory Information

ActionAid is a charitable company limited by guarantee and is incorporated in the United Kingdom (England and Wales). The registered office address and principal place of business 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) - (Charities SORP FRS102), the Financial reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

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

### Public benefit entity

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

### Going concern

The trustees have assessed whether the use of the going concern basis is appropriate and have made this assessment for a period of at least one year from the date of approval of the financial statements. As part of their assessment the trustees have considered the impact of the current cost of living crisis. The trustees have concluded that there is a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future and 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.

## 1. Accounting policies (continued)

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### Trading Subsidiary

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

### Country Programmes

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

### Fund accounting

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

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

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

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

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.

## 1. Accounting policies (continued)

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### 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).

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.



## 1. Accounting policies (continued)

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Charitable activities comprise:

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

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

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

### Grants Payable

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

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

### Indirect cost recovery

Indirect cost recovery is treated as an allocation out of unrestricted support cost expenditure to restricted support cost expenditure against the appropriate restricted Funding Source code.

### 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.

## 1. Accounting policies (continued)

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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

Intangible fixed assets and amortisation

Intangible assets are stated at cost less accumulated amortization.

Where intangible assets are internally generated, only the costs of the development phase of the asset generation are recognized as intangible assets. Costs of the research phase of the asset generation are expensed as incurred. Amortisation for internally generated assets will begin when the asset is available for use.

Amortisation for all intangible assets is calculated on a straight-line basis over their estimated useful lives as follows:

CRM system – 5 years

Investments in subsidiaries

Investments in subsidiaries are at cost.

Operating lease

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

Debtors

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

Cash at bank and in hand

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

Cash equivalent on deposit

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

## 1. Accounting policies (continued)

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### 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

2 (a) Donations and legacies	Restricted (£'000)	Unrestricted (£'000)	2022 TOTAL (£'000)	Restricted (£'000)	Unrestricted (£'000)	2021 TOTAL (£'000)
Committed giving	9,759	17,565	27,324	10,051	17,860	27,911
Appeals & Individual donors	4,406	3,096	7,502	4,724	3,586	8,310
Disasters Emergency Committee (DEC) appeals - see below	12,740	-	12,740	2,236	-	2,236
Legacies	62	2,750	2,812	17	3,196	3,213
<b>TOTAL</b>	<b>26,967</b>	<b>23,411</b>	<b>50,378</b>	<b>17,028</b>	<b>24,642</b>	<b>41,670</b>
Disasters Emergency Committee (DEC) Appeals income						
Cyclone Idai Appeal	-	-	-	14	-	14
Coronavirus Appeal	133	-	133	1,144	-	1,144
Afghanistan Appeal	1,083	-	1,083	1,078	-	1,078
Ukraine Appeal	11,524	-	11,524	-	-	-
<b>TOTAL</b>	<b>12,740</b>	<b>-</b>	<b>12,740</b>	<b>2,236</b>	<b>-</b>	<b>2,236</b>

DEC is the umbrella body for the 15 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.

All Emergency / Non-emergency income by type	Emergency income (£'000)	Non-emergency income (£'000)	2022 TOTAL (£'000)	Emergency income (£'000)	Non-emergency income (£'000)	2021 TOTAL (£'000)
Income from:						
Donations and legacies	16,091	34,287	50,378	4,333	37,337	41,670
Investment income (note 2c)	-	33	33	-	38	38
Income from charitable activities:						
Grants (note 2b)	1,962	6,931	8,893	1,275	6,202	7,477
Income from other trading activities (note 2d)	-	331	331	1	310	311
Other income (note 2e)	-	-	-	-	57	57
	<b>18,053</b>	<b>41,582</b>	<b>59,635</b>	<b>5,609</b>	<b>43,944</b>	<b>49,553</b>

**2. Income (continued)**

	Restricted (£'000)	Unrestricted (£'000)	Total 2022 (£'000)	Restricted (£'000)	Unrestricted (£'000)	Total 2021 (£'000)
2 (b) Income from charitable activities						
<i>Grants and contracts from governments and other public authorities:</i>						
<b>CHARITABLE GRANTS TO AAI &amp; FEDERATION MEMBERS</b>						
UK Government (Note 17)	22	590	612	1,347	235	1,582
European Commission Directorate-General for International Partnerships	648	-	648	927	-	927
Dutch Ministry of foreign affairs (Note 17)	-	-	-	456	-	456
Government of Guernsey	27	-	27	48	-	48
Foreign Service of the Faroe Islands	-	-	-	50	-	50
Grants from People's Postcode Lottery	3,000	-	3,000	2,594	-	2,594
Other grants from companies, trusts and NGOs	644	(2)	642	63	-	63
	4,341	588	4,929	5,485	235	5,720
<b>EMERGENCY &amp; HUMANITARIAN RESPONSE</b>						
ECHO	36	-	36	9	-	9
UK Government (Note 17)	161	-	161	(59)	-	(59)
Other grants from governments and other public authorities	2,361	-	2,361	1,262	-	1,262
Other grants from companies, trusts and NGOs	373	-	373	13	-	13
	2,931	-	2,931	1,225	-	1,225
<b>CAMPAIGNS &amp; POLICY WORK</b>						
European Commission Directorate-General for International Partnerships	-	-	-	14	-	14
Other grants from companies, trusts and NGOs	1,033	-	1,033	518	-	518
	1,033	-	1,033	532	-	532
<b>TOTAL Grants from governments and other public authorities:</b>	<b>8,305</b>	<b>588</b>	<b>8,893</b>	<b>7,242</b>	<b>235</b>	<b>7,477</b>
2 (c) Investment income						
Interest on deposits	1	32	33	-	38	38
Total investment income	1	32	33	-	38	38
2 (d) Income from other trading activities						
Office rental income	-	312	312	-	255	255
Other	8	11	19	8	48	56
Total Income from other trading activities	8	323	331	8	303	311
2 (e) Other income						
Income from Job Retention Scheme	-	-	-	-	57	57
Total Other income	-	-	-	-	57	57

### 3. Support costs

	Restricted (£'000)	Unrestricted (£'000)	Total 2022 (£'000)	Restricted (£'000)	Unrestricted (£'000)	Total 2021 (£'000)
<i>Support costs comprise the following items:</i>						
Communications	-	186	186	-	162	162
General management	5	364	369	-	349	349
Finance	33	539	572	-	572	572
Human resources	41	767	808	-	687	687
Information technology	125	612	737	-	652	652
Office administration	-	306	306	-	233	233
Performance and Accountability	-	345	345	-	309	309
Property costs	-	1,572	1,572	-	1,246	1,246
Supporter administration	-	599	599	-	537	537
Indirect Cost Recovery	1,340	(1,340)	-	511	(511)	-
	1,544	3,950	5,494	511	4,236	4,747

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

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

	Restricted (£'000)	Unrestricted (£'000)	Total 2022 (£'000)	Restricted (£'000)	Unrestricted (£'000)	Total 2021 (£'000)
Costs of raising funds (note 4)	802	2,052	2,854	274	2,275	2,549
Charitable activities (note 6)	742	1,898	2,640	237	1,961	2,198
	1,544	3,950	5,494	511	4,236	4,747

#### 4. Costs of raising funds

	Restricted (£'000)	Unrestricted (£'000)	Total 2022 (£'000)	Restricted (£'000)	Unrestricted (£'000)	Total 2021 (£'000)
Committed giving	9	5,723	5,732	-	5,758	5,758
Other Appeals, Legacies & Individual donors	388	2,171	2,559	29	2,805	2,834
Grants	99	540	639	40	563	603
	496	8,434	8,930	69	9,126	9,195
Support costs allocated (note 3)	802	2,052	2,854	274	2,275	2,549
Governance costs allocated (note 5)	1	270	271	-	188	188
Total costs of raising funds before trading costs	1,299	10,756	12,055	343	11,589	11,932
Trading	-	7	7	-	8	8
Total costs of raising funds	1,299	10,763	12,062	343	11,597	11,940

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 2022 (%)	Total 2021 (%)
Committed giving	21%	21%
Other income from Donations & legacies	11%	21%
Overall income from Donations & legacies	16%	21%

## 5. Governance costs

	Restricted (£'000)	Unrestricted (£'000)	Total 2022 (£'000)	Restricted (£'000)	Unrestricted (£'000)	Total 2021 (£'000)
External audit fees	-	51	51	-	50	50
Legal & professional fees	-	172	172	-	61	61
Board (including trustee expenses)	-	27	27	-	3	3
Apportionment of staff time (including internal audit)	2	271	273	-	237	237
Total governance costs	2	521	523	-	350	350
External audit fees above include only the costs related to the external audit of ActionAid, inclusive of VAT. Full information of remittances made to our external auditors (exclusive of VAT) can be found in note 10. 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 2022 (£'000)	Restricted (£'000)	Unrestricted (£'000)	Total 2021 (£'000)
Charitable activities (note 6)	1	251	252	-	162	162
Costs of raising funds (note 4)	1	270	271	-	188	188
	2	521	523	-	350	350

## 6. Charitable activities

	Grants (note 7) (£'000)	Direct costs (£'000)	Staff costs (£'000)	Support cost allocation (£'000)	Governance cost allocation (£'000)	Total 2022 (£'000)
2022						
Grants to AAI & Federation members	24,635	57	1,045	599	57	26,393
Emergency and Humanitarian response	13,393	214	592	439	42	14,680
Campaigns & policy work	226	164	1,089	681	65	2,225
Education work	-	1,016	678	921	88	2,703
Total 2022	38,254	1,451	3,404	2,640	252	46,001
Of the Charitable activities set out above £31,151,131 was funded from restricted funds and £14,849,609 from unrestricted funds.						
	Grants (note 7) (£'000)	Direct costs (£'000)	Staff costs (£'000)	Support cost allocation (£'000)	Governance cost allocation (£'000)	Total 2021 (£'000)
2021						
Grants to AAI & Federation members	23,690	156	912	514	38	25,310
Emergency and Humanitarian response	4,815	104	507	294	22	5,742
Campaigns & policy work	206	125	999	541	40	1,911
Education work	-	1,035	727	849	62	2,673
Total 2021	28,711	1,420	3,145	2,198	162	35,636
Of the Charitable activities set out above, £20,716,172 was funded from restricted funds and £14,920,382 from unrestricted funds. Included within the Grants to AAI & Federation members is an amount of £268,901 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 2022 (£'000)	Total 2021 (£'000)
<b>Africa</b>		
Burundi	413	451
Democratic Republic of Congo	459	758
Ethiopia	911	690
Ghana	913	742
Kenya	1,345	1,297
Liberia	753	101
Malawi	276	300
Mozambique	703	406
Nigeria	706	714
Rwanda	596	639
Senegal	255	204
Sierra Leone	893	1,111
Somaliland	761	588
South Africa	-	10
Tanzania	174	184
Gambia	570	396
Uganda	570	518
Zambia	192	253
Zimbabwe	474	275
	10,964	9,637
<b>Asia</b>		
Afghanistan	1,398	393
Bangladesh	361	697
Cambodia	686	519
India	1,079	1,374
Myanmar	336	398
Nepal	456	615
Palestine	128	145
Philippines	2	41
Indonesia	13	199
Vietnam	396	300
Arab Regional Initiative	340	27
	5,195	4,708
<b>Latin America and the Caribbean</b>		
Brazil	137	145
Guatemala	578	580
Haiti	266	350
United States	5	6
	986	1,081

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

<i>Restricted funds (continued):</i>	Total 2022 (£'000)	Total 2021 (£'000)
ActionAid International - projects involving more than one country	1,597	3,247
Remittances to country programmes for EU projects	540	783
Remittances for Ukraine emergency appeal	9,646	-
Total restricted funds	28,928	19,456
<i>Unrestricted funds:</i>		
ActionAid International (cash grants)	7,998	7,167
* Grant to ActionAid Thailand	-	445
Country Programmes (Other – People's Postcode Lottery)	408	1,152
Contract payments to Country programmes (ALM-FGM)	593	-
Unrestricted charitable grants to ActionAid International	8,999	8,764
ActionAid International (grants in kind representing support costs incurred on behalf of ActionAid International)	-	269
Total unrestricted funds	8,999	9,033
Total grants to ActionAid International and ActionAid country programmes	37,927	28,489
Grants to partner organisations:		
Disaster Emergency Commission	103	-
GADN	91	61
IWRW	-	56
LatinDad	70	44
Restricted grants (individually under £50,000)	33	17
Unrestricted grants	30	44
Total restricted grants to partner organisations	327	222
Total grants	38,254	28,711

All grants are related to Charitable activities.

\* This relates to the amount of £445,380 that was remitted initially as part of the loan agreement with ActionAid Thailand which had previously been included as a debtor in note 12 of the financial statements. However, as explained in note 12, due to concerns about the ability of ActionAid Thailand to repay this, the loan was commuted to a grant from unrestricted funds.

## 8. Particulars of employees

The average number of employees (head count based on number of staff employed) during the year was:	Total 2022	Total 2021
Charitable activities	72	69
Fundraising	78	80
Support staff	59	56
Total	209	205
The average number of full time equivalent staff in the year was	192	188
Total remuneration of employees (full-time and part-time) was:	Total 2022 (£'000)	Total 2021 (£'000)
Gross wages and salaries	8,282	8,145
Redundancy and termination costs	67	-
Social security costs	909	831
Employer's contributions to defined pension schemes	561	551
Total	9,819	9,527

The number of staff whose emoluments (excluding employer NI and employer pension contributions) are greater than £60,000 are shown below	2022	2021
£60,001 - £70,000	8	7
£70,001 - £80,000	1	1
£80,001 - £90,000	1	1
£90,001-£100,000	-	1
£100,001 - £110,000	2	1
£110,001 - £120,000	1	-
	13	11

In the summer of 2022, Frances Longley left her role as Chief Executive Officer of ActionAid. From June 2022, John Good acted up as the interim Chief Executive Officer. As a result, the aggregated remuneration of those who were in the ActionAid Chief Executive Officer post in 2022 due to handover and interim arrangements was £183,608 (2021: £120,681), and £3,809 (2021: £4,332) was paid into a defined contribution pension scheme on their behalf.

Trustees consider the key management roles at ActionAid to be the Chief Executive and the four department directors. During the year, a number of these roles were also filled on an interim basis. The cost of these key management personnel, inclusive of gross salaries, employer's pension contributions and employer's national insurance contributions was £742,629 in 2022 (2021: £495,309) of which £29,067 (2021: £20,974) was paid into defined contribution pension schemes. These costs relate to 10 individuals in 2022 (2021: 5 individuals).

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 11 (2021: 9) employees. During the year this amounted to £51,051 (2021: £48,262).

Expenditure included as Redundancy and termination costs of £67,120 (2021: £nil) relates to payments made to a number of individuals and all were fully paid in the year.

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 2022, those performing the Chief Executive role incurred costs of £3,901 (2021: £257).

For more information on the principles and implementation of our remuneration policies, please see the Annual Remuneration Statement for 2022 (page 60).

## 9. Trustees' remuneration

In 2022, 5 trustees incurred a total of £9,599 (2021: nil trustees incurred a total of £nil) through expenses reimbursed and costs incurred by ActionAid on their behalf.

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 2022 or 2021. 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).

## 10. Net income / (expenditure)

	2022 (£'000)	2021 (£'000)
Net income / (expenditure) are stated after the following charges / (credits):		
Depreciation	105	98
Operating lease rentals Payable - property	1,046	1,085
Operating lease rentals Receivable - property	(202)	(181)
Auditor's remuneration - statutory audit current year	42	38
Auditor's remuneration - statutory audit prior years	-	3
Auditor's remuneration - other services	1	1

## 11. Fixed assets

11a. Tangible fixed assets	Leasehold improvements (£'000)	Office equipment (£'000)	Total (£'000)
Cost			
At 1 January 2022	717	774	1,491
Additions	-	38	38
Disposals	-	-	-
At 31 December 2022	717	812	1,529
Depreciation			
At 1 January 2022	(514)	(668)	(1,182)
Charge for year	(55)	(50)	(105)
Disposals	-	-	-
At 31 December 2022	(569)	(718)	(1,287)
Net book value			
At 31 December 2022	148	94	242
At 31 December 2021	203	106	309

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

**11. Fixed assets (continued)**

11b. Intangible fixed assets	CRM system (£'000)	Total (£'000)
Cost		
At 1 January 2022	37	37
Additions	1,158	1,158
Disposals	-	-
At 31 December 2022	1,195	1,195
Depreciation		
At 1 January 2022	-	-
Charge for year	-	-
Disposals	-	-
At 31 December 2022	-	-
Net book value		
At 31 December 2022	1,195	1,195
At 31 December 2021	37	37

In 2020 the Trustee board approved the commencement of a project to develop a new CRM. Work has been ongoing on this project and in the final quarter of 2021 the development phase of the project started. This is due to be completed in Q2 2023. The above cost relates to work in progress on the development phase of the project as at 31 December 2022. Depreciation will only be charged when the CRM has been completed and is being used. In the year ended 31 December 2022, costs related to the research phase of the project and that were directly expensed were £99,124 (2021: £449,818).

**12. Debtors**

	2022 (£'000)	2021 (£'000)
<u>a. Debtors recoverable in more than one year:</u>		
Debtors that in the normal course of events would be recoverable in more than one year:		
Prepayments	9	11
	9	11
<u>b. Debtors recoverable within one year:</u>		
Accrued income	4,953	2,289
Other debtors	527	119
Prepayments	588	520
Tax recoverable	436	1,325
Amounts due from employees	1	1
	6,505	4,254
Total debtors	6,514	4,265

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

### 13. Creditors

	2022 (£'000)	2021 (£'000)
Amounts falling due within one year:		
Interest-free loans	63	63
Trade creditors	511	994
Accruals	793	758
Other creditors	54	144
Amounts due to ActionAid International	2,172	4,639
Taxation and social security	307	548
Deferred income	-	62
Total creditors	3,900	7,208

### 14. Designated funds

	Balance as at 1 January 2022 (£'000)	New designations (£'000)	Utilised in the year (£'000)	Balance as at 31 December 2022 (£'000)
<i>i) Designated funds</i>				
Tangible fixed assets fund	309	38	(105)	242
Intangible fixed assets fund	37	1,158	-	1,195
Emergency & Humanitarian fund	490	-	(440)	50
Exchange rate movement fund	237	-	60	297
People's Postcode Lottery funds for overseas programmes	207	17	(224)	-
Strategic investment pot (SIP)	77	-	(77)	-
FGM-ALM Contract	110	590	(678)	22
	1,467	1,803	(1,464)	1,806

**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 Intangible fixed assets fund:** The fund for intangible fixed assets represents the net book value at the balance sheet date of unrestricted intangible fixed assets. The fund is therefore not available for current expenditure.

**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 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.

**Designated People's Postcode Lottery funds for overseas programmes:** These are funds received from funds raised by players of People's Postcode Lottery that are designated for use in programmes overseas and as such will be remitted to other ActionAid Federation members.

**Designated Strategic Investment Pot (SIP):** Strategic Investment pot are funds that are kept separate from the core budget and are used for specific and chosen strategic projects within ActionAid in the UK. Projects must satisfy set criteria and be aligned to the current strategy.

**FGM-ALM Contract:** This is Phase 2 of the 'Support to the Africa-led Movement to End FGM' contract held with Options Limited that is funded by FCDO. It is a 5 year contract and as such is treated as unrestricted for accounting purposes but has been designated to ensure that any current surplus is ringfenced to help support the delivery of the entire project over its full life.

**14. Designated funds (continued)**

	Balance as at 1 January 2021 (£'000)	New designations (£'000)	Utilised in the year (£'000)	Balance as at 31 December 2021 (£'000)
<i>ii) Designated funds – comparative</i>				
Designated funds				
Tangible fixed assets fund	349	58	(98)	309
Intangible fixed assets fund	-	37	-	37
Emergency & Humanitarian fund	490	-	-	490
Exchange rate movement fund	434	-	(197)	237
People's Postcode Lottery funds for overseas programmes	1,136	-	(929)	207
Strategic investment pot (SIP)	315	-	(238)	77
FGM-ALM Contract	-	235	(125)	110
	2,724	330	(1,587)	1,467

**15. Restricted funds**

	Balance as at 1 January 2022 (£'000)	Income and gains (£'000)	Expenditure and losses (£'000)	Balance as at 31 December 2022 (£'000)
<i>Restricted funds – 2022</i>				
Africa	1,650	10,248	(11,893)	5
Asia	1,804	5,725	(5,394)	2,135
Latin America and the Caribbean	-	1,000	(981)	19
Ukraine	-	13,115	(9,646)	3,469
International projects and other funds	2,865	5,193	(4,544)	3,514
Total restricted funds – 2022	6,319	35,281	(32,458)	9,142

	Balance as at 1 January 2021 (£'000)	Income (£'000)	Expenditure (£'000)	Balance as at 31 December 2021 (£'000)
<i>Restricted funds – 2021</i>				
Africa	744	11,227	(10,321)	1,650
Asia	438	7,143	(5,777)	1,804
Latin America and the Caribbean	6	1,462	(1,468)	-
International projects and other funds	1,799	4,446	(3,380)	2,865
Total restricted funds – 2021	2,987	24,278	(20,946)	6,319

**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.

**15. Restricted funds (continued)**

	Balance as at 31 December 2022 (£'000)	Balance as at 31 December 2021 (£'000)
The balances on restricted funds at the year end are made up:		
EU and ECHO funded projects	149	112
Other projects managed by ActionAid	8,993	6,207
Total restricted funds	9,142	6,319

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 £0.21m (2021: £0.24m). 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**

	Restricted (£'000)	Unrestricted (£'000)		Total 2022 (£'000)
<i>i) Analysis of net assets between funds</i>		<i>Designated</i>	<i>General</i>	
Fund balances at 31 December 2022 are represented by:				
Fixed assets	-	1,437	-	1,437
Current assets	10,438	369	10,414	21,221
Current liabilities	(1,296)	-	(2,604)	(3,900)
	9,142	1,806	7,810	18,758

	Restricted (£'000)	Unrestricted (£'000)		Total 2021 (£'000)
<i>ii) Analysis of net assets between funds – comparative</i>		<i>Designated</i>	<i>General</i>	
Fund balances at 31 December 2021 are represented by:				
Tangible fixed assets	-	346	-	346
Current assets	9,776	1,121	13,091	23,988
Current liabilities	(3,457)	-	(3,751)	(7,208)
	6,319	1,467	9,340	17,126



## 17. Grants received

	2022 (£'000)	2021 (£'000)
<b>Grants received in 2022 from the FCDO were as follows:</b>		
Leave No Girl Behind	18	29
Speak out! Addressing Sexual and Reproductive Health and Rights and Gender Based Violence in Rwanda	4	4
Girls Education Challenge Sierra Leone (funds received through Plan)	-	563
CSSF Commonwealth Equality Project - Zero Violence (funds received through Frontline Aids)	-	458
UK Aid Match Violence Against Girls in Kenya	-	293
Enhancing Community Resilience Programme (ECRP)	-	(59)
Women-Led Alternatives to Climate Change in Cambodia	161	-
Total grants received from the UK Government	183	1,288
<b>Contracts received in 2022 from the FCDO were as follows:</b>		
Support to the Africa-led Movement to End FGM: PH2 (contracted with Options)	590	235
Total received from FCDO in 2022	773	1,523
<b>Grants received in 2022 from The Dutch Ministry for Foreign Affairs were as follows:</b>		
FLOW Women's rights to sustainable livelihoods 2 (POWER)	-	456
	-	456
<b>Grants received in 2022 from Belgian Government were as follows:</b>		
Addressing the root causes of fragility and strengthening youth resilience in Cabo Delgado, Mozambique	635	-
	635	-
<b>Grants received in 2022 from the United Nations Development Programme were as follows:</b>		
Strengthening the Agency of Young Women in Peacebuilding	691	-
	691	-
<b>Grants received in 2022 from The START Fund were as follows:</b>		
Start Fund Alert 655 - Displacement due to conflict in Ethiopia	300	-
Start Fund Alert 620 - Conflict Displacement in Kaduna State	275	-
Start Fund Alert 661 - India Floods Assam	130	-
Start Fund Alert 598 - Somaliland Fire	100	-
Start Fund Alert 578 - DRC Flood Response in Kindu City	80	-
Start Fund Alert 368 - Flood Response in Nigeria	60	-
Start Fund Alert 577 - Tropical Storm Ana Response	60	-
Start Fund Alert N-04 - Anticipation of Cold Wave in Nepal	40	-
Start Fund Alert 007 - Anticipation Tool Development in Colom	35	-
Start Fund Alert 497 - Earthquake Response in Indonesia	-	41
Start Fund Alert 557 - Conflict Displacement in Kasindi, DRC	-	270
Start Fund Alert 516 - Response to Conflict Displacement, Nigeria	-	200
Start Fund Alert 553 - IDP response in Amhara Region, Ethiopia	-	162
Start Fund Alert 538 - Response to Conflict Displacement in Afar Region, Ethiopia	-	145
Start Fund Alert 527 - Cyclone response in India	-	104
Start Fund Alert - Covid-19 Response in Nigeria	-	100
Start Fund Alert 542 - Earthquake response in Haiti	-	90
Start Fund Alert 495 - Zimbabwe	-	80
Start Fund Alert 531 - Cholera Response in Bauchi, Nigeria	-	69
	1,080	1,261

**17. Grants received (continued)**

	2022 (£'000)	2021 (£'000)
<b>Grants received in 2022 from The Alborada Trust were as follows:</b>		
Supporting families affected by Cyclone Idai to rebuild their communities and livelihoods	-	120
Improving water, sanitation, hygiene & environment for Rohingya refugees in Bangladesh	-	100
Humanitarian support for families affected by conflict in Tigray and northern Ethiopia	-	150
	-	370
<b>Grants received in 2022 from Guernsey Overseas Aid Commission were as follows:</b>		
East Africa Drought Response Somalia	50	-
Supporting sustainable small fisheries in Zambia	27	23
Increasing access to clean water Southern Province	-	25
	77	48
<b>Grants received in 2022 from Ethical Tea Partnerships were as follows:</b>		
Empowering Tea Communities in Kenya	306	136
	306	136
<b>Grants received in 2022 from The Foreign Service of the Faroe Islands were as follows:</b>		
Supporting and strengthening sustainable small-scale fisheries in Zambia	-	50
ActionAid's Covid-19 Emergency Appeal (reported in 'appeals' in note 2a)	-	11
	-	61
<b>Grants received in 2022 from Education Above All (Reach Out To Asia) were as follows:</b>		
Engaging youth as global citizens in Vietnam	122	107
Educational, economic and social development for Syrian and Lebanese youth	-	88
	122	195
<b>Grants received in 2022 from People's Postcode Lottery were as follows:</b>		
People's Postcode Lottery International Trust 2022/2023 grant	3,000	2,594
	3,000	2,594

**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.

	2022 (£'000)	2021 (£'000)
Grants to ActionAid International	22,047	21,516
Grants direct to ActionAid Federation members	15,880	6,973
	37,927	28,489

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.

## 18. Related party transactions (continued)

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. This designated trustee is Shantha Sinha, who is a member of the Board of ActionAid India. During 2022, a total of £1,079,164 (2021: 1,837,054) was granted to ActionAid India. All of these grants were in line with the normal course of our charitable activities. She received no remuneration for her work as trustee of ActionAid.

Frances Longley was a Trustee of the Disaster Emergencies 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 the United Kingdom (No. 5011412).

The total investment in the subsidiary is £1 (2021: £1).

There was no activity undertaken in the subsidiary in 2022 or 2021.

## 20. Obligations under operating leases

The charity had non-cancellable commitments at the year end under operating leases for land and buildings expiring as follows:	2022 (£'000)	2021 (£'000)
Within one year	1,105	1,105
In two to five years	1,677	2,782
After 5 years	-	-
	2,782	3,887

## 21. Future income under operating leases

In late 2021, the charity sub-let the second floor of its rented premises in Bowling Green Lane, London.

In 2018, the charity sub-let the ground floor of its rented premises in Bowling Green Lane, London.

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

	2022 (£'000)	2021 (£'000)
Within one year	315	242
In two to five years	510	825
	825	1,067

## 22. Contingent assets and liabilities

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ActionAid originally set up most of ActionAid International's Country Programmes and as such may still legally own some of the assets of those entities that have not subsequently become affiliates. Country programmes are now managed by ActionAid International rather than ActionAid. ActionAid is currently in the process of transferring the country programmes that it legally owns to ActionAid International. It is expected that these transfers will start to take place in 2023.

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

No situation exists, or is anticipated to occur, whereby ActionAid would exercise its right to terminate the agreements with ActionAid International, however the legal position is stated here to give a full picture of the assets of ActionAid. It is not practical to estimate the value of assets which would revert to ActionAid control and would be included in the accounts. However, the funds held in ActionAid country programmes at the year end but not included in these accounts were £13.52m (2021: £9.04m). The majority of this £13.52m (2021: £9.04m) are restricted funds and we would anticipate that if a country programme were to close down, such funds would be redirected to other countries, with a similar level of restriction as opposed to being sent back to ActionAid in UK. These figures do not include those countries which are Associate or Affiliate members of ActionAid International – although they may hold assets which are legally owned by ActionAid. For accounting purposes the depreciated value of these assets is nil (2020: nil).

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

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

### Residual legacies:

At the end of the year, we have been notified that we are entitled to funds from a total of 30 (2021:20) residual legacies. However, as at 31 December 2022, 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.