

Changing the world
with women and girls
act:onaid

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Annual Report 2020

act:ionaid
Aid for Women and Girls

Who we are

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

Our vision

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

Our mission

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

Our approach

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

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

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Welcome

from the Chair and Chief Executive

2020 was a tumultuous and difficult year for the entire world, with the Covid-19 pandemic bringing unprecedented challenges to women and girls in the global south.

ActionAid has been proud to stand with women and girls and with their wider communities throughout the pandemic. Even with offices closed and many staff working from home, the compassion and generosity of our fantastic supporters – as well as the dedication and agility of our staff, partners and volunteers – have meant that we have continued to put our feminist principles into action in countries around the globe.

In Ethiopia, for example, our Local Rights Programmes (LRPs) using funding from our child sponsors were pioneers in their swift Covid-19 response. In collaboration with local government and women's groups, they implemented a major awareness campaign – distributing leaflets and erecting billboards, making sure people knew about handwashing, face masks and social distancing. ActionAid also supplied sanitiser, liquid soap, water tanks, face masks and other key items. In the Cox's Bazar refugee camp in Bangladesh, our textiles trainers have transformed their women-friendly space into a facemask production workshop, enlisting the help of female refugees to ensure there are plenty of masks for the Rohingya people living in the camp.

Women and girls have been disproportionately affected by the economic strife arising from business closures and job losses. With women being overrepresented in sectors most likely to be affected by shrinking economies – such as service jobs, factory work and the hospitality industry – they have been hit especially hard financially. ActionAid has worked tirelessly to identify the worst affected households and provide them with the staples they need. From Malawi to India and from Nepal to the occupied Palestinian territories, our staff and volunteers have teamed up with local women's networks to distribute food, water, cleaning supplies and other essentials to people whose livelihoods have been devastated.

In addition, we have provided vital support in the form of economic assistance, helping enterprising women to keep small businesses going during the pandemic or to establish new ones in the wake of a job loss. Women's economic independence is at the heart of so much of our work at ActionAid, and this year it has been more critical than ever.

One other devastating effect of Covid-19 has been the increase in cases of domestic violence in many parts of the world. As lockdowns have gone into effect to prevent the spread of the virus, women and girls have been trapped at home, in close quarters with abusers, with limited or no access to support services.

ActionAid has worked to ensure that women and girls still have somewhere they can turn for help when they experience violence or abuse. For example, the Access to Justice SMS platform in Kenya has continued to be a lifeline – enabling survivors to text HELP to a phone number, resulting in a team of local volunteers responding and helping them get the legal, medical and psychosocial support they need.

Although the pandemic forced the cancellation or postponement of much of our planned fundraising activities, we have been heartened by the continued dedication and generosity of our supporters throughout this difficult period.

Our bold and impactful Stand with Women campaign inspired many people to donate and sign our petition, making sure the rights of millions of women and girls around the world continued to be advanced, even as Covid-19 exacerbated inequality in so many ways. By partnering with Grazia magazine and Kiss FM, we were able to reach an even wider audience, and the kind participation of celebrities including Emma Thompson, Indira Varma, Fay Ripley, Jodie Whittaker and Wunmi Mosaku further amplified our work and important message.

We have been closely monitoring the announced cuts to UK overseas aid. Through our official statements as well as our campaigning work, we have sent the clear message that the rights of women and girls must remain a focus of UK aid. As these issues continue to unfold, we pledge to work with women and girls to ensure their voices are heard by the Government.

Women and girls around the world have made significant advances, against some truly daunting odds. Now, as widespread vaccination shows what we hope will be a path out of the pandemic, we pledge to redouble our efforts – with the help of our amazing supporters, campaigners, staff, partners, volunteers and trustees – to stand with women and girls to reduce gender inequality, eliminate violence, and build a better world for all.

Finally, 2020 saw a major change of personnel here at ActionAid as our Chief Executive, Girish Menon, stepped down from his role to begin a new chapter at STiR Education. Throughout his five years leading ActionAid UK, Girish showed himself to be a highly effective and deeply compassionate leader, an inspirational figure who effortlessly embodied the feminist principles and behaviours we strive to uphold. He will be sorely missed, and we wish him the very best of luck in his new role.

Following an extensive search process we are delighted that Frances Longley will be our new Chief Executive. Frances brings a breadth of experience in the international sector, along with enormous passion for the work we do with women and girls in the global south and a strong commitment to our feminist principles. Her leadership will be pivotal for ActionAid UK as we take our next steps forward as an organisation.

We are also delighted to welcome our new Chair of Trustees, Srabani Sen. Srabani took up her position in September and brings with her three decades of experience in the not-for-profit sector, including three CEO roles and three Chair roles, working to address poverty and inequality.

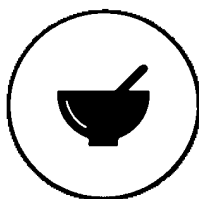


John Good,
Interim Chief Executive



Srabani Sen,
Chair of the Board

In crisis



Through our Covid-19 response, we reached more than

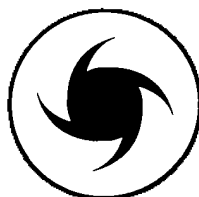
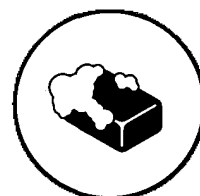
9,800,000

people providing food supplies, sanitation and hygiene support and funding to women's shelters.

We responded to

44

separate disaster events ranging from floods and cyclones to conflicts and refugee crises.



Through these interventions we directly supported over

11,120,000

people, while indirect support reached more than 22,310,000 people.

Success story

A community of women making a real difference

Maureen (pictured with her son) is 25 and lives in Kilifi County on the southern coast of Kenya. She is the secretary of her local branch of the Sauti ya Wanawake ('Voice of Women') movement, an ActionAid-supported network whose aim is to end violence against women and girls.

Sauti ya Wanawake started as a local women's movement in Mombasa in 2001 and now operates in the six counties of Kenya's coastal region. In a country where women's rights do not have widespread support, this movement is championing women's issues and building women's confidence to challenge oppressive systems and advocate for change.

Maureen joined the Sauti movement in 2018. She was inspired by seeing the support that women in her community were receiving from the movement, including sanitary pads and start-up capital for their business ideas. Before joining, Maureen didn't know her rights – she was lacking in self-belief and was unsure how to help other women access support when their rights had been violated. She found it life-changing to become part of a community of women who are making a real difference to society. "The fact that I can defend myself and defend others whose rights are being violated is important to me," she says.



In solidarity

96,459

actions taken to protect the rights of women and girls.



51,349

people signed our petition to tell the Government not to cut UK aid.



Over

2,000

people invited their MPs to speak in Parliament or join an ActionAid event at party conferences.

Success story

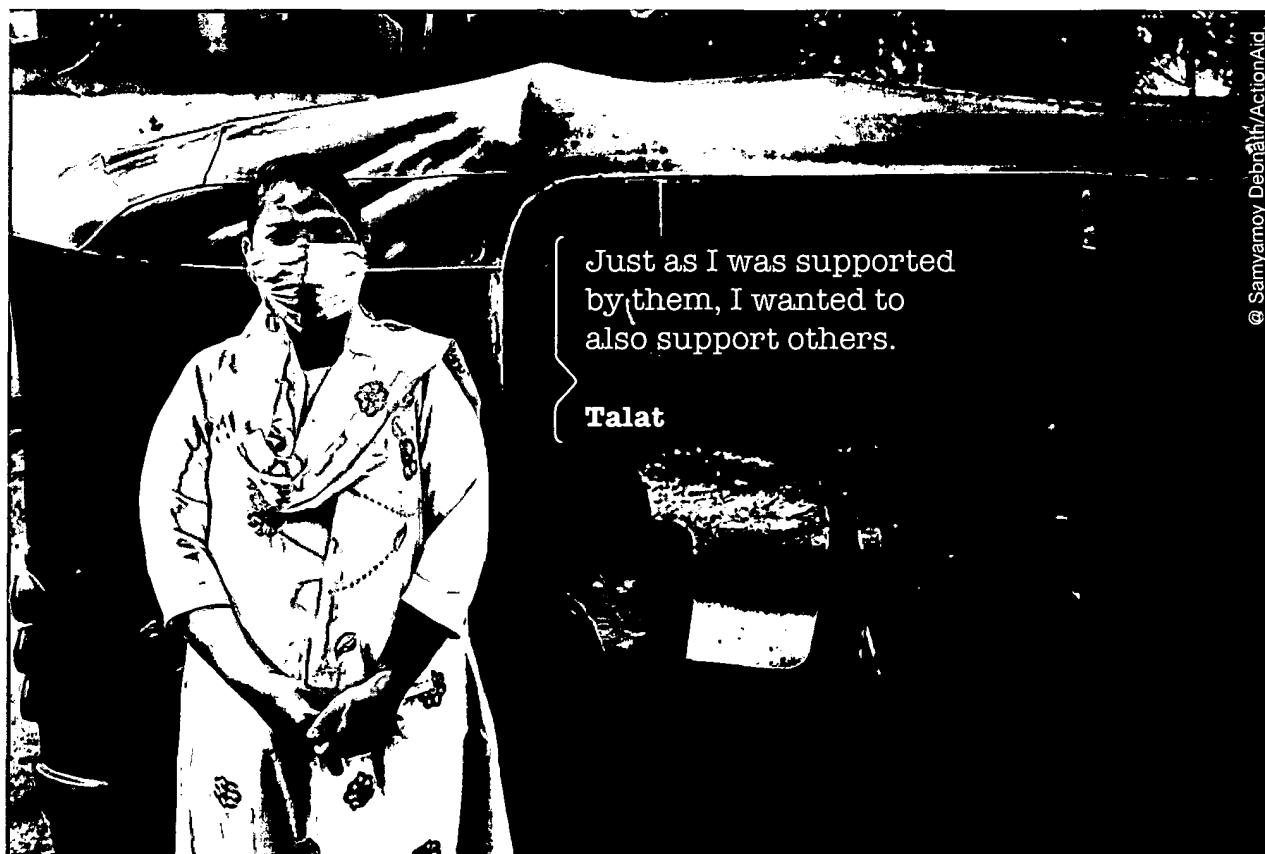
Survivors of violence helping others survive the pandemic

Talat (pictured) is 28 and lives in Bhopal, India, where she makes a living as an auto-rickshaw driver – a skill she mastered with the help of ActionAid. Not only has this work enabled her to earn an income and be financially independent, but it has also made it possible for her to help lead our pandemic response and keep her community safe in the face of Covid-19.

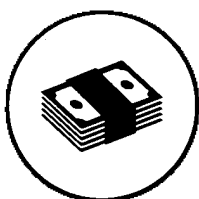
The Gauravi centre is a one-stop crisis centre in Bhopal supported by ActionAid. Talat discovered the centre several years ago when she left an abusive marriage. She found support there, during the process of separating from her husband. When the centre began offering training for women

to become drivers, Talat signed up, thinking it would be a good way to earn an income.

When the Covid-19 pandemic hit, Talat found a new way to put her driving skills to use – making urgent deliveries to people in need. The Gauravi centre was looking for drivers, having teamed up with 17 other local organisations to deliver thousands of vital food packages each day to marginalised communities in the Bhopal area. When Talat heard about this team effort, she knew she wanted to be part of it. “Just as I was supported by them, I wanted to also support others,” she says.



In numbers



ActionAid UK raised
£29.1m
from our individual supporters.



ActionAid supporters
responded generously to our
Stand with Women campaign,
giving a total of
£458,617
to help tackle the hidden pandemic
of poverty and violence
against women.

More than
21,500
new supporters in the UK
signed up to give a regular
monthly gift.



Success story

On the front line of Covid-19 response in Nepal

23-year-old Barsha (pictured) has been a volunteer for ActionAid for three years, having joined the coronavirus response after attending an ActionAid Nepal women's leadership programme.

Her work on the frontline of ActionAid's coronavirus response in Nepal has been life-saving. She has taught people to wash their hands and wear masks and created lists of the most vulnerable people so they can receive food, sanitary products, sanitiser, face masks and other support from ActionAid.

Barsha and her fellow volunteers often go the extra mile to reach those who may otherwise go without help. "There are many people

with problems here," she says. "Some can't walk, some are pregnant and can't work and some are elderly. They had problems coming to the relief distributions. We noticed that some people couldn't come, even after we had provided them with tokens. We knew what their situations were and we delivered the relief to their homes."

Playing an active role though this work has brought about a change in how Barsha sees herself. "Serving the community makes me feel good. It has boosted my self-strength. People usually don't like girls going out and talking, but it is very important to get out of the house and see things. We need to stand up. Now I talk a lot."



In partnership



With funding from
People's Postcode Lottery (PPL),
we supported

3,331

girls and young women in
Zimbabwe and Ghana, helping
them improve their leadership
skills and learn about
their rights.



In 2020 we received nearly

£2.6m

from PPL to support our work
combatting violence against women
and girls and responding to
emergencies.



ActionAid supporters in the
UK raised over

£11.2m

to fund child sponsorship
programmes across 30
countries.

Success story

How child sponsorship saves lives

Nathiele (pictured, centre) is a 16-year-old student who lives with her parents in a semi-arid region of north-eastern Brazil. The town where Nat – as she likes to be called – lives has 66,000 inhabitants, but only one in ten has a formal job. This widespread unemployment means that almost half of the area's population lives with less than half of the minimum wage per month.

Nat has been part of the Child Sponsorship programme since she was 10, and she talks about it as a turning point in her life. "From the moment I started participating in the [sponsorship] activities, I became someone else, much more open-minded. It brought me more knowledge, more opportunities.

I was able to develop a critical sense, learned a lot about how our society is living".

Today, when she's not reading or listening to music, Nat divides her time between studies, youth-oriented activism in her community and her parents' agroecological garden. She wants to work with young people, helping them overcome obstacles, fight prejudice and build bright futures. "I am developing a youth collective in the community that has 20 people," she says. "What I learn, I pass on to them. I'm trying to help these teenagers by talking to them, and I'm organising another seminar. I know it'll be hard, but I also know I'll do it."



Working together

ActionAid UK within the ActionAid Federation

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

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

We remitted £29.6 million to the ActionAid International Federation in 2020, just under 60% of our total expenditure of £49.1 million. ActionAid UK's total income was £50.3 million, which represents 24.3% of the actual income of the entire Federation for 2020 of £207m.

The international development and humanitarian work highlighted in this report reflects the results achieved by the Federation as a whole in 2020, 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 impact of its trade policies on women and girls. Other areas of critical expenditure included fundraising, building understanding of development issues, governance and running costs. ActionAid International's combined financial statements can be found at www.actionaid.org/publications.

Glossary

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

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

ActionAid on pages 2-29 of this report refers to the collective work of the ActionAid International Federation. On pages 30-34 of this report, ActionAid refers to ActionAid UK, the UK-registered charity.

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

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

The FDO (Foreign, Commonwealth & Development Office) is a newly established government department formed by merging DFID (see above) and the Foreign Secretary's responsibilities with those of the Secretary of State for International Development.

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

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

Goal One: Significantly reduce the risk of violence against women and girls (VAWG)

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

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

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

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, and strengthening of mechanisms to approach their local 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.

Our Stand with Women campaign

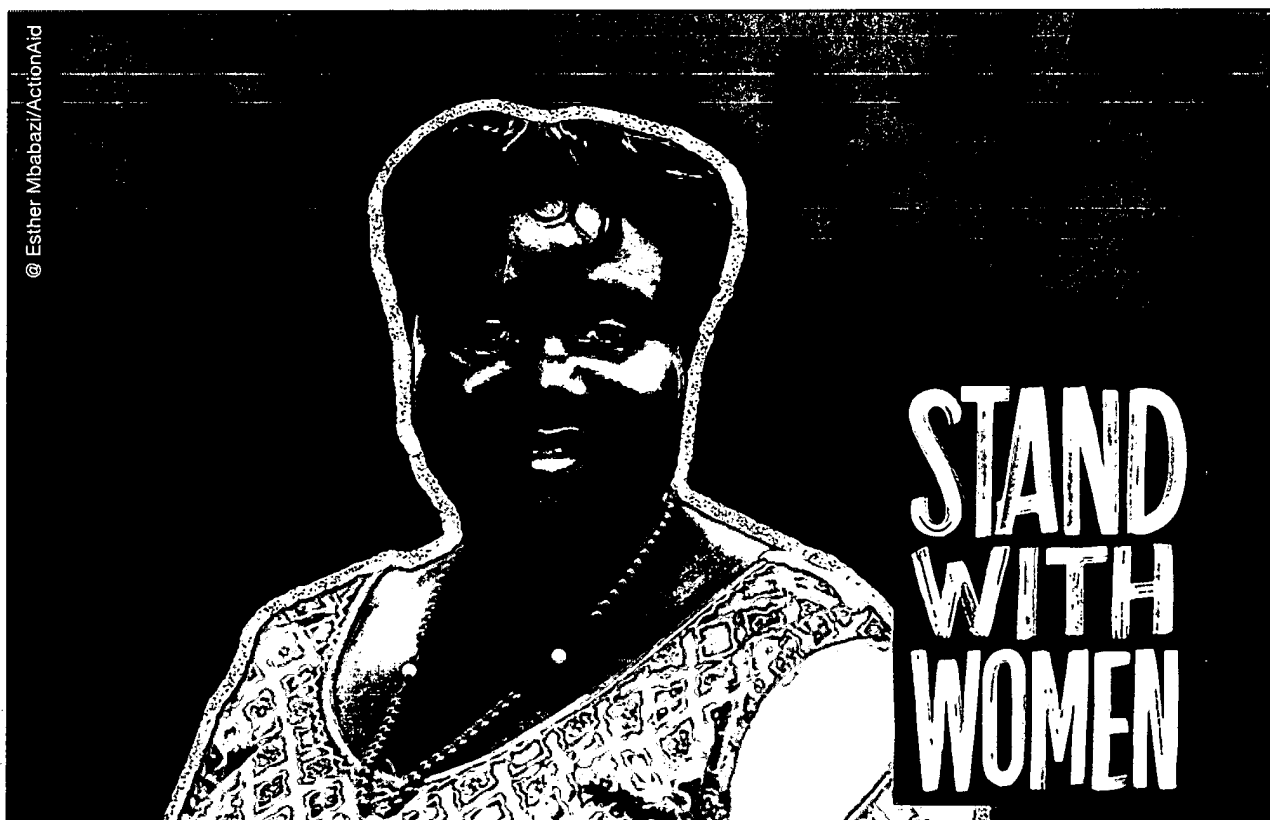
In September 2020, we launched a five-month campaign called Stand with Women. The campaign highlighted the hidden pandemic, exposed by the global Covid-19 crisis, of escalating violence against women and girls.

Whether it's due to sexual exploitation, female genital mutilation (FGM) or being denied an education, women and girls' rights have always been in lockdown. But since Covid-19 gripped the world, the fight for women's rights has become even more critical. As families retreated behind closed doors, and as jobs and livelihoods disappeared overnight, a new pandemic of poverty and violence was exposed in communities across the globe.

Through our Stand with Women campaign, we raised £458,617 for ActionAid's work tackling violence against women and girls. In addition, 5,000 of our supporters called on the Prime Minister to ask that UK aid, trade and foreign policy protect

women's rights and help end violence against women and girls. The campaign was profiled in UK media outlets and received strong celebrity support, including our 'Stand Up with Women' comedy fundraiser, hosted by Jo Brand.

One of the women featured in the campaign was Florence (pictured), Executive Director of the ActionAid-supported Tositukirewamu Women's Network in Kampala, Uganda. The network provides invaluable support, vital education and life-changing training to women surviving violence. "I have a passion for working with women, to see that even the last woman can rise up, have her say and be heard," Florence told us. She also works with men and communities that perpetuate and condone gender-based violence. She believes strongly that men can be allies – she runs a men's workshop where men examine their own roles and behaviours and commit to being champions for gender equality.



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.

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

Our work has resulted in a much greater recognition of issues of unpaid care and also on a number of initiatives aimed at ensuring decent and safe working conditions for women, working alongside local governments, businesses and community leaders. It is very encouraging to see a number of programmes that have resulted in an increase of income for women, an increased recognition of their role in contributing to family income and better working conditions for women.

Feminist economic alternatives

Throughout 2020 our work to advance women's economic rights focused on steering policy debates towards a better understanding of the huge impacts that economic policies like trade, investment and austerity have on women and girls' lives, and feminist alternatives that make transformative change possible.

In the UK, we worked closely with the Trade Justice Movement and others to influence the Trade Bill in Parliament. While the final results came short of what we set out to achieve, we increased MPs' awareness of the importance of having scrutiny over trade deals, secured Committee oversight of deals prior to their ratification and opened up much needed channels for NGOs to engage with the Department for International Trade, including to continue a dialogue on the need for a gender responsive approach to trade.

We are proud to also have produced the four-volume report series Another World is Possible, a compilation of inspiring feminist economic alternatives that secure rights, justice and autonomy for women and a fair, green, gender-equal world. The report series brings together the valuable work and propositions of feminist economists, activists, women's rights organisations and movements around the world on the importance of making deep, transformative change happen. It showcases examples of ways of organising economies around care, of ensuring a just transition and, importantly, of building the conditions for feminist economic alternative to flourish. The report series is an important resource that will guide our programme policy and influencing work for years to come.



Conclusion of our POWER project

2020 has seen the conclusion of ActionAid's flagship five-year Promoting Opportunities for Women's Empowerment and Rights (POWER) project. Implemented since 2016 and reaching over 19,500 women, the POWER project took a holistic approach to women's economic empowerment. Implemented within Rwanda, Ghana, Bangladesh and also within Pakistan until 2018, POWER was delivered in partnership with local partners in Ghana (Songtaba, Bonatadu, WOM, GLOWA, SODIA, and JIFAN), Rwanda (Duhozanye, FVA and Tubibe Amahoro) and Bangladesh (SKS Foundation).

The final evaluation found that POWER has been a great success, significantly contributing to changes in systems and norms in support of women's rights. Key impacts include an increase in women's individual and collective power and agency and a shift in recognition of women's vital unpaid care

work. POWER has also seen reductions in unpaid care work and a more equal redistribution of work between household members.

Through POWER, smallholder women farmers have expanded the use of agroecological and climate-resilient farming practices. Women's access to markets and their reported safety within market spaces has significantly improved, through the establishment of women's markets, providing skills training to participants, facilitating knowledge sharing and changing social norms around women having their own businesses.

POWER has generated a large amount of programme evidence, resources, learning and best practice which will be invaluable as ActionAid furthers our work in these areas through future programming.



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

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

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

In 2020, ActionAid responded to 61 new emergencies, supporting more than 22,310,000 people including more than 11,120,000 people with direct support. We also continued to provide support to 18 ongoing crises, meaning we responded to 44 emergencies in total.

ActionAid's Covid-19 Emergency Response

ActionAid implemented a federation-wide response to Covid-19 with the goal to support the most affected communities in 38 countries. Our focus was particularly on women and girls and marginalised groups in combatting the negative impact of the pandemic and reducing the spread of the virus with a women-led, localised response.

Working with crisis-affected women, networks and organisations, ActionAid was able to not only promote women's leadership in the response to Covid-19 but also amplify the voices and representation of women in humanitarian decision-making spaces.

Kathmandu-based Nabina Gurung (pictured), 21, has been volunteering with ActionAid Nepal and their local partner, Homenet Nepal,

for more than a year. When the pandemic began, Nabina began supporting ActionAid and Homenet with the distribution of essential items for daily wage workers and those in financial difficulty. Nabina and the other volunteers would also distribute items like rice, lentils, sanitary pads, soap, toothpaste and oil.

"Before, people didn't use soap much. Even when they came after work, they only washed their hands with water. I informed them about how often they should be washing hands with soap and water and using hand sanitiser and how they should take care of their health."

Nabina is among the front-line women responders in Nepal who has been at the heart of rolling out ActionAid UK's partnership with Unilever and FCDO for hygiene behaviour change.



Our strategic objectives

Mobilise resources

Despite very challenging circumstances, we are extremely grateful to our generous supporters and funders who continued to support our work. In 2020 ActionAid UK raised a total of £50.3m, an increase on 2019, although slightly short of our original 'pre-pandemic' target.

In addition to the support provided by our individual committed givers – including Child Sponsors, who gave over £11.2m last year – we were delighted to raise an additional £2.1m in response to our emergency Coronavirus Appeal. This includes our first significant corporate partnership with Unilever, in a public-private coalition with FCDO and 21 NGO partners responding to the Covid-19 pandemic which has since reached over 1 billion people worldwide. ActionAid's focus in this partnership was to support life-saving projects in Kenya and Nepal.

We are also delighted that that our two major campaigns, Share a Better Period and Stand with Women, increased our profile as an organisation supporting women and girls living in poverty

and raised nearly £500,000. The loyalty of our long-term supporters was also demonstrated with legacy income at £3.7m – the most we've ever received – and total donations from our major donors, trusts and corporate partners increasing to £7.7m from £6.9m in 2019. We're also particularly pleased that after many years of decline, our total number of financial supporters increased and now stands at over 150,000.

Due to social distancing measures, we had to make major changes to our events and community fundraising plans, but we are encouraged by our agile pivot to innovative sprint-testing of eight separate virtual fundraising product alternatives, resulting in the successful rollout of 'Go the Distance'. Our overall innovation strategy made progress with 1,000+ ideas and 21 full concepts generated, mainly through our innovation greenhouse ideation process. Finally, good progress was made on our major infrastructure change projects; Data Warehouse, Customer Relationship Management (CRM) system and Child Sponsorship Modernisation.

Enabling effectiveness

Our key objective in 2020 was to ensure the safety of our colleagues and the effective running of our operations. Due to changes previously implemented as part of contingency planning work and the flexibility and hard work of our staff, we were able to quickly move to having the vast majority of our staff working effectively and safely from home.

All our London-based staff were able to work from home and our staff in Chard continued their critical work in the office enabling us to manage the key physical aspects of our operations. Despite the pandemic, all our systems and controls, both financial and those supporting our resource mobilisation teams, were seamlessly transferred to a home-working environment. We also put in place multiple resources on wellbeing to support staff during the lockdowns caused by the pandemic.

Despite the national and local lockdowns we continued to embed our feminist behaviours, strengthening the link between our work with rights holders and how we work together as a team in the UK. Staff feedback has shown that living our values is an important aspect of working at ActionAid and we will continue to focus on this area.

We have strengthened our assurance processes to ensure that funds raised in the UK are used for the purposes intended and that our legal obligations are met. We have also continued the development of a new customer relationship management system, which will enable us to have a better understanding of our supporter base and better engage with them in future.

Influence for change

The environment for influencing has been challenging, with cuts to government aid that had long been feared being confirmed as the Chancellor's Spending Review announced a cut in Official Development Assistance (ODA) from 0.7% GNI to 0.5%. This, following on a merger between the Department for international Development and the Foreign and Commonwealth Office, has contributed to a reduction in funding for our programmes that is still unfolding and a change in our relationship with government that is still being navigated.

Engagement from our campaigners has remained strong and they have been willing to support us in our calls for the government to review and rethink this decision. We have been working in coalition across the international development sector and beyond to respond to this and ensure that the voices of women and girls are represented in all decisions. ActionAid generated almost 100,000 public actions – a third of all those taken on UK aid last year by charity supporters after the government announced the DFID-FCO merger. We grew our campaigner base in Conservative constituencies and mobilised hundreds of campaigners to get their MPs to attend and ask questions on aid at key debates. We also gained approximately 14,000 new campaigners by partnering with 38 Degrees on an aid petition and helped mobilise UK campaigners to join a walk worldwide demanding a just and more equal

post-Covid society, covering the circumferences of the earth twice.

As part of our Stand with Women campaign, we ran a petition asking supporters to call on Prime Minister Boris Johnson to ensure that UK aid, trade deals and foreign policy protected the rights of women and girls. We gathered over 5,000 signatures and 2% of those who took action went on to make a donation, with an average gift of £11. This was a great example of how campaign asks can be integrated into brand and fundraising projects.

We have deepened the engagement and grown the agency of our Community Campaigners on women's rights through webinars, training and dedicated support. One group of Community Campaigners formed their own autonomous campaigning group, the UK Community Feminists, and have begun publishing a quarterly feminist magazine. This a huge success for our work to build feminist leadership into our campaign training.

As part of the ActionAid federation campaign on women's labour, decent work and public services, in 2020 we continued to support ActionAid Ghana and ActionAid Arab Region to campaign for access to justice for survivors of violence. Ghana's government agreed to pass and domesticate in national law, ILO Convention 189 to end exploitation of domestic workers.

Support humanitarian action

The main part of our humanitarian work in 2020 was centred around the Covid-19 crisis. In addition to contributing over £2m for ActionAid's global response with the help of our UK supporters and partners, we developed a policy brief on the importance of investing in women-led responses to Covid-19. Following this, we were able to host a DFID (now FCDO) webinar, with representation from across the new government department. We also worked with sector colleagues (CAFOD, CARE International, Oxfam and Danish Church Aid) to develop a policy brief on humanitarian funding, partnership and coordination in Covid-19, with a focus on supporting women's rights organisations and women humanitarians' engagement with, and representation within, the Covid-19 Global Humanitarian Response Plan.

We continued to support countries to deliver effective programme quality assurance in order to both deliver on our Humanitarian Signature as well as meet UK donor compliance requirements. As part of this, we continued to oversee the Core Humanitarian Standard (CHS) verification for the ActionAid International group and the delivery of improvement plans, including for ActionAid UK. We prepared the organisation for the CHS audit which the pandemic postponed from May to September 2021. We provided remote support to countries including Jordan, Haiti and Kenya on the ongoing rollout of the ActionAid Women Led Community Based Protection manual, supporting women's organisations at community level in crisis affected communities to take the lead in

tackling protection matters such as gender-based violence and early marriage.

Alongside our response to Covid-19, we also supported members of the Federation to respond to a range of medium and smaller size crises, including conflict displacement and women's protection in Mozambique and the Democratic Republic of the Congo or to emergency preparedness in Myanmar, working with institutional funding from several sources including the Start Fund and the European Civil Protection and Humanitarian Aid Operations (ECHO). We worked with Mozambique and Zimbabwe to complete the final phase of their DEC-supported recovery work following Cyclone Idai, working with women-led local groups to rebuild homes and re-establish livelihoods. In August, we launched a mini appeal to respond to the huge blast in the port of Beirut, raising almost £118,000 which enabled ActionAid Arab region to work with local civil society and women-led organisations to support repairs to damaged homes, livelihood recovery and trauma counselling for blast survivors.

We also expanded our resilience work to increase our engagement on climate change and its impact on women, securing funding from FCDO for a three-year project in Cambodia to support local women's champions to help women fight against climate change. We are currently raising the public funds with our She is the answer UK Aid Match appeal, with the match funding from the UK Government going directly to the project in Cambodia.

Our celebrity supporters

The passion and enthusiasm shown by our celebrity supporters inspire others around the world to share our vision: promoting the rights of women and girls. So we'd like to say an enormous thank you to the talented ambassadors who give their time and energy to support women and girls living in poverty.

Celebrity highlights in 2020

Supporting girls' education

Actor David Morrissey appeared in a short film 'The Impossible Question' to highlight the importance of girls' education.

#MyBodyIsMine

On Valentine's Day, as part of our ongoing work to encourage women and girls to proudly reclaim their rights, take ownership of their bodies and demand an end to sexual harassment, several high-profile women (Wunmi Mosaku, [Pearl Mackie](#), [Anjali Mohindra](#), Sister Sledge, Charlie Webster, Gina Martin, Rebecca Hazlewood and Eno Williams) posted a photograph of themselves with the #MyBodyIsMine hashtag across Twitter, Instagram and Facebook.

YouTubers collaboration

YouTubers Zac and Jay created the first ever mid-year YouTuber calendar, in collaboration with 40 other YouTubers with 50 million subscribers, to raise funds for our Covid-19 response. They raised just over £20,000, half of which was donated to ActionAid (the other half went to The Black Curriculum).

Supporting our Covid-19 emergency response

We had a wide range of support from celebrities who got involved in several initiatives to raise awareness and funds for our response to the Covid-19 pandemic:

- Long-term supporter and star of Netflix's *Bridgerton* Phoebe Dynevor shared a poem on Instagram by one of her favourite female poets in honour of all the women working on the frontline globally.
- Actress and long-term supporter Rebecca Hazlewood nominated ActionAid to be one of the three charities that fans could donate to after tuning in to an online read-through of the pilot episode of the TV show *Outsourced*.
- Jodie Whittaker, a.k.a. Dr Who, also recorded a video message in support of our appeal.

Wunmi Mosaku, seen here in her new film *His House*, is just one of the celebrities who helped to raise ActionAid's profile and spread our message in 2020.

Christmas appeal

In support of our Stand with Women Christmas appeal, long-term celebrity Ambassadors Emma Thompson and Jodie Whittaker recorded video messages recalling inspirational women they had met through ActionAid for us to share on our social channels. Jodie's video had 3,200 views on Twitter.

Six high profile women (Sally and Phoebe Dynevor, Samantha Bond, Indira Varma, Fay Ripley and Rae Duke) decorated and posted Christmas star tree decorations and posted them on their social channels in support of the appeal.

As part of our media partnership with Grazia magazine, Wunmi Mosaku, Pearl Mackie, Gina Martin and Anna Maxwell Martin all recorded videos which were shared on Grazia's social media platforms over four weeks leading up to Christmas.

Stand with Women

We joined forces with actor and Celebrity Ambassador Wunmi Mosaku during the promotion of her film *His House*. She and ActionAid Bangladesh Country Director Farah Kabir appeared alongside the film's writer/director Remi Weekes in a panel Q&A event streamed on YouTube.

Wunmi also let us take over her Twitter account for two hours to coincide with the release of the film, allowing us to share engaging content about our work, including links to our Stand with Women campaign.

The year ahead

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

Mobilise resources

We raise a significant portion of the ActionAid Federation's overall income and supporting the Federation through the likely difficult economic conditions caused by the pandemic is our focus in 2021.

We will engage our supporters with campaigns that draw together our community-led approach, research and creativity. Our UK Aid Match appeal 'She is the answer' allows us to highlight the women we work with in Cambodia who are leading their communities' response to climate change and campaigning for gender-just solutions.

Our relationships are important to us, we are fortunate to have strong and long-standing partnerships with major donors, trusts and foundations. In 2020 our relationships with the corporate sector developed significantly with Unilever and FCDO partnering with us to fund women led response to Covid-19.

We will continue to engage with the UK Government to influence the volume and quality of aid and call for a positive impact on women and girls' rights in the establishment of the Foreign, Commonwealth & Development Office.

In 2021, we want to deepen our relationships and seek new partners to work with to tackle the challenges ahead.



Maureen lives in Kenya, where she is Secretary of her local chapter of the Sauti ya Wanawake (Voice of Women) movement. Throughout the Covid-19 pandemic, she and her fellow Sauti members have worked tirelessly to spread health messages and to help women and girls affected by domestic violence.

We continue to invest in better systems and technology to make our fundraising more effective and are currently developing a new customer relationship system for implementation in 2022.

Influence for change

We influence for change at all levels, from local communities to multilateral institutions.

During the Covid-19 pandemic and looking ahead towards the long recovery period ahead, ActionAid is calling on governments to address the systemic barriers for the realisation of women and girls' rights. In the UK, we will be working with the Government and Parliament to ensure movement towards a more gender-just and transparent policy on international trade, including by influencing the UK's approach to trade impact assessments and calling for parliamentary scrutiny of new trading arrangements with countries in the global south. Together with teams in ActionAid Jordan and Ghana, we will also promote the ratification of the ILO Convention 190 to end gender-based violence in the workplace.

We will also be working with the UK Government as the G7 Host to ensure gender equality is prioritised in G7 discussions. As some of the most powerful governments in the world, the G7 sets the political agenda and decisions made at this summit can have a significant impact on women and girls living in poverty – including

through decisions on economic recovery and decent jobs, trade and climate change. Our work will include co-organising the Women's 7 (the W7) summit, which brings together women's rights activists to influence the G7.

We continue to work with colleagues across the Federation, and sector, to influence the UK – and wider government and multilateral stakeholders – to adopt more feminist and women-led approaches to humanitarian action. In 2021 we will advocate for UK policy and overseas development aid (UK Aid) to embed localisation, focusing on direct funding for women's rights organisations (WROs) during emergencies such as the Covid-19 pandemic. We will also be advocating for a stronger focus on gender equality, women's rights, and women's leadership in the next iteration of the Grand Bargain global framework, due for renewal in 2021.

Just as the response to the pandemic has been brilliantly led by women leaders, women's rights organisations must be in the driving seat of the recovery. Being at the frontline, they know best what women and girls' needs are and how best to address them.

Support humanitarian action

We continue to scale up our humanitarian response and resilience work, focusing particularly on women's leadership in emergencies.

ActionAid is on the frontline of the Covid-19 crisis, helping to stop the spread and save lives. Local women are leading ActionAid's efforts to stop the spread of Covid-19 in their communities and counter its impacts. We will increase our work on resilience and preparedness, to help women leaders and their communities be better able to

respond to and recover from crisis. We will work with women to recover from the economic effects of the pandemic.

We continue to monitor emerging crises in a number of countries where ActionAid is present and work with our colleagues in country to seek funding, scale up and respond to needs.

Our work on humanitarian policy is focused on shifting the power from global/international actors to local and national actors (localisation).

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 SC043476.

In this section of the Annual Report 2020, 'ActionAid' refers to the UK-registered charitable company.

The Trustees present their statutory report with the financial statements of ActionAid for the year 2020. 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

At ActionAid we value the incredible support we receive and aim to build strong, long lasting relationships with all our supporters, in line with our Every Supporter Matters ethos and ActionAid values. We focus our efforts on raising funds to support people living in poverty to change their lives and communities for good. We raise money to carry out programmes that are ending violence against women and girls, helping women claim their rights to economic opportunities and empowering local women to lead the response in humanitarian emergencies, thanks to our supporters' dedicated support.

How we fundraise

We aim to inspire people to give or raise money to support our work - our dedicated child sponsors offer long-term support and a personal connection to the communities in which we work. Other contributors to our Individual Giving programme make one-off and regular gifts, participate in our ActionAid Lottery, or purchase Christmas cards and Gifts in Action virtual products. Our Events & Community Engagement team continue to support individuals and community groups who fundraise for us at a local level, as well as our event participants, who take on challenges such as marathons or cycles, a lot of which were sadly cancelled or completed virtually due to the impact of the pandemic in 2020.

We are so grateful to have received over 132 Legacy gifts in 2020 from supporters who chose to leave us a gift in their Will, which totalled £3.7m. We are also part of the Will Aid network, which connects individuals looking to write their Will with a participating solicitor who can support them through this 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 nine partner charities. However, there is no obligation to leave a gift to ActionAid, nor to donate to us when using the service, but we are grateful to those generous supporters who chose to do so.

Our Philanthropy & Partnerships team works with individuals and organisations able to give at a high level, including our ActionAid Ambassadors, Businesses, Trusts and Grant Making organisations. We are very grateful to our generous supporters who together gave £7.7 million in 2020 to a range of emergency and long-term programming, as well as providing vital unrestricted funding. We were delighted that a philanthropic supporter agreed to match donations for our Covid-19 appeal, helping us raise over £300,000. We are proud to continue to benefit from income raised by individuals playing the People's Postcode Lottery.

We are delighted to have had some amazing partnerships with some incredible organisations over the past twelve months, such as Buttermilk, Daughter Studio and FX Home. We monitored the activity which involved our commercial participants by keeping up to date with social media posts and conducting spot-checks to ensure the agreed messaging was being used; no issues were spotted. Our agreements ensured that the 2016 Charities Act was adhered to by the partner, as well as agreements to report any relevant complaints. We engaged on a regular basis with our partners to monitor the activity and seek any feedback. We are also very grateful to have received a corporate donation from Intimina, and a grant from Unilever and FCDO to support our work and strategic aims.

We find that one of the most effective ways to raise money through direct fundraising is to work with specialist fundraising service providers. Working in partnership with industry experts means we can inform and inspire as many people as possible about ActionAid's work. Following our rigorous procurement process, we carefully select the agencies we work with and will only work with organisations who agree to abide by our very high standards (in 2020 we only worked with existing suppliers). We make sure we work closely with our agencies to train fundraisers and we regularly monitor their work to ensure they continue to operate at the expected high standards.

Maintaining high standards

At ActionAid we strive to meet and maintain high standards across fundraising and ensure our supporters and values are at the centre of our decision making. We are proudly registered with the Fundraising Regulator and work to the Code of Fundraising Practice. We have not been the subject of any investigations by the Fundraising Regulator. We continue to monitor and work to current guidance from the Institute of Fundraising and Data & Marketing Association and regularly participate in discussion groups with each.

All new fundraising staff who joined us in 2020 received a face to face or virtual induction with our Head of Fundraising & Marketing Compliance, and training on Data Protection in relation to Fundraising and Marketing. Our Compliance Handbook is issued to all staff and reiterates the content of this induction, such as our agreed structure for solicitation statements, and how we collect then manage marketing consent.

Monitoring activity carried out on our behalf

In 2020, fundraising agencies supported us in street, private site and telephone fundraising activities. We know that working with any third party requires careful, active monitoring and we manage this in accordance with our Working with Agencies Framework which was developed in 2018. If an agency is unable to satisfactorily address any ongoing concerns on either compliance or supporter experience, we will cease working with them. During 2020 ActionAid did not cease working with any of the agencies working on our behalf – all our partners met the requirements set out by the framework to a good standard.

In 2020 we mystery shopped our face-to-face fundraisers, where restrictions allowed, and undertook call listening on our telephone campaigns, regularly discussing the results with our suppliers. We employ a Fundraising Engagement & Monitoring Officer as a dedicated resource in this area, to train our agencies and coordinate our monitoring. How our agencies perform against our framework is closely checked by the Head of Fundraising & Marketing Compliance, who reports on this to our Trustees on a quarterly basis.

Although our local Events & Community Engagement supporters work 'In Aid Of' rather than 'On Behalf Of' ActionAid, we provide them with a Stay Safe & Legal guide to highlight the relevant provisions in the Fundraising Code.

Our approach during the pandemic

As 2020 brought about new challenges to the ways in which we were able to fundraise and enable the work we do, we always adhered to government guidance in line with Covid-19 restrictions and monitored this closely. We undertook rigorous risk assessments of our fundraising practices and always followed the Chartered Institute of Fundraising's recommendations and guidance during restrictions. The relevant changes were implemented by our agencies to ensure we upheld a high standard of safety for members of staff and the public. We are continuing to review and adapt our response to the challenges brought about by the pandemic to mitigate its impact on our work.

Complaints and feedback

ActionAid genuinely welcomes and values respectful feedback. Feedback allows us to monitor, learn from and take appropriate action, following the comments and experiences shared with us. We encourage people to get in touch with us via our website page with any concerns – the page outlines the process and what people can expect from us. It also advises them of how they can escalate

any issue to the Fundraising Regulator if they are unsatisfied with our approach or response. We are gratified that no complainant chose to do so in 2020. Complaints are a very important part of how we evolve and learn and ensure we continue to improve fundraising activity and future plans in this area of our work. We have quarterly reports that are shared with our Board of Trustees on the complaints we have received, the activity they relate to and the actions that we have taken, to ensure that they have a good overview of this feedback and how it is addressed.

We received a total of 193 (2019: 159) complaints about our fundraising work in 2020, out of over 2.8 million outbound and inbound communications. Each complaint was classified for severity and swiftly addressed in line with our policy, giving a full and open response to the complainant. Any complaint relating to an agency was discussed urgently with that organisation: all our agencies are required to supply us with prompt and thorough investigation results, with defined actions to address any identified issues.

Protecting our supporters and the general public

Supporting ActionAid should be a positive experience for everyone, and we strive to ensure that any interaction is conducted with respect, dignity, and fairness. We have a Treating Donors Fairly Policy, which ensures that all supporters and potential supporters are treated fairly, and that any individuals who may be in vulnerable circumstances or are unable to make an informed decision are protected. We continue to monitor our policy to reflect current best practice guidance from the Chartered Institute of Fundraising. This policy is outlined to all new Fundraising staff at induction and is highlighted in our Compliance Handbook. Any agency we work with is also required to work to this policy as part of their contract with us. Our Fundraising Engagement & Monitoring Officer trains third party staff on its content both at induction and in regular refresher training; adherence to the policy then forms part of our ongoing agency monitoring.

We carefully manage how we communicate with our supporters, to ensure that we maintain an appropriate level of contact with them. We maintain a supporter communications calendar across Fundraising & Campaigns, with representatives from relevant teams meeting regularly to ensure that we have a holistic view of how and when we contact our supporters. We offer multiple ways for our supporters to manage their communication preferences, and any suppression requests received via the Fundraising Preference Service are added to our database within three working days.

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 (including child abuse and adult-at-risk abuse) and responding robustly when these harms take place. We have a zero-tolerance approach to sexual harassment, exploitation, abuse and other harmful behaviours.

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. 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 provide medical support, legal support and psychosocial counselling as appropriate. We are committed to ensuring that our safeguarding work continuously learns from the voices 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).

Where a safeguarding incident occurs in the UK it is for ActionAid to investigate and handle the matter, but since the majority of our work is undertaken overseas, it is often in other countries that safeguarding reports are received. Where this is the case, it is the responsibility of that country member of the Action Aid International 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 (Global) 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 looked into, irrespective of who the subject of complaint 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 development plan.

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. We are currently in the process of appointing a new Focal Person, as Doris Afreh, who held the position throughout 2020, stepped down from the Board in May 2021.

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 ActionAid's values and mission, outlined in ActionAid's Code of Conduct and our Feminist Leadership approach. 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. 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.

In 2020 ActionAid took a number of steps to further strengthen safeguarding across the organisation including:

- Increasing capacity for safeguarding by appointing a Safeguarding Coordinator.
- Undertaking an internal safeguarding review which identified many areas of strength and good practice across all teams in ActionAid and identified areas of further development in relation to systems, communication and oversight all of which have been addressed through a development plan.
- Revising mandatory safeguarding training for all staff.
- Rolling out AAI Donor Reporting Standard Operating Procedures (SOPs).
- Further strengthening the role of the Safeguarding Oversight Panel.

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.

ActionAid's Safeguarding Policy is available on our website. This Policy will be reviewed and updated in 2021.

Safeguarding statistics for 2020

The following table sets out the cases that ActionAid responded to in 2020, and the outcomes of these cases. It is important to note that these figures do not relate to the entire ActionAid International (AAI) Federation, but rather cases relevant to ActionAid (the England and Wales-registered charity). This includes any incident where the complainant and/or the subject of the complaint 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 the figures for 2018, 2019 and have noted the number of cases that were carried over into 2020, since it can take some time for an investigation to be completed. This gives a complete picture of the cases dealt with in 2020. The incidents included

in the figures range from breaches of policy and verbal sexual harassment to sexual and non-sexual assault. The decrease in the number of reports received in 2020 compared to previous years has been investigated. The introduction of Donor Reporting SOPs by AAI means that ActionAid only receives reports from AAI which relate to countries where any work is funded from the UK. The international coronavirus pandemic may also have impacted on reporting. This is because activities which we undertake which may result in reports being made e.g. UK staff travelling to visit programmes who may receive safeguarding complaints, the amount of travelling locally in-country and our programmes themselves, have been impacted by Covid-related restrictions.

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. It may be that the report cannot be fully investigated, or that after the investigation it is found not to be substantiated. If a report is substantiated there is a range of disciplinary action open to us if the subject of the complaint is a member of staff, but in some cases they are a third party not employed by us or one of our partners, so disciplinary action is not possible.

Our safeguarding policies make clear that 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 subject of the complaint. Where we cannot carry out a full investigation, we will always look at ways of using the complaint to identify areas of focus, including changing behaviours, culture and abuse of power through training and awareness-raising; improvements to policies and procedures; and enhancing the way in which we support survivors.

Where a report that an employee has abused another person is investigated and substantiated, we would launch disciplinary action in line with our policies and may also report the matter to the police if a crime has potentially been committed.

In a few cases, resolutions might exist besides disciplinary action. For example, a staff member might be given additional training. Lastly, we may not be able to discipline a person if they are not employed by us, directly or indirectly, but a concern is nonetheless reported to us of harm experienced within the community. This might occur where the survivor is a participant in one of our programmes and feels safe to come to our staff/partners for help.

In these cases, we will seek to support the survivor and, where applicable, will report the matter to the authorities. In the tables on the following page, the numbers relate to cases concerning either survivors who are adult programme participants, child programme participants, or staff and/or associated personnel (including partners and third parties) who are either the subjects of concern or survivors. A number of cases were reported in the last few months of 2020 and therefore remained open at the end of the year.

Adult programme participants (incl. community members)	2018	2019	2020
Number of reports received	2	4	1
At the end of 2018, 2019 and 2020 respectively, how many open reports were carried forward into the following year?	2	1	1
How many reports were not investigated and are now closed?	0	0	0
How many reports were investigated and are now closed?	0	5	1
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

Child programme participants (incl. community members)

Number of reports received	7	13	5
At the end of 2018, 2019 and 2020 respectively, how many open reports were carried forward into the following year?	2	2	3
How many reports were not investigated and are now closed?	0	0	0
How many reports were investigated and are now closed?	5	13	4
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	1

AA Staff/Volunteers (incl. relatives/partners/other NGO staff)

Number of reports received	14	26	14
At the end of 2018, 2019 and 2020 respectively, how many open reports were carried forward into the following year?	4	9	8
How many reports were not investigated and are now closed?	0	3	1
How many reports were investigated and are now closed?	10	18	14
Out of the reports substantiated, how many resulted in dismissals?	2	1	1
Out of the reports substantiated, how many resulted in other disciplinary action?	3	4	4

Of the cases above reported in 2020, 7 relate to someone directly employed by an ActionAid entity. None of these were members of ActionAid staff in the UK.

In 2020, a case was closed and not investigated: this was because an investigation was unable to proceed as the complainant did not provide detail which could be followed up (for instance, date, location, survivor) and stopped responding to communication from the GS (Global) Safeguarding team.

Financial review

The Covid-19 pandemic did have a financial impact on us throughout 2020, both positive and negative. Compared to 2019 an increase in income of £1.2m and a reduction in expenditure of £1.5m has led to an overall 2020 surplus of £1.3m, compared to a deficit of £1.6m achieved in 2019. This was made up of a £1.3m surplus in unrestricted funds and a small deficit in restricted funds.

The movement in unrestricted funds was due to a strong income performance aligned with a delay in spending some designated funds that are ring-fenced to be sent to country programmes. These funds will now be remitted in 2021.

Income

In 2020, the income of ActionAid grew by 2.4% from £49.1million to £50.3 million, following a decrease of 1.0% in 2019. This was our best performance for three years. The increase was driven by a very strong performance in unrestricted donations and legacies in particular.

In line with previous years, more than 75% of our income was in the form of donations and legacies. During the pandemic we have continued to understand how fortunate we are and to be immensely thankful of the growing commitment and loyalty of our financial supporters. This support saw our income from donations and legacies grow to £39.3m in 2020 (2019 £38.6m). The level of legacy income was up by £1.4m from the previous year at £3.7m.

Committed giving income was down by just under £0.4m, but at a decrease of 1.3% this was a much better result than in 2019 (a decrease of 3.7%). We also achieved net gains of supporters in both our Child Sponsorship and Regular Giving products during the time of the pandemic in our strongest performance for a number of years. These positive results offset the impact of Covid-19 on our events income, which was still able to achieve 50% of previous year's totals without major events such as the London Marathon and Ride London taking place. The team achieved this by developing several new virtual events for our supporters, proving that it was possible to adapt our Fundraising Events programme during a national lockdown.

As in 2019, there was one Disasters Emergency Committee appeal. We were allocated £0.9m from the DEC Coronavirus Appeal. Going forward the strategy continues to aim to grow committed income through increased fundraising investment, but this will be continually reviewed to ensure that value for money is being achieved.

Grant income increased by 7% from £7.1m to £7.6m in 2020. This was driven by the winning of a Covid-related grant from Unilever and FCDO and also by an increase in grant income from the European Union. We were also successful in being part of a winning consortium on our first significant Foreign, Commonwealth & Development Office commercial contract in 2020. However, the implementation of this was delayed by the merger of the Department for International Development and the Foreign & Commonwealth Office. This merger, the impact of the pandemic and the reduction in government funding for development aid in the future has meant that our future grant pipeline has been affected significantly. However, growing our institutional income through grants and commercial contracts continues to be part of our strategy and as such the investment continues in this area.

In 2020, we were pleased to collaborate with key programme donors and partners, including: UK Aid; The Netherlands Ministry of Foreign Affairs; Disasters Emergency Committee; Amplify Change; Start Network; Comic Relief; Humanitarian Grand Challenge; People's Postcode Lottery; Hewlett Foundation; Options, Frontline AIDS, PLAN International.

During 2020, we utilised the Coronavirus Job Retention Scheme and received just over £0.3m in furlough payments.

Although overall income grew, restricted income fell by £0.2m (0.9%) in 2020 to £22.8m. As explained below, this has led to a reduction in the level of grants remitted to the Federation and expenditure overall and on Charitable activities in particular as our restricted income is passed on to other ActionAid Federation members directly.

Expenditure

As with income, the impact of the Covid-19 pandemic could be seen in the patterns of our expenditure in 2020 as well. Within fundraising, expenditure was diverted from face-to-face campaigns to Direct Response TV and digital channels and innovation due to social distancing rules and nationwide lockdowns. Expenditure on international and national travel was 10% of 2019 levels due to travel bans, meaning that we made more use of technology and local suppliers to carry out grant management oversight and content gathering respectively. In addition, the pandemic and national lockdowns affected the ability of our in-country partners to continue with their project work in line with previous plans, leading to delays but also to new Covid-related activities. As a result of these factors, overall expenditure in 2020 was £49.1m, down from £50.6m in 2019.

The decrease in expenditure is driven by a reduction in Charitable activities from 2019 of £1.9m to £37.4m. This represented 76% of our total expenditure (2019: 78%). Our charitable activities include grants to the ActionAid Federation, emergency and humanitarian work, campaigning and policy influencing in the UK and overseas and education work in the UK on our charitable objects. The focus of these activities is to enable people living in poverty to hold governments and companies to account, to improve the quality of public education, respond to emergencies and to promote women and girls' rights. The reduction in Charitable activity expenditure in 2020 was mainly due to a fall in grants remitted to the Federation of £1.3m, as a result of the fall in restricted income seen in 2020 and delays in programme activities on the ground as a result of Covid-19 lockdowns.

In line with our current strategy, total fundraising expenditure increased to £11.7m (2019 £11.3m) including an allocation of £2.6m of support and governance cost, the same as in 2019. This was a result of an increase in innovation and investment in committed giving fundraising, being more agile and successful in our use of fundraising channels and in the maintenance of our institutional business development teams. While these figures demonstrate our commitment to investment in future fundraising, we are also carefully monitoring the long-term effectiveness and income returns from these investments to ensure that they offer best value to maximise income.

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 slightly decreased from £5.2m in 2019 to £5.0m in 2020.

Reserves

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

Our restricted reserves remain at £3.0m.

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 £9.5 million at the end of 2020 (£9.7 million in 2019), which represents 5.5 months of planned annual expenditure (5.6 months in 2019). We believe this is an acceptable level due to uncertainty about the impact of the Covid-19 pandemic and its impact on the future economy as

well as other financial risks to the economy such as the impact of Brexit. It will also allow us to make planned investments over the next three years to 2023 in line with the strategy, meaning we expect to make unrestricted deficits over the next two years and break even in 2023. Our current forecast is that the general reserve will fall over the next three years to the policy level, with funds being used to invest in new systems and fundraising investments required to deliver the new strategy.

Following a review of future funding requirements Trustees have decided that an additional £0.6m of funds will be granted to members of the Federation to support delivery of the organisation's vision and mission.

ActionAid Trustees have established designated reserves that relate to our holding of tangible fixed assets £0.3m; Emergency and Humanitarian response £0.5m; and Exchange rate movements £0.4m. A further two designated reserves were set up at the end of the year, being People's Postcode Lottery funds for overseas programmes £1.1m, and Strategic Investment Pot (SIP) £0.3m. Further details of these funds can be found in Note 14. The balance of the designated funds at the end of 2020 was £2.724 million (2019: £1.294 million). The Emergency and Humanitarian response designated fund remains at £0.5m, but there continue to be active discussions amongst senior management as to whether this is the correct level of the reserve and whether any of this can be utilised in other ways. As a result, we expect some of these funds to be actively utilised in 2021.

Grant-making policy

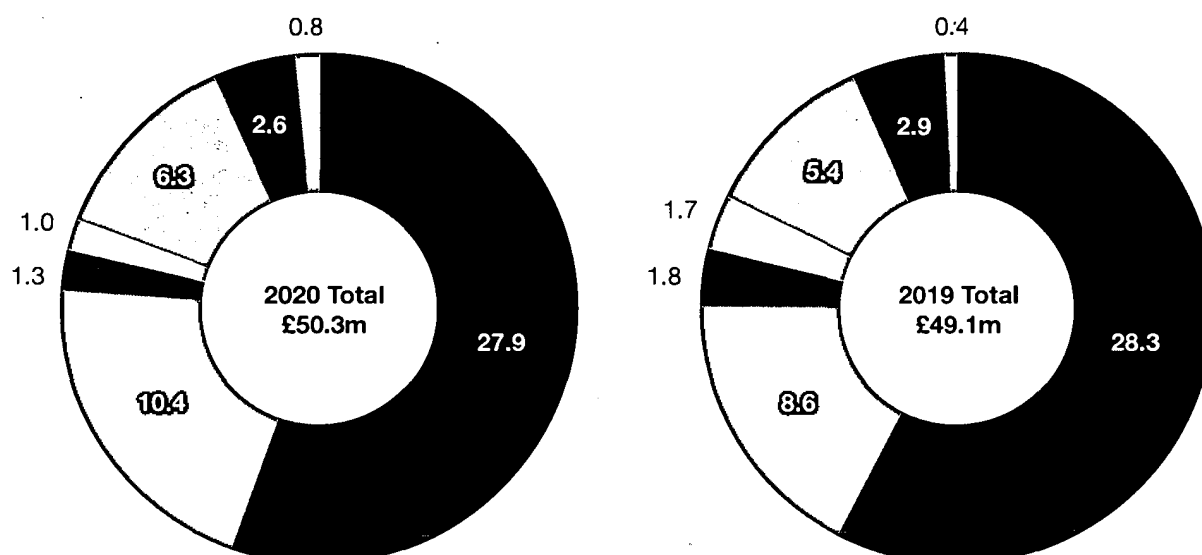
We grant our funds to the ActionAid International for wider disbursement to the Federation's country programmes and their partners, according to the management agreement that exists between ActionAid and ActionAid International. We also grant funds directly to other ActionAid Federation members. On occasions 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 2021, we are signing bilateral granting agreements with each Federation member to which we remit Committed giving and institutional grants.

AA International's Finances

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

Where does our money come from?

We receive income from a number of sources and the proportions have not changed significantly from 2019, with committed giving from individuals as the largest element. Funding from individuals is the best guarantee of our true independence as a charity.

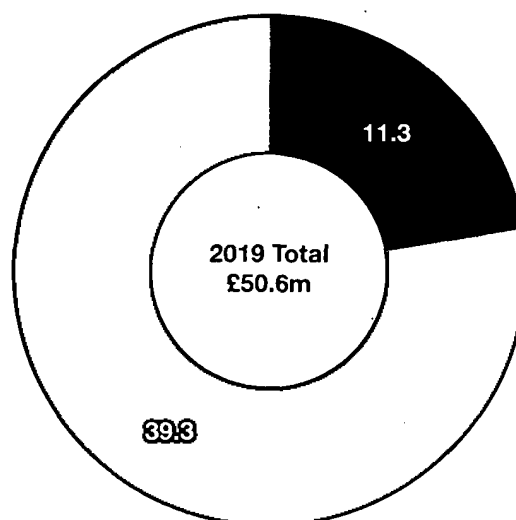
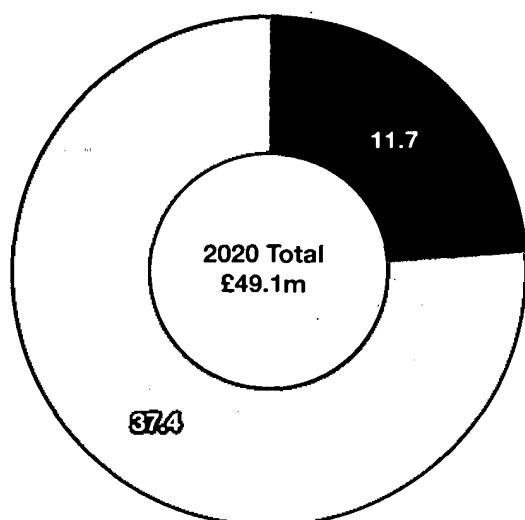


Income	2020 £m	2019 £m
Committed giving	27.9	28.3
Appeals, individuals and legacies	10.4	8.6
NGOs, trusts and companies	1.3	1.8
DEC	1.0	1.7
Government and EU (including DFID PPA)	6.3	5.4
Trading income	2.6	2.9
Other	0.8	0.4
TOTAL	50.3	49.1

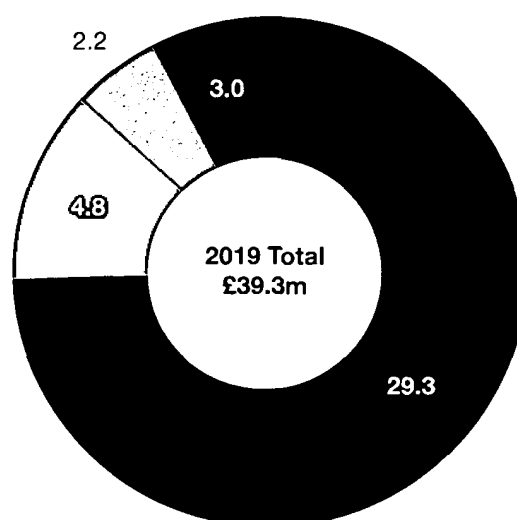
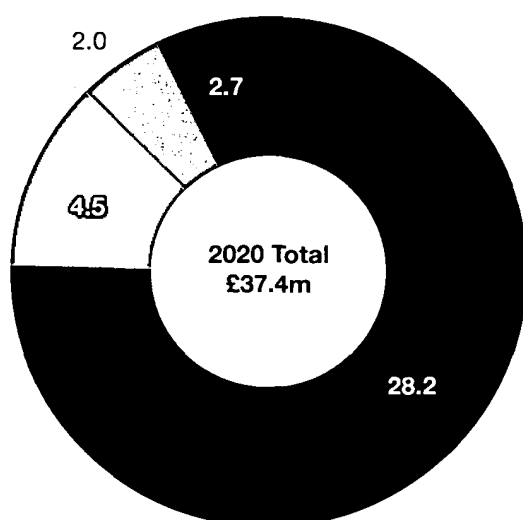
How was the money spent?

The chart on the next page shows our 2020 and 2019 expenditure split between raising funds and our charitable work. ActionAid has made grants to ActionAid International to assist country programmes to deliver against our ambitious strategy and to strengthen our global Federation. We also undertake activities in the UK in pursuit of our global mission.

Our expenditure on our charitable work is further split out on the next page between key activities.



Expenditure	2020 £m	2019 £m
■ Raising funds	11.7	11.3
□ Charitable activities	37.4	39.3
TOTAL	49.1	50.6



Charitable activities	2020 £m	2019 £m
■ Grants to AAI and Federation members	28.2	29.3
□ Emergency and Humanitarian response	4.5	4.8
□ Campaigning and policy influencing	2.0	2.2
■ Education work	2.7	3.0
TOTAL	37.4	39.3

Principal risks and uncertainties

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

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

- The Board of Trustees receives regular reports on performance against the board-approved strategy and annual plans and budgets. Trustees also review the work of its respective committees and the Senior Leadership Team on the oversight and management of significant risks and consider the adequacy and effectiveness of mitigating actions to reduce the impact of identified risks.
- The Board of Trustees has oversight of our public communications strategy. It ensures that we are fundraising in a manner which is in line with both our legal obligations and public expectations of charities, and that associated risks are identified and managed appropriately.
- The Performance, Finance and Audit Committee has oversight of organisational risks and the internal controls framework within which we operate. The committee approves the ActionAid risk-based internal audit plan, the Senior Leadership Team reviews the significant organisational risks on a regular basis and ensures that the internal control system within which ActionAid operates is effective in managing identified risks. The Senior Leadership Team considers new and emerging risks, reviews internal audit and risk management reports, and assesses progress on implementing mitigating actions.
- We recognise both our legal obligation and moral duty to safeguard funds entrusted to us and have zero tolerance 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 on the following page.

Risks

Safeguarding rightsholders: Our programmes work with vulnerable adults and children. A failure in our safeguarding practice could contribute to harm to vulnerable adults or children. We have adapted our approach to safeguarding in response to the pandemic and associated travel restrictions. We continue to focus on safeguarding and build it into all aspects of our work but assessing the effectiveness of our efforts is difficult under the current restrictions.

Travel safety: ActionAid is satisfied with its own and Global Secretariat policy and process around staff and volunteer safety when travelling. We have had incidents of non-compliance with our policies and processes and are working to prevent future non-compliance.

ActionAid is aware that perception and assessment of risk vary within our Federation and other members have a higher risk tolerance than ActionAid. This may mean that someone from ActionAid visiting another Federation member and relying on their safety processes faces a level of risk which ActionAid deems unacceptable. This increases the risk of harm to that person or to those with them.

Recession and its impact on income: Covid-19 pandemic has a significant impact on UK and global economy leading to a reduction in funding, both institutional and voluntary. This may affect the sustainability of ActionAid in its current form.

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

Coordination with member countries and capacity to deliver programmes: Without effective coordination of ActionAid International member countries and ActionAid in their dealings with UK stakeholders, our ability to raise funds, influence policy and campaign in the UK may be adversely affected.

Mitigating actions

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. A global safeguarding lead coordinates the Federation's work on safeguarding including its policies, systems, processes and training. Across ActionAid countries there are staff who act as safeguarding focal points. We have adapted our safeguarding approach to manage the impact of Covid-related travel restrictions.

Continue to supplement ActionAid's internal security management skills with specialist advice from the Global Secretariat and travel safety advisory specialists. Strengthen measures to prevent travel where ActionAid and Global Secretariat policy and process have not been observed. Put in place measures to detect incidents of non-compliant travel.

Seek assurance from the Global Secretariat on safety policy and process across the Federation.

We are accessing government support such as the furlough scheme. We have started a cost reduction project to cut expenditure. We are focusing on growing income from sources less affected by the pandemic. We continue to innovate to identify new income sources.

We are developing a new CRM. We have a dedicated project team tasked with its delivery. We expect to implement the system in 2022.

We are working with the Global Secretariat to communicate and reinforce guidelines on working with UK stakeholders. The Contract Management System has improved our ability to identify ActionAid International member countries that have a relationship with UK stakeholders and manage associated risks.

Maintaining the restrictions placed on funding during Covid-related disruption:

ActionAid has a duty to ensure that funding it provides is used in accordance with the restriction placed upon it. Child Sponsorship is a restricted individual giving product that funds projects in the Local Rights Programme (LRP) where the sponsored child lives. Covid-19 has disrupted LRP programming and there is a risk that funds are not used for their intended purpose. This could result in ActionAid failing part of its regulatory duty.

ActionAid receives assurances from the Global Secretariat and from countries in receipt of ActionAid Child Sponsorship funding.

Growing the Federation's humanitarian capacity:

ActionAid wants to increase the scale and quality of the Federation's humanitarian work. There is a mismatch between the UK's ambitions and the capacity of the Federation. This may lead to loss of credibility as a humanitarian actor and prevent the UK from delivering the humanitarian objectives in its strategy.

ActionAid have invested in greater technical capacity so we can support programmes in the Federation. We have funded pilot projects to develop the Federation's approach to humanitarian work.

Assurances on Federation Systems: The UK relies on the Federation's Global Secretariat for cross Federation assurance on compliance to policy and regulation. We reviewed the level of assurance provided and are working with the Global Secretariat to strengthen the process, frequency and follow up on assurance from ActionAid countries in regard to compliance with key policies and processes. The Covid-19 pandemic means that both the Global Secretariat and ActionAid will stop assurance activities that require face-to-face contact or site visits. However, assurance processes are still ongoing remotely and should not impact on future audits and assurance policy attestations.

Global Secretariat has an internal audit team and an assurance team. ActionAid and the Global Secretariat continue to work together on enhancing the level of assurance through the assurance policy attestations and continue to monitor delivery of country audits. In addition, new arrangements to monitor compliance against country funding agreements and branch oversight are providing additional assurance mechanisms.

Public attitudes to international development:

The proportion of the UK public that have favourable attitudes to international development may fall if the UK endures a severe recession and the UK public choose to support domestic causes.

Continue to monitor public sentiment towards international development. Increase investment in fundraising innovation to diversify income. Continue to invest in core individual giving programme.

Directors' duties

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

The likely consequences of any decision in the long term

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

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

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

ActionAid's key objective is to have an impact on the lives of people 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 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

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 Federation

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 Federation and its work is influenced by its fellow members working in the global south.

Governance, leadership and Trustee declaration

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

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

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

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

ActionAid has a wholly-owned subsidiary – ActionAid Enterprises Limited (company number 05011412). The company did not trade in the year ending 31 December 2020.

Public benefit

Full details of how ActionAid provides a benefit to a sufficient section of the public in line with our charitable purposes is set out in the Strategic Review section of this report. ActionAid has made grants of just over £29.6m million to the ActionAid International Federation in 2020 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 2020, they gave consideration to the Charity Commission's public benefit guidance.

The ActionAid Board of Trustees

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

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

There are two committees of the Board:

- **The Performance, Finance and Audit Committee** is responsible for risk and 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 Federation, as well as leading our input into international policy, principles and governance structures, especially the General Assembly of AAI. Lastly, the Committee has oversight of remuneration, setting overall salary policy for ActionAid and making recommendations to the Board regarding the salary of the Chief Executive.

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

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

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

Trustees, including the Chair, are recruited by open selection and are appointed for a four-year term, renewable for a further four years. We conducted extensive Trustee recruitment in early 2020, and as a result appointed four new Trustees on 24 March 2020: Doris Afreh, Eva Appelbaum, Paul George and Abdul Shiil. We began the recruitment process for a new Chair in March 2020, and appointed Srabani Sen on 1 September 2020. John Monks and Helen Pankhurst resigned from their respective Interim Co-Chair roles on 1 September, remaining on the board as Trustees. Both the new Chair and all new Trustees received a tailored induction and all Trustees take part in additional training throughout the year to ensure they continue to develop their skills as Trustees and are aware of relevant legislative changes.

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

Trustee responsibilities for reporting and financial statements

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

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

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

The Trustees are responsible for keeping 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

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.

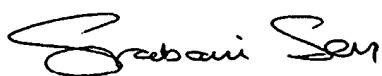
ActionAid operates a comprehensive accountability system. This includes an annual plan and budget, both of which are approved by the Board. Trustees consider actual results compared with plans and forecasts, and non-financial performance data. Other controls include delegation of authority and segregation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

Members' guarantee

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 2020 was 13 (2019: 9).

Auditor

Sayer Vincent LLP was reappointed as the charitable company's auditor during the year. The firm is willing to continue in that capacity. The report of the Trustees including the Strategic Report was approved by the Trustees on 18 June 2021 and signed on their behalf by:



Srabani Sen
(Chair)



David Todd FCA
(Treasurer)

Corporate Directory

Board of Trustees

Name	Office	Date of appointment/resignation
Srabani Sen	Chair	Appointed as Trustee and Chair on 1 September 2020
John Monks	Trustee	Appointed Trustee 1 October 2013
	Interim Co-Chair	Appointed as Interim Chair on 2 March 2020 Resigned as Interim Chair on 1 September remaining a Trustee
Helen Pankhurst	Trustee	Appointed Trustee 21 July 2017
	Interim Co-Chair	Appointed as Interim Chair on 2 March 2020 Resigned as Interim Chair on 1 September remaining a Trustee
David Todd	Honorary Treasurer	Appointed 19 October 2014
Shantha Sinha	ActionAid International Representative	Appointed 14 June 2019
Kath Abrahams		Appointed 13 December 2018
Catharine Brown		Appointed 12 March 2015
Sophie Healy-Thow		Appointed 10 March 2016
Joanna Maycock		Appointed 4 December 2014
Doris Afreh		Appointed 24 March 2020
Eva Appelbaum		Appointed 24 March 2020
Paul George		Appointed 24 March 2020
Abdul Shiil		Appointed 24 March 2020

Governance and Relationships Committee

Name	Office	Date of appointment/resignation
Helen Pankhurst	Chair	appointed 1 January 2018
Shantha Sinha		appointed 14 June 2019
Joanna Maycock		appointed 1 January 2018
Sophie Healy-Thow		appointed 1 January 2018
Eva Appelbaum		appointed 3 September 2020
Abdul Shiil		appointed 3 September 2020

Performance, Finance and Audit Committee

Name	Office	Date of appointment/resignation
David Todd	Chair	appointed as member and Chair 9 October 2014
John Monks		appointed 12 December 2013
Catharine Brown		appointed 24 September 2015
Kath Abrahams		appointed 12 March 2019
Doris Afreh		appointed 14 September 2020
Paul George		appointed 14 September 2020

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

Senior Leadership Team

- Girish Menon, Chief Executive (stepped down 15 December 2020)
- Orla Fee, Director of Communications and Public Engagement
- Edward Tait, Director of Fundraising
- John Good, Interim Chief Executive (appointed 16 December 2020)
- John Good, Chief Operating Officer (until 15 December 2020)
- Jillian Popkins, Director of Policy, Advocacy and Programmes

Patron

His Royal Highness, The Prince of Wales

Legal and Administrative Information

Auditor

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

Solicitors

Bates Wells
10 Queen Street Place
London
EC4R 1BE

Bankers

Lloyds Banking Group
25 Gresham Street
London
EC2V 7HN

Company Secretary

Victoria Skinner

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

Annual Remuneration Statement

1. Summary

This is ActionAid's annual governance statement for remuneration. The Deputy Director of People and Culture confirms that the organisation has complied with its salary policy during 2020.

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

2. Governance Arrangements for Remuneration

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

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

3. Remuneration Policies (salary and benefits)

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

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

A summary of our remuneration policy is available on request.

4. Review of the Year

Remuneration is overseen by the Board's Governance and Relationships Committee, which met three times in 2020. It ensures that our Remuneration Policies (Salary and Benefits) are adhered to, and also that we remain compliant with the recommendations of the NCVO guidelines on senior pay.

The annual pay negotiations with the Trade Union were successfully completed in 2019 for 2020.

5. Senior staff pay

As per the NCVO guidelines the following states the numbers of senior members of staff at each of the relevant pay bands. This is not what they actually earned in 2020 and thus differs from what is set out in Note 8 to the accounts, but reflects their salary band at the end of 2020.

Pay bands	Number of staff members in band during 2020 <i>taking into account their full time equivalent salary (as some individuals are part-time)</i>
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£100,000 to £110,000	1
£90,000 to £99,999	2
£80,000 to £89,999	1
£70,000 to £79,999	2
£60,000 to £69,999	11

Our CEO was paid £114,490 in 2020.

Members of our senior leadership team (excluding the Chief Executive) were paid a total of £378,128 for 2020. (This comprises of Gross salary plus Employer pension contribution).

This figure does not include pension contributions or employer NI contributions, and therefore differs from the SORP report.

6. Future plans

We are three years into our new five-year strategy. In 2021-2022 we will be undertaking a review of how we reward and recognise employees, benchmarking salaries and benefits against other, similar organisations to ensure that our pay provision remains objective, fair and consistent whilst also maintaining transparency.

Independent Auditor's Report

Independent auditor's report to the members of ActionAid

Opinion

We have audited the financial statements of ActionAid (the 'charitable company') for the year ended 31 December 2020 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the charitable company's affairs as at 31 December 2020 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

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

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

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

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

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

Responsibilities of Trustees

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

In preparing the financial statements, the Trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going

concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

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, 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. This description forms part of our auditor's report.

Use of our report

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

Noelia Serrano (Senior statutory auditor)

18 June 2021

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 ending 31 December 2020 incorporating an income and expenditure account.

	Notes	Restricted funds (£'000)	Unrestricted funds (£'000)	2020 Total (£'000)	Restricted funds (£'000)	Unrestricted funds (£'000)	2019 Total (£'000)
Income							
Income from:							
Donations and legacies	2a	15,192	24,059	39,251	15,902	22,706	38,608
Investment income	2c	-	95	95	-	91	91
Income from charitable activities:							
Grants	2b	7,605	-	7,605	7,096	-	7,096
Income from other trading activities	2d	7	3,039	3,046	7	3,303	3,310
Other income	2e	-	316	316	-	-	-
Total Income		22,804	27,509	50,313	23,005	26,100	49,105
Expenditure on:							
Raising funds:							
Raising funds	4	307	11,368	11,675	390	10,900	11,290
Fundraising trading: costs of goods sold and other costs	4	-	11	11	-	9	9
Charitable activities	6	22,531	14,909	37,440	23,444	15,834	39,278
Total Expenditure		22,838	26,288	49,126	23,834	26,743	50,577
Net (expenditure) / income		(34)	1,221	1,187	(829)	(643)	(1,472)
Net (expenditure) / income for the year before other recognised gains and losses		(34)	1,221	1,187	(829)	(643)	(1,472)
Exchange rate (losses) gains		-	78	78	(4)	(157)	(161)
Net movement in funds		(34)	1,299	1,265	(833)	(800)	(1,633)
Total funds brought forward at 1 January		3,021	10,947	13,968	3,854	11,747	15,601
Total funds carried forward at 31 December		2,987	12,246	15,233	3,021	10,947	13,968

The notes on pages 62-84 form part of these financial statements. There are no recognised gains and losses other than those shown above. Movements in funds are disclosed in notes 14 and 15 to the financial statements.

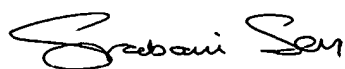
All income and expenditure derives from continuing activities.

Balance sheet


As at 31 December 2020

	Notes	2020 £'000	2019 £'000
Tangible fixed assets	11	349	439
Current assets			
Debtors	12	4,198	3,279
Cash equivalent on deposit		7,000	7,000
Cash at bank		6,087	6,714
		17,285	16,993
Liabilities			
Creditors: amounts falling due within one year	13	2,401	3,464
Net current assets		14,884	13,529
Net assets		15,233	13,968
Funds			
Restricted funds	15		
Income funds		2,987	3,021
Unrestricted funds			
Designated funds	14	2,724	1,294
General funds		9,522	9,653
Total funds		15,233	13,968

Approved by the Trustees and signed on their behalf by



Srabani Sen
(Chair)



David Todd FCA
(Treasurer)

Date 18 June 2021

Registered in England and Wales – company no. 01295174

Statement of cash flows

For the year ended 31st December 2020

	2020 (£'000)	2019 (£'000)
<i>Cash flows from operating activities</i>		
Net cash (used in) operating activities	(800)	(1,384)
Cash flows from investing activities		
Interest received	95	91
Purchase of tangible fixed assets	-	(145)
Net cash (used in) investing activities	(705)	(1,438)
Change in cash and cash equivalents in the year	(705)	(1,438)
Cash and cash equivalents at the beginning of the year	13,714	15,313
Change in cash and cash equivalents due to exchange rate movements	78	(161)
Cash and cash equivalents at the end of the year	13,087	13,714

<i>Reconciliation of (expenditure) / net income to net cash flow from operating activities</i>	2020 (£'000)	2019 (£'000)
Net movement in funds	1,265	(1,633)
Depreciation	90	79
(Increase) in debtors	(919)	(9)
(Decrease) / Increase in creditors	(1,063)	109
Interest receivable	(95)	(91)
Exchange rate movements	(78)	161
Net cash (used in) operating activities	(800)	(1,384)

<i>Analysis of cash and cash equivalents</i>	Jan 2020 (£'000)	Cashflows (£'000)	Other (£'000)	Dec 2020 (£'000)
Cash at bank	6,714	(705)	78	6,087
Cash Equivalent on deposit	7,000	-	-	7,000
Total cash and cash equivalents	13,714	(705)	78	13,087
Loans falling due within one year	(63)	-	-	(63)
Total	(63)	-	-	(63)

Notes forming part of the financial statements

For the year ended 31st December 2020

1. Accounting policies

Statutory information

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

Basis of accounting

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

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

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

Public benefit entity

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

Going concern

The Trustees 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 COVID-19. 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.

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. ActionAid is currently investigating the best way to transfer the country programmes that it legally owns to ActionAid International.

Fund accounting

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

1. Accounting policies (continued)

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

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

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

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

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

Income

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

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

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

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

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

Interest receivable

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

Expenditure

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

1. Accounting policies (continued)

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

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

Charitable activities comprise:

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

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

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

Grants payable

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

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

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.

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

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

Investments in subsidiaries

Investments in subsidiaries are at cost.

1. Accounting policies (continued)

Operating leases

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

Debtors

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

Cash at bank and in hand

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

Cash equivalent on deposit

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

Creditors and provisions

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

Financial instruments

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

Pensions

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

Foreign currencies

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

Taxation and irrecoverable VAT

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

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

Related party disclosures

Related party transactions are detailed in note 18.

2. Income

	Restricted (£'000)	Unrestricted (£'000)	2020 Total (£'000)	Restricted (£'000)	Unrestricted (£'000)	2019 Total (£'000)
2 (a) Donations and legacies						
Committed giving	10,001	17,946	27,947	10,241	18,081	28,322
Appeals & individual donors	4,176	2,407	6,583	3,970	2,341	6,311
Disasters Emergency Committee (DEC) appeals - see below	1,005	-	1,005	1,691	-	1,691
Legacies	10	3,706	3,716	-	2,284	2,284
TOTAL	15,192	24,059	39,251	15,902	22,706	38,608

*Disasters Emergency Committee (DEC)
Appeals income*

Cyclone Idai Appeal	91	-	91	1,368	-	1,368
Indonesia Tsunami Appeal	-	-	-	323	-	323
Coronavirus appeal	914	-	914	-	-	-
TOTAL	1,005	-	1,005	1,691	-	1,691

DEC is the umbrella body for the 14 leading charities in the UK responding to major international disasters. Its aim is to raise money cost effectively in the UK from the general public. The monies raised are distributed to the charities on the basis of an agreed formula reflecting the charities' capacity and expertise.

	Emergency income (£'000)	Non-emergency income (£'000)	2020 Total (£'000)	Emergency income (£'000)	Non-emergency income (£'000)	2019 Total (£'000)
<i>All Emergency/ Non-emergency income by type - 2020</i>						
Income from:						
Donations and legacies	2,707	36,544	39,251	2,511	36,097	38,608
Investment income (note 2c)	-	95	95	-	91	91
Income from charitable activities:						
Grants (note 2b)	1,091	6,514	7,605	1,425	5,671	7,096
Income from other trading activities (note 2d)	-	3,046	3,046	7	3,303	3,310
Other income (note 2e)	-	316	316	-	-	-
	3,798	46,515	50,313	3,943	45,162	49,105

2. Income (continued)

	Restricted (£'000)	Unrestricted (£'000)	Total 2020 (£'000)	Restricted (£'000)	Unrestricted (£'000)	Total 2019 (£'000)
2 (b) Income from charitable activities						
Grants from governments and other public authorities:						
CHARITABLE GRANTS TO AAI & FEDERATION MEMBERS						
UK Government (Note 17)	1,185	-	1,185	1,089	-	1,089
Europe Aid	1,710	-	1,710	464	-	464
Dutch Ministry of Foreign Affairs (Note 17)	2,219	-	2,219	2,245	-	2,245
Comic Relief (Note 17)	-	-	-	508	-	508
Other grants from companies, trusts and NGOs	166	-	166	119	-	119
	5,280	-	5,280	4,425	-	4,425
EMERGENCY & HUMANITARIAN RESPONSE						
ECHO	122	-	122	(24)	-	(24)
Other grants from governments and other public authorities	1,051	-	1,051	1,533	-	1,533
Other grants from companies, trusts and NGOs	840	-	840	-	-	-
	2,013	-	2,013	1,509	-	1,509
CAMPAIGNS & POLICY WORK						
Europe Aid	51	-	51	66	-	66
Other grants from companies, trusts and NGOs	261	-	261	1,096	-	1,096
	312	-	312	1,162	-	1,162
TOTAL Grants from governments and other public authorities	7,605	-	7,605	7,096	-	7,096
2 (c) Investment income						
Interest on deposits	-	95	95	-	91	91
Total investment income	-	95	95	-	91	91
2 (d) Income from other trading activities						
People's Postcode Lottery (note 23)	-	2,593	2,593	-	2,873	2,873
Office rental income	-	233	233	-	376	376
Other	7	213	220	7	54	61
Total income from trading activities	7	3,039	3,046	7	3,303	3,310
2 (e) Other income						
Income from Job Retention Scheme	-	316	316	-	-	-
Total Other income	-	316	316	-	-	-

3. Support costs

	Restricted (£'000)	Unrestricted (£'000)	Total 2020 (£'000)	Restricted (£'000)	Unrestricted (£'000)	Total 2019 (£'000)
<i>Support costs comprise the following items:</i>						
Communications	-	262	262	-	291	291
General management	-	221	221	-	214	214
Finance	(1)	544	543	(2)	543	541
Human resources	-	688	688	-	754	754
Information technology	1	631	632	-	643	643
Office administration	-	329	329	-	313	313
Performance and accountability	-	389	389	-	399	399
Property costs	-	1,019	1,019	-	1,091	1,091
Supporter administration	-	583	583	-	505	505
Indirect Cost Recovery	300	(300)	-	380	(380)	-
	300	4,366	4,666	378	4,373	4,751

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 2020 (£'000)	Restricted (£'000)	Unrestricted (£'000)	Total 2019 (£'000)
Costs of raising funds (note 4)	158	2,303	2,461	191	2,207	2,398
Charitable activities (note 6)	142	2,063	2,205	187	2,166	2,353
	300	4,366	4,666	378	4,373	4,751

Notes forming part of the financial statements for the year ended 31 December 2020

4. Costs of raising funds

	Restricted (£'000)	Unrestricted (£'000)	Total 2020 (£'000)	Restricted (£'000)	Unrestricted (£'000)	Total 2019 (£'000)
Committed giving	-	5,793	5,793	-	5,553	5,553
Other appeals, legacies & individual donors	70	2,335	2,405	10	2,296	2,306
Grants	79	779	858	189	616	805
	149	8,907	9,056	199	8,465	8,664
Support costs allocated (note 3)	158	2,303	2,461	191	2,207	2,398
Governance costs allocated (note 5)	-	158	158	-	228	228
Total costs of raising funds before trading costs	307	11,368	11,675	390	10,900	11,290
Trading	-	11	11	-	9	9
Total costs of raising funds	307	11,379	11,686	390	10,909	11,299

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 2020 (%)	Total 2019 (%)
Committed giving	21%	20%
Other income from donations and legacies	21%	22%
Overall income from donations and legacies	21%	20%

5. Governance costs

	Restricted (£'000)	Unrestricted (£'000)	Total 2020 (£'000)	Restricted (£'000)	Unrestricted (£'000)	Total 2019 (£'000)
External audit fees	-	44	44	-	38	38
Legal & professional fees	-	19	19	-	10	10
Board (including Trustee expenses)	-	1	1	-	17	17
Apportionment of staff time	-	234	234	-	207	207
Internal Audit	-	2	2	-	181	181
Total governance costs	-	300	300	-	453	453

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.

5. Governance costs (continued)

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

	Restricted (£'000)	Unrestricted (£'000)	Total 2020 (£'000)	Restricted (£'000)	Unrestricted (£'000)	Total 2019 (£'000)
Costs of raising funds (note 4)	-	158	158	-	228	228
Charitable activities (note 6)	-	142	142	-	225	225
	-	300	300	-	453	453

6. Charitable activities

	Grants (note 7) (£'000)	Direct costs (£'000)	Staff costs (£'000)	Support cost allocation (£'000)	Governance cost allocation (£'000)	Total 2020 (£'000)
2020						
Charitable grants to AAI & Federation members	26,262	159	1,118	586	38	28,163
Emergency and Humanitarian response	3,782	93	410	231	15	4,531
Campaigns & policy work	245	102	1,077	541	35	2,000
Education work	-	1,093	752	847	54	2,746
Total 2020	30,289	1,447	3,357	2,205	142	37,440

Of the Charitable Activities set out above, £22,530,938 was funded from restricted funds and £14,908,691 from unrestricted funds.

Included within the Grants to AAI & Federation members is an amount of £324,577 that relates to grants in kind to AAI (representing support costs relating to AAI)

	Grants (note 7) (£'000)	Direct costs (£'000)	Staff costs (£'000)	Support cost allocation (£'000)	Governance cost allocation (£'000)	Total 2019 (£'000)
2019						
Charitable grants to AAI and Federation members	27,522	216	955	538	51	29,282
Emergency & humanitarian response	3,894	144	459	277	26	4,800
Campaigns and policy work	160	438	939	633	61	2,231
Education work	-	1,066	907	905	87	2,965
Total 2019	31,576	1,864	3,260	2,353	225	39,278

Of the Charitable Activities set out above, £23,443,642 was funded from restricted funds and £15,834,448 from unrestricted funds.

Included within the Grants to AAI & Federation members is an amount of £339,818 that relates to grants in kind to AAI (representing support costs relating to AAI)

Notes forming part of the financial statements for the year ended 31 December 2020

7. Grants to ActionAid International and ActionAid country programmes

[illegible]

Notes forming part of the financial statements for the year ended 31 December 2020

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

	Total 2020 (£'000)	Total 2019 (£'000)
<i>Restricted funds:</i>		
ActionAid International - projects involving more than one country	1,885	1,684
Remittances to country programmes for EU projects	1,250	1,129
Total restricted funds	21,117	21,641
<i>Unrestricted funds:</i>		
ActionAid International (cash grants)	7,375	7,961
Country Programmes (Other-PPL)	1,152	1,366
Unrestricted charitable grants to ActionAid International	8,527	9,327
ActionAid International (grants in kind representing support costs incurred on behalf of ActionAid International)	325	340
Total unrestricted funds	8,852	9,667
Total grants to ActionAid International and ActionAid country programmes	29,969	31,308
 <i>Grants to partner organisations:</i>		
Alianza Colombia	-	73
Care International	-	80
CAFOD	-	99
GADN	54	70
Oxfam	50	-
IWRW	74	-
LatinDad	56	-
Restricted grants (individually under £100,000)	67	66
Unrestricted grants	19	20
Total grants to partner organisations	320	408
Total grants	30,289	31,716
 Total grants above have been allocated in these financial statements as set out below:		
Costs of raising funds	-	35
Governance costs	-	105
Charitable activities	30,289	31,576
Total grants	30,289	31,716

Notes forming part of the financial statements for the year ended 31 December 2020

8. Particulars of employees

The average number of employees (head count based on number of staff employed) during the year was:	Total 2020	Total 2019
Charitable activities	72	68
Fundraising	81	69
Support staff	58	54
Total	211	191
The average number of full time equivalent staff in the year was	196	182

	Total 2020 £'000	Total 2019 £'000
Total remuneration of employees (full-time and part-time) was:		
Gross wages and salaries	8,407	7,707
Redundancy and termination costs	-	42
Social security costs	861	790
Employer's contributions to defined contribution pension schemes	570	504
Total	9,838	9,043

The number of staff whose emoluments (excluding employer NI and employer pensions contributions) are greater than £60,000 are shown below:

	Total 2020	Total 2019
£60,001 - £70,000	8	10
£70,001 - £80,000	2	2
£80,001 - £90,000	1	1
£90,001-£100,000	1	1
£100,001 - £110,000	2	1
	14	15

The remuneration, being the gross salary and employer's pension contributions, of the Chief Executive, Girish Menon, during 2020 was £114,490 (2019: £112,177), with £8,450 (2019: £8,309) paid into defined contribution schemes on his behalf.

In 2020, the remuneration, being the gross salary and Employer's pension contributions, paid to the Directors of ActionAid, who the Board consider to be key management personnel, fell within the following bands: Director of Fundraising £90,001 - £100,000; Director of Public Engagement £80,001 - £90,000; Director of Policy, Advocacy & Partnerships £100,001 - £110,000; Director of Organisational Effectiveness £100,001 - £110,000. Together with the Chief Executive, the costs of these key management personnel, inclusive of gross salaries, employer's pension contributions and employer's national insurance contributions were £546,973 in 2020 (2019: £532,688) of which £25,814 (2019: £32,901) was paid into defined contribution pension schemes.

Of those employees who earned £60,000 or more during the year (as defined above) employer contributions were made to defined contribution pension schemes in respect of twelve (2019: thirteen) employees. During the year this amounted to £65,890 (2019: £70,351).

Of the expenditure included as Redundancy and termination costs of £NIL (2019: £42k) relates to redundancy costs.

8. Particulars of employees (continued)

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

In 2020, the Chief Executive incurred costs of £483 (2019: £4,848). For more information on the principles and implementation of our remuneration policies, please see the Annual Remuneration Statement for 2020 (pages 53-54).

9. Trustees' remuneration

No remuneration or other payments have been made to the Trustees of ActionAid for their services as board members or for other services provided to the organisation in 2020 or 2019. The most significant element of Trustees' expenses is the cost of visits to country programmes but also includes attendance at board meetings (both ActionAid and ActionAid International). In 2020, one trustee incurred a total of £141 (2019: seven Trustees incurred a total of £7,624) through expenses reimbursed and costs incurred by ActionAid on their behalf.

10. Net (expenditure)/income

	2020 (£'000)	2019 (£'000)
Net (expenditure) / income are stated after the following charges / (credits):		
Depreciation	90	79
Operating lease rentals Payable - property	914	841
Operating lease rentals Receivable - property	(158)	(255)
Auditor's remuneration - statutory audit current year	37	35
Auditor's remuneration - statutory audit prior years	-	(3)
Auditor's remuneration - other services	3	4

Notes forming part of the financial statements for the year ended 31 December 2020

11. Tangible fixed assets

	Leasehold improvements (£'000)	Office equipment (£'000)	Total (£'000)
Cost			
At 1 January 2020	717	716	1,433
Additions	-	-	-
Disposals	-	-	-
At 31 December 2020	717	716	1,433
Depreciation			
At 1 January 2020	(399)	(595)	(994)
Charge for year	(59)	(31)	(90)
Disposals	-	-	-
At 31 December 2020	(458)	(626)	(1,084)
Net book value			
At 31 December 2020	259	90	349
At 31 December 2019	318	121	439

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

12. Debtors

	2020 (£'000)	2019 (£'000)
a) Debtors recoverable in more than one year:		
Debtors that in the normal course of events would be recoverable in more than one year:		
Other debtors*	437	437
Prepayments	15	19
	452	456
b) Debtors recoverable within one year:		
Accrued income	2,808	1,856
Other debtors	91	171
Prepayments	395	379
Tax recoverable	449	402
Amounts due from employees	3	15
	3,746	2,823
Total debtors	4,198	3,279

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

* Other debtors of £437,500 relates to a loan given by ActionAid to ActionAid Thailand in 2018 and 2019 to enable investment in fundraising activities. Per the terms of loan, the amount is repayable when ActionAid Thailand starts generating a net positive result forecast to be in 2022. Any amount still owing on the loan at the end of 2027 will be repaid by ActionAid International on behalf of ActionAid Thailand. ActionAid has committed to provide up to £750,000 in total under this loan arrangement.

13. Creditors

	2020 (£'000)	2019 (£'000)
Amounts falling due within one year:		
Interest-free loans	63	63
Trade creditors	602	504
Accruals	566	785
Other creditors	32	108
Amounts due to ActionAid International	810	1,722
Taxation and social security	266	247
Deferred income	62	35
TOTAL creditors	2,401	3,464

14. Designated funds

<i>i) Designated funds</i>	Balance as at 1 January 2020 (£'000)	New designations (£'000)	Utilised in the year (£'000)	Balance as at 31 December 2020 (£'000)
Designated funds				
Tangible fixed assets fund	439	-	(90)	349
Emergency and Humanitarian fund	500	-	(10)	490
Exchange rate movement fund	355	-	79	434
PPL funds for overseas programmes	-	1,136	-	1,136
Strategic investment pot (SIP)	-	315	-	315
	1,294	1,451	(21)	2,724

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

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

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

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 PPL funds for overseas programmes: These are funds received from 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 UK. Projects must satisfy set criteria and be aligned to the current strategy.

<i>ii) Designated funds - comparative</i>	Balance as at 1 January 2019 (£'000)	New designations (£'000)	Utilised in the year (£'000)	Balance as at 31 December 2019 (£'000)
Designated funds				
Tangible Fixed Assets Fund	373	145	(79)	439
Emergency & Humanitarian Fund	500	-	-	500
Emergency Response Fund	250	84	(334)	-
Exchange rate Movement Fund	512	-	(157)	355
	1,635	229	(570)	1,294

15. Restricted funds

	Balance as at 1 January 2020 (£'000)	Income (£'000)	Transfers (£'000)	Expenditure (£'000)	Balance as at 31 December 2020 (£'000)
Restricted funds – 2020					
Africa	1,321	11,054	-	(11,631)	744
Asia	838	6,508	-	(6,908)	438
Latin America and the Caribbean	5	1,416	-	(1,415)	6
International projects and other funds	857	3,826	-	(2,884)	1,799
Total restricted funds – 2020	3,021	22,804	-	(22,838)	2,987

	Balance as at 1 January 2019 (£'000)	Income (£'000)	Transfers (£'000)	Expenditure (£'000)	Balance as at 31 December 2019 (£'000)
Restricted funds – 2019					
Africa	991	13,353	-	(13,023)	1,321
Asia	1,812	5,761	-	(6,735)	838
Latin America and the Caribbean	11	1,241	-	(1,247)	5
International projects and other funds	1,040	2,650	-	(2,833)	857
Total restricted funds – 2019	3,854	23,005	-	(23,838)	3,021

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

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

	Balance as at 31 December 2020 (£'000)	Balance as at 31 December 2019 (£'000)
EU and ECHO-funded projects	115	(148)
Other projects managed by ActionAid	2,872	3,169
Total restricted funds	2,987	3,021

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 £0.42m (2019: £0.25m). 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

<i>i) Analysis of net assets between funds</i>	Unrestricted			Total 2020 (£'000)
	Restricted (£'000)	Designated (£'000)	General (£'000)	
Fund balances at 31 December 2020 are represented by:				
– Tangible fixed assets	-	349	-	349
– Current assets	3,798	2,375	11,112	17,285
– Current liabilities	(811)	-	(1,590)	(2,401)
	2,987	2,724	9,522	15,233

<i>ii) Analysis of net assets between funds – comparative</i>	Unrestricted			Total 2019 (£'000)
	Restricted (£'000)	Designated (£'000)	General (£'000)	
Fund balances at 31 December 2019 are represented by:				
– Tangible fixed assets	-	439	-	439
– Current assets	4,743	855	11,395	16,993
– Current liabilities	(1,722)	-	(1,742)	(3,464)
	3,021	1,294	9,653	13,968

Notes forming part of the financial statements for the year ended 31 December 2020

17. Grants received

Grants received in 2020 from the FCDO were as follows:	2020 (£'000)	2019 (£'000)
CSSF Commonwealth Equality Project – Zero Violence	150	-
Girls' Education Challenge Sierra Leone (funds received through Plan)	648	630
SPEAK Out Rwanda	9	9
Sabalaa - Support Economic Empowerment for Women & Girls in Kenya	-	8
Aid Match Violence Against Girls in Kenya	362	424
Leave No Girl Behind	16	18
	1,185	1,089

Grants received in 2020 from The Barrowman Foundation were as follows:	2020 (£'000)	2019 (£'000)
Improving access to quality education for children in Ghana	138	-
	138	-

Grants received in 2020 from Comic Relief were as follows:	2020 (£'000)	2019 (£'000)
Empowering communities to collectively abandon FGM/C in Somaliland	-	65
Safe Cities in the DRC	-	141
Fit for the Future - The Programme Cycle Fellowship	-	300
Comic Relief Levelling the Field	-	2
	-	508

Grants received in 2020 from The Dutch Ministry for Foreign Affairs were as follows:	2020 (£'000)	2019 (£'000)
FLOW Women's rights to sustainable livelihoods 2 (POWER)	2,219	2,245
	2,219	2,245

Grants received in 2020 from Guernsey Overseas Aid Commission were as follows:	2020 (£'000)	2019 (£'000)
Strengthening food security, agriculture in Somaliland	-	40
Increasing access to clean water Southern Province	25	-
	25	40

17. Grants received (continued)

Grants received in 2020 from The START Fund were as follows:	2020 (£'000)	2019 (£'000)
Nyiragongo Volcanic Disaster Risk Reduction Project	-	2
Response to Cholera in the DRC - Alert number 296	-	108
Emergency response to communities in Fizi High Plateau Minembwe DRC	-	299
Life-saving support to drought affected people in Baringo county, Kenya	-	100
Flood Disaster in Western Urban Area	-	83
Food assistance to most affected populations of Kalehe DRC	-	102
Flood response in Petit-Goave, Haiti	-	41
Flood response in Kogi, Delta, Borno and Adamawa	-	346
Response to the floods in the Upper East Ghana	-	300
Humanitarian Assistance to vulnerable people affected by armed conflict in Bojayá	-	80
Alert 091 – Somaliland	160	-
Alert 438 – Mozambique	141	-
Alert 423 – DRC	140	-
Alert 453 – Ethiopia	111	-
Alert398 – Emergency assistance for crisis in Salambila	100	-
Alert CV19011 – Myanmar	99	-
SF CV19 103 Mozambique	96	-
Alert 410 – Emergency food and WASH relief Sofala	96	-
Alert 408 – Zimbabwe flood response in Binga	42	-
	985	1,461

Grants received in 2020 from The Alborada Trust were as follows:	2020 (£'000)	2019 (£'000)
Cyclone Idai Phase Two	120	-
DEC Cyclone Idai appeal	-	50
Alborada Trust – accrued income FSC	-	120
Improving water, sanitation, hygiene and the environment for Rohingya refugees in Bangladesh	85	98
	205	268

Notes forming part of the financial statements for the year ended 31 December 2020

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.

	2020 (£'000)	2019 (£'000)
Grants to ActionAid International	20,917	23,225
Grants to ActionAid Federation members	9,052	8,083
	29,969	31,308

See Note 7 for details of grants to ActionAid International.

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

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

As noted in the constitution and governance section of the report of the board of Trustees, ActionAid International is entitled to appoint one trustee to ActionAid's board. This designated trustee is Shantha Sinha, who is a member of the Board of ActionAid India. During 2020, a total of £1,828,676 (2019: £2,076,460) 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.

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

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

19. Subsidiary undertakings

ActionAid has one subsidiary undertaking:

ActionAid Enterprises Limited

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

The total investment in the subsidiary is £1 (2019: £1).

There was no activity undertaken in the subsidiary in 2020 or 2019.

20. Obligations under operating leases

	2020 (£'000)	2019 (£'000)
The charity had non-cancellable commitments at the year end under operating leases for land and buildings expiring as follows:		
Within one year	1,105	1,105
In two to five years	3,878	4,421
After five years	10	499
	4,993	6,025

21. Future income under operating leases

In 2016, the charity sub-let the second floor of its rented premises in Bowling Green Lane, London. This arrangement terminated in December 2019.

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:

	2020 (£'000)	2019 (£'000)
Within one year	217	190
In two to five years	667	787
	884	977

22. Contingent assets and liabilities

ActionAid originally set up most of ActionAid International's Country Programmes and as such may still legally own some of the assets of those entities that have not subsequently become affiliates. Country programmes are now managed by ActionAid International rather than ActionAid. ActionAid is currently investigating the best way to transfer the country programmes that it legally owns to ActionAid International.

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

No situation exists, or is anticipated to occur, whereby ActionAid would exercise its right to terminate the agreements with ActionAid International, however the legal position is stated here to give a full picture of the assets of ActionAid. It is not practical to estimate the value of assets which would revert to ActionAid control and would be included in the accounts. However, the funds held in ActionAid country programmes at the year end but not included in these accounts were £9.41m (2019: £7.96m). The majority of this £9.41m (2019: £7.96m) are restricted funds and we would anticipate that if a country programme were to close down, such funds would be redirected to other countries, with a similar level of restriction as opposed to being sent back to ActionAid in UK. These figures do not include those countries which are Associate or Affiliate members of AAI - although they may hold assets which are legally owned by ActionAid. For accounting purposes the depreciated value of these assets is nil (2019: 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 21 (2019: 15) residual legacies. However, as at 31 December 2020, 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.

Notes forming part of the financial statements for the year ended 31 December 2020

23. People's Postcode Lottery (PPL) Income

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

	2020 (£'000)	2019 (£'000)
Ticket Value	8,104	8,976
Prize Fund	(3,868)	(3,591)
Management Fee	(1,643)	(2,512)
Net proceeds received	2,593	2,873

Cover image: Hilda is working to transform her community as a member of the Sauti ya Wanawake (Voice of Women) women's movement, a local partner of ActionAid Kenya.

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