

REGISTERED NUMBER 05420647

AFGHAN ACTION

(A company limited by guarantee)

TRUSTEES' REPORT AND

FINANCIAL STATEMENTS

FOR THE YEAR TO 30TH APRIL 2022



AFGHAN ACTION

CONTENTS OF THE FINANCIAL STATEMENTS FOR THE YEAR TO 30TH APRIL 2022

	Page
Legal and administrative information	2
Chief Executive's report	3 to 5
Trustees' report	6 to 8
Statement of financial activities	9 to 10
Notes to the Financial Statements	11 to 13

AFGHAN ACTION

LEGAL AND ADMINISTRATIVE INFORMATION FOR THE YEAR TO 30TH APRIL 2022

TRUSTEES: Kaukaba Sayeda Homam (appointed 21.09.2016)
 Samim Ahmad Faizy (appointed 30.05.2018)
 Victoria Buyer-Walton (appointed 30.04.2015 – resigned
 16.04.2019)
 Erol Soyer (appointed 30.04.2015 – resigned 30.05.2018)

SECRETARY: Farida Adjerit Doukha (appointed 08.01.2020)

CHIEF EXECUTIVE : Zainab Homam (appointed 01.05.2014)

REGISTERED OFFICE: 33 Glasshouse Street
 London
 W1B 5DL

COMPANY NUMBER: 05420647

CHARITY NUMBER: 1111897

AFGHAN ACTION

CHIEF EXECUTIVE'S REPORT FOR THE YEAR TO 30TH APRIL 2022



SUMMER 2022. CANDLE VIGIL FOR THE VICTIMS OF ATTACKS ON KABUL SCHOOLS.

AFGHAN ACTION

CHIEF EXECUTIVE'S REPORT FOR THE YEAR TO 30TH APRIL 2022

It's that time of the year again! I am sure many of our charitable partners and supporters are aware of an overwhelming year for Afghanistan and its brave people. It might be worth reminding our stakeholders about Afghan Action's mission statement and its vision.

Mission: To help develop good jobs, sustainable businesses, and fair markets in Afghanistan – with a particular commitment to reach and serve young men and women from poor backgrounds or unfortunate circumstances - in order to address poverty, promote stability, and encourage a lasting peace.

Vision: Local jobs and business enterprises are the vital building blocks of stability. Owning or playing a part in small business gives people a stake in the community, creates employment, fights poverty, and encourages aspiration. Afghan Action's main priority is to work with its partners in developing a network of Training & Business Incubation Centres across Afghanistan. Afghan Action's main role in the UK is to provide its support through fundraising, setting up infrastructure and supporting teaching/training programmes in Afghanistan, monitoring success and reporting back to major sponsors.

As thousands of people were forced to flee Afghanistan, much work was required to be done and in a short amount of time. Working hand-in-hand with the Ministry of Defence on the ground in Kabul, a list for evacuation was drawn in order to ensure people were able to flee the country safely. Given our small size and limited resources, Afghan Action was only able to do so much within the few days we had. During this, almost 16 hours per day were spent in team effort to ensure we could help as many people as possible – providing financial, physical, and even emotional support.

Afghan Action team with the support of a large number of volunteers hosted and or assisted in the following events in welcoming Afghanistan refugees into the UK:

- Provided a video clip for a welcoming campaign in collaboration with London Missionary
- Attended Glasgow Afghan United Welcoming Campaign in Edinburgh
- Assisted with Heartstone, a charity based in Scotland organising an event in memory of the brave people of Kabul called 'Faces of Kabul'
- As part of its mission in addressing poverty, Afghan Action supported a number of orphan children based in Sar-e-Pol who were in dire need of food.
- Afghan Action hosted a candle vigil for the victims deadly attacks in Kabul that took many innocent lives.
- Other events, including campaigns for promoting stability and peace were also part of a highly engaging year for Afghan Action

AFGHAN ACTION

CHIEF EXECUTIVE'S REPORT FOR THE YEAR TO 30TH APRIL 2022

We would like to thank our volunteers, friends, and family members for their generous support in a much difficult and tragic year in Afghanistan and its people. We would also like to thank Amazon Smile, Paypal and CAFOD for their donations.

Looking ahead to the next year, we have some exciting news and much development in the work that we do. We will invite you to our new office space and to get involved!

Zainab Homam – CEO

AFGHAN ACTION

TRUSTEES' REPORT FOR THE YEAR TO 30TH APRIL 2022

The trustees are pleased to present their report together with the financial statements of the charity for the year ending 30th April 2022.

Directors and trustees

The directors of the charitable company (the charity) are its trustees for the purpose of charity law and throughout this report are collectively referred to as the trustees. The trustees serving during the year and since the year end were as follows:

Zainab Homam (appointed 01.05.2014)

Kaye Homam (appointed 21.09.2016)

Samim Ahmad Faizy (appointed 30.05.2018)

Structure, Governance and Management

Governing Document

Afghan Action is a company limited by guarantee governed by its Memorandum and Articles of Association dated 8th April 2005. It is registered as a charity with the Charity Commission.

Appointment of trustees

As set out in the Articles of Association the chair of the trustees is nominated by the other trustees. One third of Trustees shall retire from office, but shall be eligible for re-election. All members are invited to nominate trustees prior to the AGM.

Organisation

The board of trustees, which must have a minimum of three members with no maximum, administers the charity. The board meets quarterly. A Chief Executive is appointed by the trustees to manage the day to day operations of the charity. To facilitate effective operations, the Chief Executive has delegated authority, within terms of delegation approved by the trustees, for operational matters.

AFGHAN ACTION

TRUSTEES' REPORT FOR THE YEAR TO 30TH APRIL 2022

Objectives and activities

The objects of the charity are:

- to advance the education and training of the public, in particular amongst persons resident within Afghanistan, by the provision of educational and vocational training facilities to improve their condition of life: and
- to relieve poverty and sickness by the provision of humanitarian assistance to persons who are sick or in need and by enabling such persons to learn skills and be trained to support their own needs.

In setting out our revised programme this year, we have regard to both the Charity Commissioner's general guidance on public benefit and the relief of poverty for the public benefit. The trustees always ensure that the programmes we undertake are in line with our charitable objectives and aims. Our ambition is to create self sustaining operations and opportunities in the areas where we work.

Achievements and performance

The review of the activities of the charity is included in the Chief Executive's report.

Financial Review

The consolidated results show, for the year ended April 2022, that resources expended did exceed incoming resources by £1,233.28. In the prior year 2020/21, resources expended did exceed incoming resources by £428.51.

Investment powers and policy

Under the Memorandum and Articles of Association, the charity has the power to invest in any suitable way that the trustees consider appropriate.

Risk management

The trustees have a risk management strategy which comprises:

- An annual review of the risks the charity and its subsidiary may face.
- The establishment of systems and procedures to mitigate those risks identified and the implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.

This work has identified that financial sustainability is the major financial risk for both the charity and its subsidiary.

Reserves policy

The trustees' objective is to build a level of reserves to make the charity self sufficient.

AFGHAN ACTION

TRUSTEES' REPORT FOR THE YEAR TO 30TH APRIL 2022

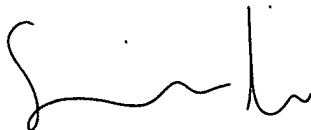
Plans for future periods

The Trustees have agreed to give urgent consideration to the future viability of Afghan Action.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

- Select suitable accounting policies and apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards and statements of recommended practice have been followed subject to any departures disclosed and explained in the financial statements;
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in business.

This report was approved by the Trustees' on the 20/01/2022 and signed on its behalf by:



Samim Ahmad Faizy

AFGHAN ACTION

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR TO 30TH APRIL 2022

	Notes	Unrestricted Funds £	Restricted Funds £	2022 Total £	2021 Total £
INCOMING RESOURCES					
Incoming resources from generated funds:					
Voluntary income:					
Grants & Donations	6	382	0	442	375
Other income		60	0	0	967
Total incoming resources		442	0	442	1,342
RESOURCES EXPENDED					
Cost of generating funds:					
Charitable activities					
Afghan welfare & training	7	363	-	363	286
UK fundraising & admin	7	870	-	870	1,484
Total resources expended		1,233	-	1,233	1,770
Net incoming / (outgoing) resources		(791)	-	(791)	(428)
Gross transfers between funds	9	-	-	-	-
Net movement of funds in year		(791)	-	(791)	(428)
Reconciliation of funds					
Total funds brought forward		4,784	-	4,784	5,212
Total funds carried forward		3,993	-	3,993	4,784

The notes form part of the financial statements.

AFGHAN ACTION

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR TO 30TH APRIL 2022

Trustees' statements required by Section 475(2) of the Companies Act 2006 for the year ended 30th April 2022.

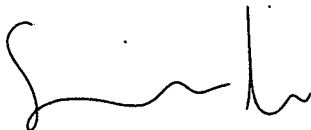
The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 30th April 2021. The members have not required the company to obtain an audit of its financial statements for the period ended 30th April 2021 in accordance with section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Section 386 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit and loss for each financial year in accordance with the requirements of Section 396 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The financial statements were approved by the Board on the 20/01/2022 and signed on its behalf by:

“The company has opted not to include a copy of the profit and loss account”



Samim Ahmad Faizy

The notes form part of the financial statements

AFGHAN ACTION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR TO 30TH APRIL 2022

1. ACCOUNTING POLICIES

a) Basis of preparation

The financial statements have been prepared under the historic cost convention. The financial statements have been prepared in accordance with the Statement of Recommended Practice - Accounting and Reporting by Charities (SORP 2005) issued in March 2005, applicable UK Accounting Standards and the Companies Act 2006. The principal accounting policies adopted in the preparation of the financial statements are set out below.

b) Group financial statements

These financial statements consolidate the results of the charity and its wholly owned subsidiary Afghan Trading Ltd on a line by line basis. A separate statement of financial activities and income and expenditure account are not presented for the charity itself following the exemptions afforded by section 408 of the Companies Act 2006 and paragraph 397 of the SORP.

c) Incoming resources

Voluntary income including donations, gifts and grants that provide core funding or are of general nature are recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

Income from commercial trading activities is recognised as earned (as the related goods and services are provided).

Income from charitable activities includes income received under contract or where entitlement to grant funding is subject to specific performance conditions is recognised as earned (as the related goods or services are provided). Grant income included in this category provides funding to support activities and is recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability. Income is deferred when grants are received in advance of the event or activity to which they relate.

d) Volunteers and donated services and facilities

The value of services provided by volunteers is not incorporated into these financial statements. Further details of the contribution made by volunteers can be found in the Chief Executive's report.

The notes form part of the financial statements.

AFGHAN ACTION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR TO 30TH APRIL 2022

Where services are provided to the charity as a donation that would normally be purchased from our suppliers, this contribution is included in the financial statements at an estimate based on the value of the contribution to the charity.

e) Resources expended

Expenditure is recognised when a liability is incurred. Contractual arrangements and related grants are recognised as goods or services supplied. Other grant payments are recognised when a constructive obligation arises, resulting in the payment being unavoidable.

- Costs of generating funds are those costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.
- Charitable activities include expenditure associated with the training of weavers/tailors and educational programmes and include both the direct costs and support costs relating to these activities.
- Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.
- Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources by the time spent.

f) Irrecoverable VAT

All resources expended are classified under activity headings that aggregate all costs related to the category. Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

g) Tangible fixed assets

Tangible fixed assets are depreciated on a straight line basis over their estimated useful lives as follows:

- Factory assets – over two years
- Computer and other equipment – over two years

h) Stock.

Stock is included at the lower of cost or net realisable value.

The notes form part of the financial statements.

AFGHAN ACTION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR TO 30TH APRIL 2022

6 Voluntary income

The income was primarily grants and donations from corporate & charitable trusts, individual donations and sponsorships.

	2022 £	2021 £
Donations	442	375
Sponsorships	-	-
Linda Norgrove Foundation	-	-
Clothworkers	-	-
Total	442	375

7 Analysis of charitable expenditure

The charity undertakes direct charitable activities only and does not make grant payments. The three main charitable activities are:

Conferences:

Afghan Action was highly engaged as an INGO in representing youth and women in the conferences and events in the run up to conferences and or other events for which the charity was responsible for majority of its costs. In many cases Kaye Homam has generously funded our flights and accommodation which Afghan Action could not have afforded otherwise.

Collaboration:

The team has met or hosted meetings with other charities in discussing joint work and or projects. As aforementioned, once again it was only possible with the cost of venue and food paid by Kaye Homam that we managed hosting such an event. Afghan Action covered the remaining costs.

Networking:

Afghan Action has continued networking with both the British and Afghan communities through events hosted by the embassy and or its counterparts.

PR and Marketing:

Afghan Action used other online platforms in keeping itself visible, this includes membership fees and other cost associated with it.

The notes form part of the financial statements.