

**ACTION AID INTERNATIONAL
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

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**ACTION AID
INTERNATIONAL**

GENERAL INFORMATION

COUNTRY OF INCORPORATION AND DOMICILE	ActionAid International is incorporated in The Hague, the Netherlands.
REGISTERED OFFICE	27 Bath Street, Heritage Building, Rosebank, 2196 Johannesburg South Africa
COMPANY REGISTRATION NUMBER	27264198
LEVEL OF ASSURANCE	The financial statements have been audited in compliance with the applicable requirements of the International Financial Reporting Standards
KEY MANAGEMENT	
Ana Alcalde	Director, Programme, Fundraising and Communications.
Arthur Larok	Secretary General
Bridget Marango	Director, People, Finance & Operations
AUDITORS	Crowe U.K. LLP 55 Ludgate Hill London EC4M 7JW, UK

Management report accompanying the financial statements for the period ended 31 December 2024.

These accounts bring together the activities and financial position of ActionAid International's Global Secretariat and Country Programmes.

Purpose of ActionAid International

Through internationalization and conversion of ActionAid International from a foundation into an association ActionAid International is committed to:

- (i) Improve ActionAid International's performance and impact in the fight against poverty and injustice;
- (ii) Deepen ActionAid International's legitimacy and accountability to the people, communities and countries where ActionAid International works both in the north and the south;
- (iii) Strengthen ActionAid International's profile, voice and influence for bringing about changes in attitudes, policies and practices in favour of poor and excluded people;
- (iv) Raise more funds and support for ActionAid International's work from donors, the general public, identified groups and communities as well as from governments and private organizations
- (v) Develop and strengthen ActionAid International is affiliates and associates as well as partners, coalitions, alliances and networks for effective solidarity linkages and collective action.
- (vi) Strengthen ActionAid International's identity, coherence, and unity, while respecting diversity, through shared values, vision, mission, strategies, standards and systems.
- (vii) Develop and maximise the utilisation of skills, knowledge and capacity of ActionAid International's internal human resources and relationships across various parts of the organisation for increased synergy and reduced wasteful duplication.

Objects of the Association

- To eradicate poverty and injustice throughout the world.
- To educate and engage the public concerning the causes, effects and means of eradication of such poverty and injustice.
- To strengthen the capacity and action of poor and excluded peoples' organizations and movements to assert their rights and overcome causes and symptoms of poverty and injustice.

Values

- Mutual respect, requiring them to recognise the innate worth of all people and the value of diversity;
- Equity and justice, requiring them to work to ensure equal opportunity for everyone, irrespective of race, age, gender, sexual orientation, HIV status, colour, class, ethnicity, disability, location or religion; The Constitution of ActionAid International as amended in 2010.
- Honesty and transparency, being accountable at all levels for the effectiveness of their actions and open in their judgements and communications with others;
- Solidarity with the poor, powerless and excluded shall be the only bias in their commitment to the fight against poverty;
- Courage of conviction, requiring them to be creative and radical, bold and innovative – without fear of failure – in pursuit of making the greatest possible impact on the causes of poverty;
- Independence from any religious or party-political affiliation;
- Humility in their presentation and behavior, recognising that they are part of a wider alliance against poverty.

Incorporation and registration

The Association was incorporated under Dutch law as a foundation, the foundation was converted into an association by a deed executed in Amsterdam, on the second day of June two thousand and nine. The registered seat of the Association is The Hague, The Netherlands. The Country Programmes are branches of Action Aid International” AAI” and their results are consolidated alongside the results of Global Secretariat in these Financial Statements.

Board members

The following individuals served on the Board of ActionAid International during the period:

Name	Appointed
Hellen Grace Akwii- Wangusa	November 2021
Gino Govender	November 2021
Poonam Muttreja	November 2021
Mac Imoni Amarere	June 2022, Re-elected in June 2025
Juana Bengoa	June 2022, Re-elected in June 2025
Sophia Mbeyela	June 2022, Re-elected in June 2025
Abdallah Mashausi	June 2022, Tenure extended in June 2025
Manzoor Hasan	June 2023
Allyne Andrade E Silva	June 2023
Jose Paprado	June 2024
Muhammed Lamin Saidykhan	June 2025

Julia Tivane Holm retired in June 2025 and Priscilla Mpundu and Steen Folk retired in 2024.

Strategy 2028

Our finance and funding strategy is an integral part of Strategy 2028 and is therefore led by our identity, theory of change and programme framework. The following key issues continue to be strategic priorities for the 2028 finance and funding strategy.

- A clearer identity and programme framework for stronger positioning for fundraisers
- A growth strategy that is focused on maximizing return on investment
- A meaningful culture of adaptation and innovation particularly in the use of technology and the Global Financial System; and an overhaul of our resource allocation framework.

The Strategy 2028 is intended to be resourced through federation-wide agreed principles and collective commitment to resource sharing. The following principles guide the resource allocation within the Federation:

- Compliance by all members and countries with a revised resource allocation framework.
- Dual citizenship, which recognizes the rights of a member to allocate resources for which it is legally responsible, while upholding a federation-wide perspective on resource sharing, taking into consideration that all funds are collectively raised; and
- An increased commitment to securing resources for investment across the federation to achieve the changes envisaged.

The work around revision of the Resource allocation framework which commenced in 2023 was finalized and the revised policy, Fundraising and Allocation of Inter-National Resources (FAIR) was approved by the General Assembly in October 2024.

This Fundraising and Allocation of Inter-national Resources (FAIR) document is ActionAid's framework for income growth and redistribution. It replaces the Resource Allocation Framework (RAF) approved by the General Assembly in 2015.

The FAIR has a wider scope anchored around three areas: the first is about strategies to grow ActionAid's income focusing on both Unrestricted (UR) and Restricted funding strategies; the second is redistribution and allocation of the Federation's funding covering International Contributions (IC), Child Sponsorship (CS) and Pooled Funding; the third area concerns decision making mechanisms over Federation resources, reporting and accountability.

The development of FAIR coincided with that of ActionAid's third and final Strategy Implementation Framework. According to SIF3, ActionAid needs to be bold and creative to remain relevant in the coming 4 years. We must deepen our connections with progressive movements committed to challenging authoritarianism and injustice, no longer tinkering or patching up, but seeking deeper system change. This means aligning our systems and functions everywhere so that we can be a better partner to those who are courageous in fighting for social justice.

Outlook for 2024 and beyond

ActionAid continues to operate in a challenging global political and economic environment where raising flexible resources has never been more difficult. Our major markets have been experiencing high inflation and high interest rates therefore reducing disposable income.

Our strategy is to put mechanisms in place to maintain the current base of Child sponsorship. In addition, we continue to diversify our income streams by increasing the number of income-generating countries within our Federation, by investing in emerging fundraising markets. We continue to promote innovation

and digital transformation throughout the organization and remain agile to respond to trends in each of our markets and globally.

The Long-Term Finance and Funding Strategy (LTFFS) approved by the General Assembly (GA) in 2020, recognized the need to take urgent action to mitigate and slow down the impacts of the decline in resources. The LTFFS goes further to elaborate on how ActionAid can mitigate the declining income and achieve income growth through:

- a) Adapting to our means - Strategies under this pillar were designed to achieve cost efficiencies through the geographic footprint review, country models review and re-organizing the Global Secretariat (GS). All of them have been implemented.
- b) Redistributing scarce resources - This pillar would prioritize the resources allocation review and the modernization and rationalization of the child sponsorship program. This forms part of this FAIR framework.
- c) Investing in the Future - this pillar acknowledges the need to grow our resources and requires firm commitment by members to establish a joint investment strategy for income growth.

The imperative to grow income despite a difficult funding terrain is, therefore, an enduring commitment by ActionAid's leadership at the management and governance level.

The Global Secretariat also embarked on a reorganization exercise to reorganize teams and review Job Descriptions to ensure alignment with the Strategic Implementation Plan (SIF 3) that was approved in October 2024. The process was concluded, and the new structure was adopted in January 2025.

Reserves

ActionAid International maintains financial reserves to ensure continuity of operations during periods of income fluctuation.

We divide our funds into:

- Restricted reserves: funds which are earmarked for specific purposes, e.g., an appeal to assist victims of disasters, but have not yet been spent.
- Unrestricted reserves: general funds which can be used for any expenditure. Some of these funds are invested in largely short-term instruments with banks and other institutions, with some held in longer term investments. Our policy is to hold between two and four months of reserves based on planned operating expenditure in the following year.
- Unrestricted reserves as at close of 2024 stand at £6.595 million including £4.043 million discretionary funds balance.

Internal control

The ActionAid International Board, accountable to the ActionAid International Assembly, has overall responsibility for the internal control systems in the Global Secretariat and Country Programmes, and through internal audit function, monitors the control environments of ActionAid International's component parts. The system provides reasonable but not absolute assurance that ActionAid International operates efficiently and effectively, safeguards its assets, maintains proper records, and complies with relevant laws and regulations. The members of the ActionAid International Board oversee a comprehensive accountability system. This includes three-year rolling plans, approved annually.

The ActionAid International Board compares actual results with plans and forecasts and non-financial performance data. Other controls include delegation of authority and segregation of duties. The ActionAid International internal audit function regularly reviews internal controls across ActionAid International and submits reports to the Risk and Internal Audit Committee. The ActionAid International Board has accepted responsibility for the preparation of these financial statements for the year ended 31 December 2024, which

are intended to give a true and fair view of the state-of-affairs of ActionAid International at that date and of its Net deficit of £1.850 million for the period under review.

In preparing these aggregated statutory financial statements, members of the Board have:

- Made judgements and estimates that are reasonable and prudent.
- Stated whether appropriate accounting standards have been followed subject to any material departures being disclosed and explained in the financial statements.
- Prepared the financial statements on the going concern basis as they believe that ActionAid International will continue to operate for the foreseeable future.

Members of the Board are responsible for ensuring that adequate accounting records are kept for ActionAid International and Country Programmes, so that they can disclose, with reasonable accuracy, the financial position of ActionAid International and to enable them to ensure that the financial statements comply with International Financial Reporting Standards and ActionAid International's accounting policies. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of ActionAid International and to prevent and detect fraud and other irregularities. They are responsible for maintaining the integrity of the financial and other information on the organization's website.

STATEMENT OF BOARD'S RESPONSIBILITY

The Board is responsible for the preparation and fair presentation of AAI's annual consolidated financial statements in accordance with the International Financial Reporting Standards (IFRS).

The Boards' responsibility includes designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of these financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

The Boards' responsibility also includes maintaining adequate accounting records and an effective system of risk management which focuses on identifying, assessing, managing, and monitoring all known forms of risk across the AAI.

While operating risk cannot be fully eliminated, AAI endeavors to minimize it by ensuring that appropriate infrastructure, controls, systems, and ethical behavior are applied and managed within predetermined procedures and constraints.

Going Concern

The going-concern basis has been adopted in preparing the financial statements.

The Board identified, assessed, and responded to some of the risks to going concern by embarking on a review of how resources are raised and shared within the federation and reorganizing the GS. These processes are part of the financial strategy element on "adapting to our means", where the entity aims to reduce the cost of operations and ensure that AAI remains impactful and relevant in the context of declining resources.

Considering financial challenges faced by many members in raising international contributions, the new FAIR policy makes provision for Members and CPs to contribute according to capability and balance the need to make international contribution with their own financial stability needs. FAIR makes provision that collectively raised unrestricted resources should be utilized towards federal and central costs and alleviate pressure on members and countries in the global south, which will allow them leeway to build their reserves and strengthen their operations. This therefore means that the GS' budget (agreed with GLT), which is expected to be between £8.5m and £9.5m annually between 2025 and 2028, will need to be secured from the total pooled flexible funds. This protects the GS from the direct impact of reductions and increases in contributions by members and country programmes.

The financial security and stability of the GS will ensure that it delivers on collective projects that add value to the Federation - growth in federation incomes, country support, global programs, and campaigns. The Global Leadership Team (GLT) will make the final decision on the use of these funds including setting a 4-year budget for the Global Secretariat as part of the annual budgeting process.

The Global Secretariat reorganization process was finalized the new organization structure implemented from January 2025.

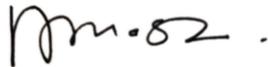
The board remains confident the future pooled resources will be able to sustain AAI as a going concern.

As a result of these processes and based on forecasts, available cash resources and commitments from major funding countries, the Board has no reason to believe that the AAI will not be a going concern in the foreseeable future. The consolidated financial statements support the viability of the AAI. There are no material uncertainties that the Board is aware of which could cast doubt over the going concern assumption.

Approval by the Board

The aggregated statutory Financial Statements have been audited by the independent auditing firm Crowe UK LLP, who have been given unrestricted access to all financial records and related data, including minutes of all meetings of the Board, and committees of the Board. The Board believe that all representations made to the independent auditor during the audit were valid and appropriate. The annual report and consolidated Financial Statements were approved by the Board on 9th December 2025 and were signed on their behalf by:

Abdallah Mashausi



Treasurer of the International Board

Date 5th January 2026

Hellen Grace Akwii- Wangusa



Chairperson of the International Board

Date 5th January 2026

Independent Auditor's Report to the Board members of ActionAid International

Opinion

We have audited the consolidated financial statements of the ActionAid International (consisting of the Global Secretariat and the Country Programmes) for the year ended 31 December 2024 which comprise the Consolidated Statement of Income and Expenditure, the Consolidated Statement of Financial Position, the Consolidated Statement of Changes in Funds, the Consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in the preparation of the financial statements is International Financial Reporting Standards (IFRSs) as adopted by the European Union.

In our opinion:

- the financial statements give a true and fair view of the state of ActionAid International's affairs as at 31 December 2024 and of ActionAid International's incoming resources and application of resources, including its income and expenditure for the year then ended; and
- the consolidated financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union.

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 group 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.

Other Matters

The corresponding figures presented with these financial statements have not been audited. Our opinion is not modified in respect of this matter.

Conclusions relating to going concern.

In auditing the financial statements, we have concluded that the board member's 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 International'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 Board members with respect to going concern are described in the relevant sections of this report.

Other information

The Board members are responsible for the other information. The other information comprises the information included in the Management Report and the Statement of Responsibility and Approval by the Board. The financial statements and our auditor's report thereon do not form part of the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we

identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of the Board members

As explained more fully in the Statement of Responsibility and Approval by the Board, set out on page 8, the board members 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 board members 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 board members are responsible for assessing ActionAid International'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 board members either intend to liquidate the entity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the entity operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The financial reporting framework used by ActionAid International is the International Financial Reporting Standards (IFRS) under which these accounts are prepared. We assessed the required compliance under IFRS as part of our audit procedures on the financial statements.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to ActionAid International's ability to operate or to avoid a material penalty. We considered compliance with local legislation for the entity's operating segments. We also considered the opportunities and incentives that may exist within ActionAid International for fraud.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Board member's and other management and inspection of regulatory and legal correspondence, if any.

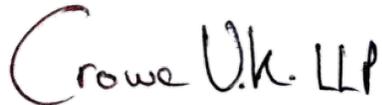
We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, Internal audit, and the

Finance, Fundraising and External Audit Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

This report is made solely to the board members, as a body. Our audit work has been undertaken so that we might state to ActionAid Internationals' board 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 ActionAid International and its board members as a body, for our audit work, for this report, or for the opinions we have formed.

A handwritten signature in black ink that reads "Crowe U.K. LLP". The signature is written in a cursive, slightly slanted style.

Crowe U.K. LLP
Statutory Auditor
London, United Kingdom

Date: 6 January 2026

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES AS AT 31 DECEMBER 2024

	Note	Restricted £'000	Unrestricted £'000	2024 £'000	Restricted £'000	Unrestricted £'000	2023 £'000
INCOME							
Individual giving	2a	8 724	6 499	15 223	11 538	6 856	18 394
Philanthropy & Partnerships	2b	7 619	-	7 619	7 672	-	7 672
Institutional	2c	26 060	-	26 060	29 636	-	29 636
International Contributions	2d	-	7 064	7 064	-	7 136	7 136
Other income	2e	308	547	855	-	659	659
Total income		42 711	14 110	56 821	48 846	14 651	63 497
EXPENDITURE							
Fundraising	3	1 026	1 290	2 316	550	1 548	2 098
Programme	4	40 674	14 930	55 604	48 633	14 704	63 337
Governance	5	180	638	818	166	731	897
Total expenditure		41 880	16 858	58 738	49 349	16 983	66 332
Net operating surplus/(deficit)		831	(2 748)	(1 917)	(503)	(2 332)	(2,835)
Realized foreign exchange losses and other Movements		(775)	842	67	(2 647)	1 622	(1,025)
Net Surplus (deficit) after comprehensive Income		56	(1 906)	(1 850)	(3 150)	(710)	(3 860)
Opening Balance Funds		21 069	8 501	29 570	24 219	9 211	33 430
Closing Balance Funds		21 125	6 595	27 720	21 069	8 501	29 570

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2024

	<i>Note</i>	2024 £'000	2023 £'000
Assets			
Non-current Assets			
Property, plant and equipment	9	645	720
Intangible Assets	10	-	286
Investments	11	5 495	5 591
Total Non-current Assets		6 140	6 597
Current Assets			
Receivables	12	12 262	10 182
<i>Cash and cash equivalents</i>			
Short-term bank deposits		-	5 433
Cash at bank		32 871	28 520
Total Current Assets		45 133	44 135
Current Liabilities			
Payables	13	(23 553)	(21 162)
Net current assets		21 580	22 973
Total Net Assets		27 720	29 570
Funds			
<i>14,15</i>			
Restricted funds			
Liquid funds and treasury reserves		20 507	20 383
Property, plant and equipment reserve		618	686
		21 125	21 069
Unrestricted funds			
Liquid funds and treasury reserves		2 525	3 880
Discretionary Funds		4 043	4 301
Property, plant and equipment reserve		27	320
		6 595	8 501
Total Funds		27 720	29 570

CONSOLIDATED STATEMENT OF CHANGES IN FUNDS

2024	Restricted £'000	Unrestricted £'000	Total £'000
Total funds brought forward at 1 January	21 069	8 501	29 570
Net deficit	831	(2 748)	(1 917)
Balances as at 31 December	<u>21 900</u>	<u>5 753</u>	<u>27 653</u>
Other Comprehensive Income/ (Deficit)	(775)	842	67
Total Funds as at 31 December	<u>21 125</u>	<u>6 595</u>	<u>27 720</u>

2023	Restricted £'000	Unrestricted £'000	Total £'000
Total funds brought forward at 1 January	24 219	9 211	33 430
Net deficit	(503)	(2 332)	(2 835)
Balances as at 31 December	<u>23 716</u>	<u>6 879</u>	<u>30 595</u>
Other Comprehensive Income/ (Deficit)	(2 647)	1 622	(1 025)
Total Funds as at 31 December	<u>21 069</u>	<u>8 501</u>	<u>29 570</u>

CONSOLIDATED STATEMENT OF CASHFLOWS

	2024	2023
	£'000	£'000
Cash flow from operating activities		
Net surplus/loss) before transfers and investment losses	(1 850)	(3 860)
Gain/Loss on fair value adjustment	13	17
Profit on disposal of property, plant and equipment	(271)	426
Depreciation net of exchange difference	707	1 347
Increase in receivables	(2 080)	(927)
Increase in payables	2 391	1 730
Net cash inflow /(outflow) from operating activities	(1 090)	(1 267)
 Cash from investing activities		
Investment income		226
Purchase of property, plant and equipment	(77)	(505)
Purchase of investments	(1 186)	(4 139)
Proceeds from sale of property, plant & equipment	1 271	(793)
Proceeds from the sale of investments	-	3 893
Net cash outflow from investing activities	8	(1 318)
 Net increase/(decrease) in cash and cash equivalents	(1 082)	(2 585)
 Cash and cash equivalents at 1 January	33 953	36 538
Net increase / (decrease) in cash and cash equivalents	(1 082)	(2 585)
Cash and cash equivalents at 31 December	32 871	33 953

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2024

1. Accounting Policies

1. Basis of preparation:

The Action Aid International “AAI” annual financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS). Certain additional disclosures including the analysis of income expenditure and closing reserves by fund category and the separation of liquid reserves and funds invested in property plant and equipment have been made in line with internationally accepted accounting practices for not-for-profit organisations.

The AAI annual financial statements have been prepared in terms of the historical cost convention. The presentation currency is Great British Pounds. The country uses the GBP to report on their activities and the functional currency for AAI is GBP. All amounts have been rounded to the nearest thousand, unless otherwise indicated.

1.1 Going -Concern

The going-concern basis has been adopted in preparing the financial statements.

The Board has identified, assessed, and responded to some of the risks to going concern by embarking on a redesign process for the Global Secretariat and a country model review process for the Country Programmes. These processes are part of the financial strategy element on “adapting to our means”, where the entity aims to reduce the cost of operations and ensure that AAI remains impactful and relevant in the context of declining resources. Key to the Global secretariats’ redesign process was the security of income, to ensure that the emerging plan can be sustainable over the remaining period of the current strategic period to 2028. A financial framework was developed where our main funders committed to support the secretariat for the period 2022-2028

2. Summary of Significant accounting policies:

The principal accounting policies applied in the preparation of these AAI annual financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. Amendments to International Financial Reporting Standards which are not yet effective and have not been early adopted by Action Aid International are the following:

IAS 1 Classification of Liabilities as Current or Non-current Amendments: Effective: 1 January 2023

Amendments to IAS 21 - Lack of Exchangeability. Effective for periods on or after January 2025

IFRS 18 - Presentation and Disclosures in Financial Statements. Effective for periods on or after 1 January 2027

2.1 Controlled Entities

Country Programmes (CPs) are controlled entities even though there are non-profit entities registered in terms of legislation in the countries that they operate and regulated by its own board.

AAI has a board that is responsible for managing Country Programmes through the Federation development cluster. Country Programmes report directly to the Head of Regions within the GS. The Board of the AAI assessed whether or not the AAI has control over the Country Programmes, based on whether the AAI has the practical ability to direct the relevant activities of Country Programmes. In making this decision, the Board considered Article 30 (i) of the Federation constitution which states that the Secretariat is responsible for managing work in a territory where there is no member”. The Country Programmes have been established in territories where there is no membership. After the assessment, the Board of the AAI concluded they have control over the Country Programmes due to the following reasons:

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2024

Power to govern

- a) Through the application of policies (including financial) which are created by the Secretariat and apply to all CPs
- b) Through representing the CPs at the AGM
- c) Through the direct approval of the appointment of Country Directors and through the direct decision to terminate the contracts of Country Directors, along with objective setting and performance reviews of those Country Directors
- d) Through the formal approval by the Board of country operational and financial plans during the December Board meeting

Exposure, or rights, to variable returns

- e) Although variable returns are not entirely relevant for a charity where all funds are directed towards the mission, and excesses are not generally expected, if a CP closes, its net funds are returned to the Secretariat, or its net liabilities are met through the Secretariat's own unrestricted reserves

Ability to use power to affect returns.

- f) As described above, the linkage between power and returns can be best seen at the closure of a CP. However, at a more day to day level in the life of a CP the structure above does also give the Secretariat the ability to direct the use of the true unrestricted reserves in the CP. If the Board or Secretariat wished to reapply genuinely unrestricted reserves (if they existed in the CP), for example to redirect them to another CP or for investment in systems elsewhere, then it would have that right under the constitution and mechanism as set out above.

First application of IFRS10 has resulted in the first-time consolidation of the Country Programmes. As this is the first financial statements of the AAI, there are no adjustments as required by IAS8 - Accounting Policies, Changes in Accounting Estimates and Errors."

2.2 Fund accounting

All funds raised by ActionAid International are used in the furtherance of its objects, including the net profits from trading activities. Restricted funds are a significant proportion of the funds and 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.

The remainder of the funds raised, including any element of a restricted donation agreed by the donor to be available for use on administrative or other matters, is unrestricted and may be used for any of ActionAid International's general purposes. Designated funds comprise unrestricted funds that have been set aside by the Board members for specific future periods. ActionAid International also identifies separately those funds invested in property, plant and equipment, representing the book value of the property, plant and equipment that have been purchased for use by ActionAid International out of restricted and unrestricted funds. Presentation of these funds separately enables ActionAid International to better assess the liquid resources available to support future expenditure.

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2024

2.3 Accounting for income:

Income is shown gross, before any deduction of associated costs.

Income is accounted for when receivable. It is deemed to be receivable either when actually received, when there is a contract for its receipt and the relevant entity considers that any outstanding conditions under the contract have been met, or when the entity has become entitled to a future payment and its amount can be ascertained with reasonable probability. Funds received in one accounting period that are specifically restricted to work to be carried out in subsequent accounting periods are not accounted for as income but are treated as deferred income.

Donations in kind are credited to income at an estimate of the gross value of the gift, which will usually be a market price valuation.

Interest earned from the temporary investment of funds restricted to emergency work is credited to emergency funds. Interest and investment income earned on committed giving monies held in reserve are credited to unrestricted funds.

2.4 Expenditure

Expenditure is accounted for on an accruals basis and all costs include irrecoverable taxes.

Fundraising

The costs of generating funds represent expenditure incurred on raising funds from committed giving supporters, other members of the public, companies, trusts, official bodies and other donors. They include the costs of maintaining child sponsorship and other supporter links and of reporting to supporters and other donors on the projects to which they contribute. They also include investment management costs.

Programme activities

The long-term development and emergency relief and rehabilitation work in country programmes, and the policy influencing, and campaigning work carried out there and internationally are managed either by ActionAid International staff in the country concerned or in collaboration with independent organisations, usually locally registered, which are partly or wholly funded by ActionAid International. Grants made to such other organizations are separately identified in the notes.

Governance

The costs included in this category include the costs of board meetings and other governance processes for each entity, and the costs of legal, internal and external audit.

Fundraising, programme and governance costs are recognized in the statement of comprehensive income inclusive of their share of support costs. Support costs represent expenditure incurred on management and the provision of the facilities and services that enable the fundraising and programme activities and governance processes to be carried out efficiently and effectively.

The allocation method of support cost to fundraising, programme and governance is stated in Note 6.

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2024

2.5 Government Grants

ActionAid adopts the income approach and therefore recognises government grants in profit or loss on a systematic basis over the periods in which the entity recognises, as expenses, the related project costs for which the grant is intended to compensate. Any amounts received but not yet recognised as income are recognised as deferred income.

2.6 Property, plant and equipment and depreciation

Property, plant, and equipment are capitalized at cost. Depreciation is calculated on a straight-line basis and taken to the statement of comprehensive income over the life of the asset. Depreciation is calculated for the following categories of property, plant and equipment as follows:

	Useful life
Office equipment – computers	3 years
Office equipment – other	5 years
Motor vehicles	3 years

Within ActionAid International's restricted and unrestricted funds, separate reserves are identified which represent the net book value of its property, plant, and equipment. This enables ActionAid International to better assess the liquid resources available to support future expenditure.

2.7 Intangible Assets

Intangible assets owned by AAI comprise of a Child-Sponsorship Modernization System (CMS). Intangible assets are measured at cost less accumulated amortization and accumulated impairment. The cost of the intangible asset was capitalized and amortized over a period of 3 years.

2.8 Financial instruments

Financial instruments, as recognized on the statement of financial position, include cash and cash equivalents, financial assets at Fair Value through other Comprehensive Income (FVOCI), and trade and other payables, approved grants payable and amounts due to related parties. The Fund adopted IFRS 9, Financial Instruments, from 1 April 2018. The Fund elected not to restate comparative figures and recognized any adjustments to the carrying amounts of financial assets and liabilities in the opening retained earnings as of the date of initial application of the standards, 1 April 2018.

Financial assets

AAI classifies its financial assets in the following categories: cash and cash equivalents, trade receivables, and financial assets at FVOCI. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition. Financial assets are derecognized when either their value is fully amortised or when there is sufficient evidence that the financial asset is impaired.

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2024

Cash and cash equivalents

Cash and cash equivalents as stated in the statement of cash flows include ActionAid International's cash balances and short-term deposits. Short term bank deposits are funds not instantly accessible at the reporting date, where the deposits mature within three months of the reporting date. Any amounts held in foreign currency are translated to Great British Pound (GBP) at the exchange rate on the date of reporting.

Receivable financial assets

Trade receivable mainly relate to funds receivable from Fund raising Affiliates that are members of Action Aid International. Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days. These are recognized at fair value less a provision for unrecoverable amounts unless there is evidence that AAI will not be able to recover the amount in full. Any amounts held in foreign currency are translated to Great British Pound (GBP) at the exchange rate on the date of reporting.

Financial assets at Fair Value through Other Comprehensive Income (FVOCI Investments)

AAI holds investment in government bonds which are classified as financial assets at FVOCI. These are non-derivative financial assets that are either designated in this category or not classified in any of the other categories. AAI designated investments at fair value through OCI. They are included in non-current assets unless the investment matures or management intends to dispose of the investment within 12 months of the reporting period.

Recognition and measurement

Financial instruments are initially measured at the transaction price. This includes transaction costs, except for financial instruments which are measured at fair value through surplus or deficit.

Financial assets are derecognized when the rights to receive cash flows from the investments have expired or have been transferred and the Fund has transferred substantially all risks and rewards of ownership. Financial assets at FVOCI are subsequently carried at fair value.

Changes in the fair value of financial are recognized in other comprehensive income.

The fair values of quoted investments are based on current bid prices. If the market for a financial asset is not active, the Fund establishes fair value by using valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, and option pricing models making maximum use of market inputs, such as current bid prices in the market, and relying as little as possible on entity-specific inputs.

At the end of each reporting date, the carrying amounts of assets held in this category are reviewed to determine whether there is any objective evidence of impairment. If so, an impairment deficit is recognized.

Financial instruments at fair value

Regular purchases and sales of financial assets are recognized on the trade date – the date on which the Fund commits to purchase or sell the asset. Investments are initially recognized at fair value plus transaction costs for all financial assets not carried at fair value through surplus or deficit.

Financial assets are derecognized when the rights to receive cash flows from the investments have expired or have been transferred and the Fund has transferred substantially all risks and rewards of ownership. Financial assets at FVOCI are subsequently carried at fair value.

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2024

Changes in the fair value of monetary and non-monetary securities classified as financial assets at FVOCI are recognised in other comprehensive income. Changes in the fair value of monetary securities denominated in a foreign currency and classified as financial assets at FVOCI are analysed between translation differences resulting from changes in the amortised cost of the security and other changes in the carrying amounts of the security. The translation differences on monetary securities are recognised in surplus or deficit, while translation differences on non-monetary securities are recognised as reserves.

2.9 Pensions

ActionAid International operates a variety of pension and other post-employment benefits, and other post-employment benefit schemes, the costs of which are charged in the statement of comprehensive income as they accrue. None of these schemes is a defined benefit scheme.

2.10 Leases

At inception of a contract, AAI assesses whether a contract is, or contains, a lease. The term of the lease is determined as the non-cancellable period of the lease together with the period covered by an option to extend the lease and if there is certainty that these options will be exercised. These have been identified to be between three and ten years. No disclosures have been made in the financial statements regarding leases as these are considered immaterial

2.11 Foreign currencies

Items included in the accounting records of the entities comprising ActionAid International are measured using 'the functional currency', which is the currency of the primary economic environment in which each aggregated entity operates. The aggregated financial statements of ActionAid International are presented in Pounds. This is 'the presentational currency' as it benefits the majority of stakeholders. Foreign currency transactions are translated into the functional currency using the rate of exchange ruling at the date of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at yearend exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of comprehensive income.

On consolidation, income and expenditure denominated in currencies other than Pounds are translated into Pound at an average rate for the year; assets and liabilities are translated using the rate of exchange ruling at the balance sheet date. Gains and losses on translation from functional to presentational currency are not recognized in arriving at the surplus or deficit for the year; instead, they are taken directly to reserves and tracked as a separate component within other comprehensive income.

2.12 Contingent liabilities

ActionAid International receives funding from Members for various activities which are subject to donor audits. Although such audits may result in disallowance of certain expenditures, which would be absorbed by ActionAid International, in management's opinion, the ultimate outcome of such audits would not have a material effect on the financial position, changes in net assets, or cash flows of ActionAid International.

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2024

2a. Individual Giving

	Restricted £'000	Unrestricted £'000	Total		Total 2023 £'000	
			2024 £'000	Restricted £'000		Unrestricted £'000
South Africa	207	-	207	195	-	195
Total	207	-	207	195	-	195

Associates and Affiliates

Australia	-	-	-	99	-	99
Brazil	4	-	4	11	-	11
Denmark	181	-	181	794	-	794
Greece	561	-	561	698	-	698
Ireland	113	57	170	189	-	189
Italy	3 452	783	4 235	4 039	-	4 039
Sweden	384	201	585	627	-	627
The Netherlands	113	-	113	3	-	3
United Kingdom	3 465	5 458	8 923	3 450	5 017	8 467
USA	232	-	232	406	-	406
Indonesia	12	-	12	-	-	-
Other Actionaid Members	-	-	-	1 027	1 839	2 866
Total	8 517	6 499	15 016	11 343	6 856	18 199
Total Individual Giving	8 724	6 499	15 223	11 538	6 856	18 394

2b. Philanthropy & Partnerships

	Restricted £'000	Unrestricted £'000	2024 £'000	Restricted £'000	Unrestricted £'000	2023 £'000
Major Donors	2 474	-	2 474	1 454	-	1 454
Corporate Partnerships	113	-	113	413	-	413
Trusts and Foundations	4 911	-	4 911	5 685	-	5 685
Other Philanthropy & Partnerships	121	-	121	120	-	120
Total Philanthropy & Partnerships	7 619	-	7 619	7 672	-	7 672

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2024

2c. Institutional income

	Restricted £'000	Unrestricted £'000	2024 £'000	Restricted £'000	Unrestricted £'000	2023 £'000
External Institutional Income						
European Union	1 579	-	1 579	669	-	669
Government of Norway	118	-	118	1 446	-	1 446
Government of Sweden	808	-	808	772	-	772
Government of United Kingdom	221	-	221	64	-	64
United Nations - World Food Programme	576	-	576	861	-	861
All other governments	1 785	-	1 785	2 164	-	2 164
All other United Nations agencies	9 216	-	9 216	10 090	-	10 090
Other contributions from official bodies	894	-	894	474	-	474
Start Fund	233	-	233	-	-	-
Total External Institutional Income	15 430	-	15 430	16 540	-	16 540
Associates and Affiliates - Related Parties						
Australia	109	-	109	119	-	119
Denmark	5 405	-	5 405	4 621	-	4 621
Greece	-	-	-	52	-	52
Ireland	191	-	191	202	-	202
Italy	1 504	-	1 504	3 352	-	3 352
Sweden	49	-	49	-	-	-
The Netherlands	249	-	249	736	-	736
United Kingdom	3 123	-	3 123	3 966	-	3 966
USA	-	-	-	48	-	48
Total Associates and Affiliates	10 630	-	10 630	13 096	-	13 096
Total Institutional	26 060	-	26 060	29 636	-	29 636

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2024

2d. International Contributions (Unrestricted)

	Restricted £'000	Unrestricted £'000	2024 £'000	Restricted £'000	Unrestricted £'000	2023 £'000
Australia	-	26	26	-	52	52
Denmark	-	533	533	-	553	553
France	-	1	1	-	-	-
Greece	-	126	126	-	171	171
Ireland	-	37	37	-	39	39
Italy	-	3 154	3 154	-	3 185	3 185
Netherlands	-	36	36	-	18	18
Sweden	-	23	23	-	23	23
UK	-	2 742	2 742	-	2 747	2 747
USA	-	24	24	-	-	-
Other	-	362	362	-	348	348
Total	-	7 064	7 064	-	7 136	7 136

2e. Other income

	Restricted £'000	Unrestricted £'000	2024 £'000	Restricted £'000	Unrestricted £'000	2023 £'000
Bank interest	10	4	14	-	3	3
Other	298	543	841	-	656	656
Total other income	308	547	855	-	659	659

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2024

3. Fundraising costs

	Restricted £'000	Unrestricted £'000	2024 £'000	Restricted £'000	Unrestricted £'000	2023 £'000
Individual giving, Philanthropy & Partnerships costs	652	-	652	457	44	501
Cost of raising contributions from Institutions	374	770	1 144	93	978	1 071
Total Fundraising Cost	1 026	770	1 796	550	1 022	1 572
Support costs allocated to fundraising (note 6)	-	520	520	-	526	526
Total Fundraising costs	1 026	1 290	2 316	550	1 548	2 098

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2024

4. Programme Expenditure

Programme Expenditure - by

Type	£'000	£'000	£'000	£'000	£'000	£'000
Country		Direct			Direct	
Programmes	Grants	programme	2024	Grants	programme	2023
ARI/Jordan	3 332	361	3 693	3 769	436	4 205
Afghanistan	254	6 253	6 507	123	10 736	10 859
Burundi	37	1 118	1 155	192	481	673
Cambodia	1 932	285	2 217	1 700	386	2 086
DRC	1 494	1 455	2 949	2 400	988	3 388
Ethiopia	221	2 991	3 212	1 321	3 452	4 773
Haiti & DR	594	407	1 001	519	418	937
Liberia	446	875	1 321	1 219	1 469	2 688
Myanmar	2 629	1 027	3 656	1 734	458	2 192
Palestine	747	896	1 643	726	721	1 447
Senegal	1 416	174	1 590	616	704	1 320
Somaliland	251	1 450	1 701	-	2 005	2 005
South Africa	-	743	743	-	282	282
Zimbabwe	923	1 860	2 783	1 467	2 255	3 722
	14 276	19 895	34 171	15 786	24 791	40 577
Other:						
AAI and eliminations	-	10 718	10 718	-	12 332	12 332
All countries	14 276	30 613	44 889	15 786	37 123	52 909

Programme Expenditure - by Restriction

Programme Expenditure	Restricted	Unrestricted	2024	Restricted	Unrestricted	2023
Programme Expenditure	36 405	8 484	44 889	45 435	7 474	52 909
Support costs allocated to programme (note 6)	4 269	6 446	10 715	3 198	7 230	10 428
Total programme expenditure	40 674	14 930	55 604	48 633	14 704	63 337

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2024

5. Governance costs

	Restricted £'000	Unrestricted £'000	2024 £'000	Restricted £'000	Unrestricted £'000	2023 £'000
Internal audit	30	289	319	42	284	326
External audit	122	137	259	95	91	186
Legal	20	37	57	15	46	61
Costs of governing bodies	8	70	78	14	58	72
	180	533	713	166	479	645
Support costs allocated to governance (note 6)	-	105	105	-	252	252
Total Governance costs	180	638	818	166	731	897

6. Support costs

	Restricted £'000	Unrestricted £'000	2024 £'000	Restricted £'000	Unrestricted £'000	2023 £'000
Local management	912	1 028	1 940	589	1 219	1 808
Communications	96	356	452	99	398	497
Finance	917	775	1 692	914	924	1 838
Human resources	490	517	1 007	328	654	982
Impact assessment support	-	588	588	-	444	444
Information technology	178	769	947	148	928	1 076
Office administration	1 198	486	1 684	813	583	1 396
Other support costs	478	2 552	3 030	307	2 858	3 165
Total Support costs	4 269	7 071	11 340	3 198	8 008	11 206
Allocated to fundraising		520	520	-	526	526
Allocated to programme	4 269	6 446	10 715	3 198	7 230	10 428
Allocated to governance		105	105	-	252	252
	4 269	7 071	11 340	3 198	8 008	11 206

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2024

7. Employees

	2024	2023
The average number of employees	Number	Number
Programme	732	660
Support	264	297
Fundraising	59	48
Governance	12	23
Total	<u>1 067</u>	<u>1 028</u>

	2024	2023
Total remuneration of employees was:	£'000	£'000
Salaries, wages, and other benefits	17 551	16 887
Payroll taxes	562	655
Pension contributions	987	702
Total	<u>19 100</u>	<u>18 244</u>

The emoluments of the International Leadership Team, comprise the following:

	2024	2023
	£'000	£'000
Salaries	592	608
Pension contributions	42	49
Other benefits (housing, school fees, relocation payments)	179	38
Total	<u>813</u>	<u>695</u>

The Chief Executive of the ActionAid International Secretariat received the following remuneration in 2024 **£245 830** (2023: £187 266)

8. Board remuneration

No remuneration or other payments have been made to the Board or Committee Members of ActionAid International for their services as Board or Committee members or other services provided to the organization in 2024: £nil (2023: £nil).

Directly incurred expenses reimbursed in 2024 amounted to **£70 265** for travel and accommodation relating to Board and Committee meetings (2023: £63 847).

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2024

9. Property, Plant and equipment

	Freehold property £'000	Office equipment £'000	Motor vehicles £'000	2024 £'000	Freehold property £'000	Office equipment £'000	Motor vehicles £'000	2023 £'000
Cost								
At 1 January	681	1 172	1 497	3 350	477	570	1 477	2 524
Additions	-	20	56	76	-	19	12	31
Disposals	-	(17)	(6)	(23)	(6)	(28)	-	(34)
Other Adjustments	(174)	(826)	135	(865)	210	611	8	829
At 31 December	507	349	1 682	2 538	681	1 172	1 497	3 350
Depreciation								
At 1 January	192	1 136	1 302	2 630	13	405	1 352	1 770
Charge for year	3	311	108	422	7	408	76	491
Disposals	-	(17)	(6)	(23)	(6)	(28)	-	(34)
Other Adjustments	(174)	(1 121)	159	(1 136)	178	351	(126)	368
At 31 December	21	309	1 563	1 893	192	1 136	1 302	2 630
Net book value								
At 31 December	486	40	119	645	489	36	195	720

10. Intangible Assets

	2024 £'000	2023 £'000
Software		
Cost		
At 1 January	1 143	1 051
Additions	-	92
Disposals	-	-
At 31 December	1 143	1 143
Amortisation		
At 1 January	857	384
Charge for year	286	473
Disposals	-	-
At 31 December	1 143	857
Net book value		
At 31 December	-	286

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2024

11. Investments

	2024 £'000	2023 £'000
Market value at 1 January	5 592	5 648
Additions	1 186	4 139
Disposals	(4 689)	(3 893)
Investment management costs	(13)	(17)
Net Cash Movement	3 307	(495)
Net Investment Gain	112	209
Market value at 31 December	5 495	5 591

The market value is represented by

	2023 £'000	2023 £'000
Bonds	-	3 625
Cash investment	5 495	1 966
	5 495	5 591

12. Receivables

	2024 £'000	2023 £'000
Other receivables and prepayments	6 603	4 633
Tax recoverable	60	16
Amounts due from employees	178	212
Affiliates and Associates balances	5 421	5 321
Total Receivables	12 262	10 182

*Amounts due from employees represent floats, allowances and advances to employees. These amounts generally do not bear interest, and they are generally payable in 30 days. None of the above receivables are past due.

13. Payables

	2024 £'000	2023 £'000
Amounts falling due within one year:		
Trade payables and accruals	5 442	3 976
Amounts due to employees	695	639
Taxation and social security	631	526
Deferred income	4 664	4 071
Affiliates and Associates	12 121	11 950
Total Payables	23 553	21 162

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2024

14. Analysis of fund balances

	Restricted £'000	Unrestricted £'000	2024 £'000	Restricted £'000	Unrestricted £'000	2023 £'000
Property, plant and equipment and Intangible Assets	618	27	645	686	320	1 006
Investments	5 495	-	5 495	5 672	-	5 672
Current assets	33 412	11 721	45 133	32 974	11 080	44 054
Liabilities	(18 400)	(5 153)	(23 553)	(18 263)	(2 899)	(21 162)
At 31 December	21 125	6 595	27 720	21 069	8 501	29 570

15. Movement in Funds

Country Programmes	At 1 January 2024	Income	Expenditure	Internal Income/ expenditure	Other movements	At 31 December 2024	Balance Sheet net assets
Afghanistan	1 968	8 350	(7 325)	160	-	3 153	3 153
ARI/Jordan	233	4 285	(4 282)	14	15	265	265
Burundi	422	878	(1 367)	180	0	113	113
Cambodia	1 981	2 116	(2 499)	487	-	2 085	2 085
DRC	359	2 619	(3 280)	389	65	152	152
Ethiopia	2 234	4 214	(3 739)	(68)	-	2 641	2 641
Haiti & DR	430	1 193	(1 264)	127	-	486	486
Liberia	1 050	1 266	(1 601)	406	(873)	248	248
Myanmar	2 945	2 297	(4 169)	272	-	1 345	1 345
Pakistan	254	-	-	-	-	254	254
Palestine	671	2 734	(1 957)	-	-	1 448	1 448
Senegal	1 103	1 913	(1 989)	158	1	1 186	1 186
Somaliland	545	1 621	(1 991)	412	10	597	597
South Africa	558	913	(1 139)	75	(11)	396	396
Zimbabwe	835	3 216	(3 043)	10	(165)	853	853
AAI Secretariat	13 961	8 599	(14 073)	4 015	(4)	12 498	12 498
Central Adjustments	-	10 607	(5 020)	(6 637)	1 029	-	-
Total	29 570	56 821	(58 738)	-	67	27 720	27 720
Restricted	21 069	42 711	(41 880)	-	(775)	21 125	21 125
Unrestricted	4 200	7 580	(10 070)	-	842	2 552	2 552
Discretionary funds	4 301	6 530	(6 788)	-	-	4 043	4 043
Total	29 570	56 821	(58 738)	-	67	27 720	27 720

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2024

*Discretionary Funds

These are funds received by Global Secretariat for distribution to countries and are excluded when computing Global Secretariat reserves.

15. MOVEMENT IN FUNDS 2023

Country Programmes	At 1 January 2023	Income	Expenditure	Internal Income/ expenditure	Other movements	At 31 December 2023	Balance Sheet net assets
Afghanistan	3 605	9 510	(11 294)	143	4	1 968	1 968
ARI/Jordan	1 278	4 815	(4 865)	250	(1 244)	234	233
Burundi	120	1 063	(858)	96	1	422	422
Cambodia	2 323	2 038	(2 403)	(33)	56	1 981	1 981
DRC	289	3 657	(3 730)	207	(64)	359	359
Ethiopia	3 861	3 795	(5 373)	(49)	-	2 234	2 234
Haiti & DR	486	910	(1 221)	256	(1)	430	430
Liberia	1 594	1 985	(2 889)	360	-	1 050	1 050
Myanmar	1 900	3 554	(2 673)	165	(1)	2 945	2 945
Pakistan	254	-	-	-	-	254	254
Palestine	597	1 831	(1 765)	40	(32)	671	671
Senegal	1 091	1 520	(1 646)	140	(2)	1 103	1 103
Somaliland	521	2 119	(2 436)	360	(19)	545	545
South Africa	567	431	(557)	118	(1)	558	558
Zimbabwe	1 301	3 584	(3 967)	(118)	35	835	835
AAI Secretariat Central Adjustments	13 644 (1)	11 743 10 942	(14 918) (5 737)	3 207 (5 142)	285 (42)	13 961 20	13 961 -
Total	33 430	63 497	(66 332)	-	(1 025)	29 570	29 570
Restricted	24 219	48 846	(49 349)	-	(2 647)	21 069	21 069
Unrestricted	5 887	8 074	(11 383)	-	1 622	4 200	4 200
Discretionary funds	3 324	6 577	(5 600)	-	-	4 301	4 301
Total	33 430	63 497	(66 332)	-	(1 025)	29 570	29 570

Country programme funds represent funds raised for or allocated to individual Country programmes and/or projects within those countries. Transfers represent allocations to or from Country Programmes of funds where restrictions allow trustee discretion to their allocation and funds raised by one part of ActionAid International for activity in another part.

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2024

16. Associates and Affiliates transactions 2024

Material transactions between the Affiliates and associates of AAI are shown below.

Country	Relationship	Income £'000	Expenditure £'000	Outstanding Related Party Balances. £'000
Bangladesh	Affiliate	115	(18)	107
Brazil	Affiliate	196	(396)	153
Ghana	Affiliate	88	(42)	941
Guatemala	Affiliate	83	(39)	613
India	Affiliate	112	(329)	4 379
Kenya	Affiliate	98	(55)	286
Malawi	Affiliate	101	(91)	557
Mozambique	Affiliate	102	-	202
Nepal	Associate	103	(65)	993
Rwanda	Associate	84	(199)	378
Sierraleone	Affiliate	55	(20)	1 033
Tanzania	Associate	79	(291)	677
Thailand	Associate	-	(119)	148
The Gambia	Affiliate	107	(15)	490
Uganda	Affiliate	73	(8)	272
Vietnam	Associate	153	(143)	280
Zambia	Associate	39	(367)	274
Nigeria	Affiliate	103	-	338
Total Affiliates and Associates Creditors		1 691	(2 197)	12 121

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2024

Allianza	Affiliate	-	(27)	11
Ayuda	Affiliate	-	-	16
Australia	Affiliate	26	-	241
Denmark	Affiliate	2 611	-	876
France	Affiliate	1	-	3
Greece	Affiliate	690	-	322
Ireland	Affiliate	103	-	114
Italy	Affiliate	6 819	-	1 729
Sweden	Affiliate	453	-	76
Netherlands	Affiliate	216	-	7
UK	Affiliate	6 795	-	1 343
USA	Affiliate	159	-	638
Indonesia	Associate	59	(7)	42
Colombia				3
<hr/>				
Total Affiliates and Associates Debtors		17 932	(34)	5 421
<hr/>				
Total Related Party		19 623	(2 231)	17 542
<hr/>				

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2024

16. Associates and Affiliates transactions 2023

Material transactions between the Affiliates and associates of AAI are shown below.

Country	Relationship	Income	Expenditure	Outstanding Related Party Balances.
		£'000	£'000	£'000
Bangladesh	Affiliate	127	-	77
Brazil	Affiliate	179	(138)	483
Ghana	Affiliate	108	-	886
Guatemala	Affiliate	74	(17)	726
India	Affiliate	92	-	3 353
Kenya	Affiliate	221	(32)	304
Malawi	Affiliate	147	(259)	464
Mozambique	Affiliate	98	(9)	185
Nepal	Associate	94	(99)	952
Rwanda	Associate	92	(54)	429
Sierraleone	Affiliate	81	(20)	1 150
Tanzania	Associate	76	(136)	417
Thailand	Associate		(119)	43
The Gambia	Affiliate	107	(10)	712
Uganda	Affiliate	83	-	464
Vietnam	Associate	147	(243)	323
Zambia	Associate	34	-	357
Nigeria	Affiliate			625
Total Affiliates and Associates Creditors		1 760	(1 136)	11 950
Ayuda	Affiliate			15
Australia	Affiliate	63	-	397
Denmark	Affiliate	1 292	-	709

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2024

France	Affiliate	4	-	1
Greece	Affiliate	743	-	444
Ireland	Affiliate	129	(10)	123
Italy	Affiliate	7 882	-	1 730
Sweden	Affiliate	468	(79)	135
Netherlands	Affiliate	152		9
UK	Affiliate	7 717	-	1 557
USA	Affiliate	225		153
Indonesia	Associate	61	-	46
Colombia				2
<hr/>				
Total Affiliates and Associates Debtors		18 736	(89)	5 321
<hr/>				
Total Related Party		20 496	(1 225)	17 271
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The Board Members are not aware of any other related party transactions which require disclosure under IAS 24 other than disclosures related to transactions with Board and Committee Members and senior management which are set out in notes 6 and 7 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2024

17. Financial Instruments

Currency risk is defined as the risk that movements in foreign exchange rates adversely affect the value of the Company's foreign currency positions. The latter is exposed with respect to foreign currency arising from trading in foreign currency and acceptances. In order to ensure the adequacy of its foreign exchange requirements foreign currency cash flow forecasts are prepared regularly expenses monitored and actions taken accordingly.

Concentration of assets and liabilities by currency

At December 31 2024	Euro	GBP	US Dollars	Others	Total
	£'000	£'000	£'000	£'000	£'000
Assets					
Cash and cash equivalents	2 529	22 162	5 994	2186	32 871
Receivables	-	12 262	-	-	12 262
Investments	-	5 495	-	-	5 495
					-
	2 529	39 919	5 994	2186	50 628
Liabilities					
Payables and accruals	-	20 884	-	-	20 884
Other liabilities	-	2 669	-	-	2 669
	-	23 553	-	-	23 553

At December 31 2023	Euro	GBP	US Dollars	Others	Total
	£'000	£'000	£'000	£'000	£'000
Assets					
Cash and cash equivalents	7 285	19 222	5 073	2 373	33 953
Receivables	-	10 182	-	-	10 182
Investments	-	5 591	-	-	5 591
					-
	7 285	34 995	5 073	2 373	49 726
Liabilities					
Payables and accruals	-	20 871	-	-	20 871
Other liabilities	-	291	-	-	291
	-	21 162	-	-	21 162

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2024

Government Grants

18.1 Swiss Agency of Development and Cooperation

In 2024 AAI received **£742 992** (2023: £1 044 305) from the Swiss Agency for Development and Cooperation. The purpose of the grant is to perform project work that strengthens social accountability and oversight in health and agriculture.

	2024	2023
	£'000	£'000
At 1 January	-	-
Received during the year	743	1 044
Released to the statement of profit or loss	(743)	(1 044)
At 31 December	<u>-</u>	<u>-</u>

18.2 The Norwegian Agency for Development Cooperation

In 2024 AAI received **£118 113** (2023: £736 000) from The Norwegian Agency for Development Cooperation for a project towards combating modern slavery in Ghana and Ethiopia.

	2024	2023
	£'000	£'000
At 1 January	-	952
Received during the year	118	736
Released to the statement of profit or loss	(118)	(1 688)
At 31 December	<u>-</u>	<u>-</u>

18.3 Foreign Exchange rates and other movements

	2024	2023
	£'000	£'000
Foreign exchange differences	(209)	(65)
Other movements	276	(960)
Total	<u>67</u>	<u>(1 025)</u>