

Charity Registration No. 1135700

Company Registration No. 6880188 (England and Wales)

**BAAG (BRITISH AND IRISH AGENCIES AFGHANISTAN GROUP)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2017**

# BAAG (BRITISH AND IRISH AGENCIES AFGHANISTAN GROUP)

## LEGAL AND ADMINISTRATIVE INFORMATION

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|                   |  |                             |
|-------------------|--|-----------------------------|
| Trustees          | Ms A C Bennett   |                             |
|                   | Ms T Ghosh   | (resigned 20 June 2016)     |
|                   | Ms P Hayes   | (appointed 21 June 2016)    |
|                   | Ms A Kelly   | (resigned 28 February 2017) |
|                   | Dr A Larson  | (appointed 21 June 2016)    |
|                   | Mr F Lyons   |                             |
|                   | Ms F Roberts   | (appointed 21 June 2016)    |
|                   | Mr T Safi  |                             |
|                   | Mr T Sholi   | (appointed 17 May 2016)     |
|                   | Mr P Simms   | (appointed 21 June 2016)    |
|                   | Mr N Wade  | (appointed 21 June 2016)    |
| Charity number    | 1135700  |                             |
| Company number    | 6880188  |                             |
| Registered office | c/o CAFOD<br>Romero House<br>55 Westminster Bridge Road<br>London<br>SE1 7JB                               |                             |
| Auditor           | Mitchell Charlesworth LLP<br>24 Nicholas Street<br>Chester<br>CH1 2AU                                      |                             |
| Bankers           | The Co-operative Bank plc<br>PO Box 250<br>Delf House<br>Southway<br>Skelmersdale<br>Merseyside<br>WN8 6WT |                             |

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## **BAAG (BRITISH AND IRISH AGENCIES AFGHANISTAN GROUP)**

### **LETTER FROM THE CHAIR**

***FOR THE YEAR ENDED 31 MARCH 2017***

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On 4 June 2016, the Salma Dam was inaugurated in Herat, Afghanistan. It was a remarkable feat. The dam's electricity production capacity can reach 42 megawatts per year, and 40,000 families will benefit from its electricity. But what is most striking is that it took around 40 years to complete the dam – a span of time during which Afghanistan experienced several regime changes, from leftist communist to far-right Islamist regimes. Tragically, civil strife still continues.

But the story of the Salma Dam provides two key messages: first, development efforts in Afghanistan can be a stabilising factor. Despite threats from insurgents – and especially in the last five years, work on Salma Dam continued and a few months after its opening, the Taliban issued a statement saying they would protect national development projects. In their controlled territories, the Taliban have allowed schools teaching national curriculum to continue, which is partly to counter the perception that the Taliban is against modern education. Second, in fragile countries such as Afghanistan long-term development efforts require patience and perseverance and while they might take time to come to fruition, with people's will and financial resources they will ultimately be completed. In this light, it has been heartening to see BAAG member agencies pursuing long term approaches to Afghanistan's development needs, and their continuing and persistent efforts in the last year.

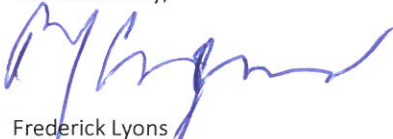
A highlight of the last twelve months was the Brussels Conference for Afghanistan (BCA) in October 2016, where donors reiterated their financial and political commitments to Afghanistan's development and prosperity. During the BCA process, Afghan and international civil society were able to play an active role. Like all such conferences before it, the BCA's success will hinge on the fulfilment of commitments by donors and the Afghan Government, and the monitoring of these by civil society. I am therefore glad that over the last twelve months, BAAG worked closely with Afghan and international civil society to influence the BCA process for the benefit of Afghan people, and continues to do so.

As the BCA took place, insurgents were re-capturing Kunduz, a strategic centre in the North East of the country. And despite international assistance and Afghan-led efforts to improve the situation, sadly, life for Afghans remained very difficult. Conflict spread to ever larger areas of the country and, according to the UN, civilian casualties hit record highs. Afghanistan's humanitarian needs have grown, especially with the large-scale deportation of refugees from Pakistan; but humanitarian funding for Afghanistan has dropped. Aid agencies, universities and other entities working for the public good, as well as civil servants and media personnel continued to suffer from attacks. BAAG's member agencies and partners were themselves victims of terror and criminal activities.

Notwithstanding the very fragile situation, there were also positive events to report. On the peace front, an Afghan Government-led process successfully concluded a deal with the country's second largest insurgent group. Despite the flaws and criticisms of that process and the agreement finally achieved, it does allow one to hope that a political settlement for the country's conflict can be reached. On the social level, Afghan youth shone bright as they displayed their great enthusiasm and potential in sports and the arts. The constant rise of the Afghan cricket team throughout the year and the performance of Zohra, Afghanistan's first women's orchestra, at the Davos World Economic Forum in January were but a few examples.

These positive changes give me hope for Afghanistan. Many will argue that reasons for optimism are few and far between; and the new harbingers of conflict such as Daesh fighters threaten not just the statebuilding process but the very fabric of society. But, viewed in the broader global and historical contexts of Afghanistan, if organisations such as BAAG continue to help expand the civil space in the country; if civil society groups continue to foster social change; if the private sector continues to create jobs; and media outlets continue to be the eyes and ears of an active citizenship, progress will take place and will steadily weaken the drivers of the conflict. As with the Salma Dam, progress may be slow, but persistent efforts will bring us closer to our goals. I therefore wish the BAAG team, member agencies, and partners many further successes as they engage in their important work supporting the Afghan people.

Yours sincerely,



Frederick Lyons  
Chair, BAAG

# BAAG (BRITISH AND IRISH AGENCIES AFGHANISTAN GROUP)

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# **BAAG (BRITISH AND IRISH AGENCIES AFGHANISTAN GROUP)**

## **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)**

### ***FOR THE YEAR ENDED 31 MARCH 2017***

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The trustees present their report and accounts for the year ended 31 March 2017.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "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 (FRS 102)" (as amended for accounting periods commencing from 1 January 2016)

#### **Objectives and activities**

The objectives of BAAG are the advancement of any charitable purposes for the relief of poverty, distress and hardship among the people of Afghanistan and refugees from Afghanistan, in particular by promoting effectiveness and efficiency of the voluntary sector organisations, and other institutions that are involved in the delivery of humanitarian and development aid. This is in accordance with the charity's Memorandum and Articles of Association.

The Trustees believe that the aims, objectives and services provided by the charity, reflected in the above paragraph, are compliant with the Charities Commission Guidance on Public Benefit and further exemplified in the following statements of achievements and performance.

#### **Achievements and performance**

During the year 2016/17, BAAG continued to facilitate collective actions by its members and the wider relief and development community; engage with policy makers in Afghanistan, the UK, and Europe; and enable and support Afghan civil society's input into policy debates. BAAG also delivered projects with partners with the aim to support Afghan families and female journalists. BAAG's three main areas of operation were information-sharing, policy and advocacy, and coordination and networking. The following paragraphs outline what has been achieved between April 2016 and March 2017.



# BAAG (BRITISH AND IRISH AGENCIES AFGHANISTAN GROUP)

## TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

### FOR THE YEAR ENDED 31 MARCH 2017

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#### **Civil society engagement in the Brussels Conference in Afghanistan**

In this period, BAAG provided the platform for Afghan and international Non-governmental organisations (NGOs) to influence the policy discussions taking place at the Brussels Conference on Afghanistan (BCA). With financial support from the European Commission, the Swiss Agency for Development and Cooperation, Counterpart International, and Catholic Agency for Overseas Development (CAFOD), BAAG worked together with Afghan civil society to consult national and local civil society to develop messaging and influence decisions. BAAG also worked with international civil society to coordinate efforts both before and during the BCA week and has been working with the national civil society to follow-up on the conference commitments.

As the project's first activity, BAAG facilitated the establishment of the Afghan-led Civil Society Working Committee for the BCA and acted as its Secretariat. This Committee led Afghan civil society's preparations in the lead-up to the BCA, which included:

*Consultations with the civil society organisations:* members of the Working Committee conducted a nation-wide survey of civil society in August 2016 that solicited the opinions of 478 civil society actors about local-level needs, issues, improvements, and recommendations. They also held eight regional Focus Group Discussions with at least 206 local civil society actors, to discuss and agree regional priorities and recommendations. These consultations culminated in to the National Civil Society Conference in Kabul held on 6-7th September 2016 and was attended by at least 129 Afghan civil society representatives from across the country. In this event the regional priorities were presented and consolidated into national priorities. These findings were later used in the development of civil society's position paper for the BCA.

*Engagement with the Afghan Government and international community:* In the lead-up to the BCA, members of the Working Committee held several meetings with senior Afghan civil servants and Afghan and international policymakers to influence conference agenda and policy contents. They also provided written and oral input in policy documents such as the Afghanistan National Peace and Development Framework (ANPDF) and Self-Reliance through Mutual Accountability Framework (SMAF). Mainly as a result of these efforts, these policy documents acknowledged the important role of civil society in development policies and programmes in Afghanistan. It was viewed a success given the fact that the initial versions of these documents had no mention of civil society's role. The Afghan civil society delegation also spoke at the Joint Coordination & Monitoring Board a month before the BCA.

*Development of the civil society position paper:* through BAAG's technical support, the Working Committee developed their position paper "Collaborating for Transformation". BAAG ensured that the document was translated into local languages and shared widely with Afghan and international stakeholders. The position paper was the product of national level consultations and provided recommendations to improve policies under 6 themes: peace, reconciliation, and security, good governance and anti-corruption, human and civil rights, basic needs and humanitarian issues, enabling environment for civil society, and inclusive and sustainable development.

*Forming the Afghan civil society delegation to the BCA:* the Working Committee agreed to create an independent Selection Committee that formed the 10-member delegation through an open and competitive process. BAAG assisted the delegation through a European media briefing, orientation and logistics support.

Under the BCA project, BAAG also successfully negotiated with the hosts of BCA, the inclusion of a 10-member International Civil Society delegation in the conference. BAAG selected the delegation through an open and consultative process with a group of international NGOs.

A day before the BCA, BAAG hosted the Afghan and International Civil Society Workshop on 3rd October in Brussels. The event was a great success, bringing together representatives of both Afghan and international civil society to share and discuss main priorities and recommendations ahead of the main conference. The event received positive feedback from both Afghan and international participants who found the workshop to be of great value in agreeing civil society messages before the BCA. BAAG produced and presented a synthesis paper, which incorporated the findings of 17 position papers written by national and international civil society. On multiple occasions, the recommendations mentioned in the synthesis paper were quoted by European Union officials and CEO Abdullah. The day ended with a high-level panel discussion, moderated by Belgian journalist Gie Goris, involving senior representatives from the Afghan Government, European Commission and United States Agency for International Development (USAID). A joint civil society statement was drafted and delivered during the panel discussion.

## **BAAG (BRITISH AND IRISH AGENCIES AFGHANISTAN GROUP)**

### **TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)**

#### ***FOR THE YEAR ENDED 31 MARCH 2017***

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On 4th October, the Afghan and international civil society delegates spoke at and attended various roundtables co-organised by BAAG and the Open Society Foundation and Transparency International. They also attended the BCA side event, "Empowered Women, Prosperous Afghanistan" and had an opportunity to meet with Rory Stewart MP (DFID Minister) from the UK delegation. The impact of this meeting was seen during Rory Stewart's speech in the main event where he was one of the only ministers who mentioned the positive contributions of NGOs in Afghanistan's development and named a few of them.

Along with a delegation of 10 International NGO (INGO) representatives, the Afghan civil society delegates were present at the main conference event on 5th October. The official civil society statement was delivered by Aziz Rafiee and Palwasha Hassan as part of the main programme. The entire civil society delegation also had the opportunity to meet with CEO Abdullah and other international representatives to discuss civil society environment and key priorities. These inputs were reflected in President Ghani's statements in the BCA press conference in which he emphasised the importance of civil society's role. Maiwand Rahyab, one of the Afghan civil society delegates, said he felt that they had been heard.

The delegates were featured in various media outlets, providing comments to amongst others the BBC, Al Jazeera, and New York Times.

Overall, the week in Brussels was received positively by Afghan and international civil society delegates alike. The successful collaboration throughout the week between national and international civil society and the subsequent weight it lent to advocacy messages was particularly noted.

BAAG remained engaged in the post-BCA follow up activities. In March 2017, BAAG collaborated with Afghan civil society organisations to arrange meetings in eight regions where the outcome of BCA commitments made by the Afghan Government and international community were communicated with 236 civil society actors and they were consulted regarding on-going monitoring and advocacy efforts. BAAG also conducted a study of current BCA related monitoring interviewing 8 NGOs, diplomatic missions and Afghan government agencies.

#### **Policy engagements to improve policies on Afghanistan**

As a result of the BCA, BAAG was able to engage with a range of Afghan and international policymakers, which resulted in civil society being acknowledged as an important stakeholder in Afghanistan's development agenda. BAAG arranged four information sessions with officials at the European Commission and Afghan Government and two meetings with USAID and the World Bank to discuss conference agenda and content. To maximise input, BAAG held four policy and advocacy meetings with its membership.

As part of the parliamentary engagements, BAAG arranged three All-Party Parliamentary Group (APPG) sessions. In the meeting in July, Jawed Nader provided the views of civil society regarding the BCA and Stephen Carter from BAAG member agency Global Witness shared his thoughts on illegal lapis lazuli mining. Amongst other MPs present, Tobias Ellwood, Parliamentary Under-Secretary at the Foreign and Commonwealth Office (FCO), responded to the Global Witness report and agreed to provide an official response to them. Madeline Moon, the Afghanistan APPG Chair, tweeted about the outcome of the event expressing her enthusiasm to get the FCO's official response.

In the APPG meeting in October BAAG invited peace specialist Michael Semple to discuss the reality of peace and stability situations in Afghanistan and Heather Barr from BAAG member agency Human Rights Watch provided information on the human rights landscape in the country. The third meeting was held in December, where Jawed Nader moderated a panel composed of leading experts to explore the impact of illicit economies such as opium farming and illegal mining on Afghanistan's development prospects. BAAG subsequently published a report of this meeting. BAAG also held separate meetings with MPs James Gray and Nusrat Ghani and secured their support for current and future advocacy efforts.

In February BAAG jointly hosted a discussion with the Afghan Studies Group of Kings College London. Looking at the securitisation of aid in Afghanistan, speakers Maiwand Rahyab of the Afghanistan Institute for Civil Society and Lena Lindberg of the Swedish Committee for Afghanistan shared their insights. In February BAAG also jointly hosted with Aga Khan Foundation UK the launch of Afghanistan Institute for Civil Society's research into the enabling environment for Afghan civil society. Elizabeth Winter was one of the speakers of the event.



## **BAAG (BRITISH AND IRISH AGENCIES AFGHANISTAN GROUP)**

### **TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)**

#### **FOR THE YEAR ENDED 31 MARCH 2017**

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During this period, BAAG held four meetings with representatives from Department for International Development, the Foreign and Commonwealth Office and Ministry of Defence. The meetings were used to exchange information and raise BAAG members' voices in British policies towards Afghanistan. To that end, Elizabeth Winter and Jawed Nader also met Owen Jenkins, British Prime Minister's Special Representative for Afghanistan and Pakistan in December.

#### **Networking: strengthening other groups**

During this period, BAAG expanded its network, worked with new partners, and raised its profile as a source of expertise on Afghanistan. BAAG remained an active member of European Network of NGOs on Afghanistan (ENNA)'s Board member. As a result of their financial constraints, ENNA underwent structural changes to become a virtual network to save costs. BAAG worked closely with the Swedish Committee on Afghanistan, ENNA's current Secretariat, to ensure that ENNA remains active and relevant. Elizabeth Winter moderated a panel discussion on Afghanistan during the BCA conference on Afghanistan in Sweden in December.

As part of our cooperation with think-tanks, Elizabeth Winter chaired an expert roundtable seminar entitled Leaving Afghanistan: Making Sense of Afghan Refugees' Stories, at Chatham House in June. In July, Jawed Nader participated in a discussion at Oxford University on the prospects for Afghanistan: state capacity and aid effectiveness. In January, Jawed Nader spoke and moderated a panel about Afghan peace efforts in a workshop organised by Conciliation Resources in Cambodia. BAAG supported Conciliation Resources to bring together various civil society, government, academic and other stakeholders in Afghanistan's peace efforts in this workshop. Also in January, Elizabeth Winter participated in a workshop organised by APPRO (Afghanistan Public Policy Research Organisation) on state-civil society relations on fundamental rights in Afghanistan in Dubai.

#### **Information sharing: sharing credible and accurate information about Afghanistan**

During this period, BAAG produced twelve "Afghanistan this Month" reports and shared them with media contacts, policy makers, member agencies and other stakeholders. This two-page report has become a key source of information for the recipients and BAAG receives ongoing, positive feedback to this effect. For example, Baroness Fiona Hodgson, who chairs Afghan Women's Support Forum UK, regularly shares the report with members of the forum as it helps knowing about the goings-on in Afghanistan. The reports capture the key developments in country's security, politics, society and culture. BAAG also actively used its social media accounts to promote these reports and other Afghanistan-related materials. In September BAAG ran a social media campaign highlighting the work of our members agencies in empowering Afghans to take charge of their own lives. The campaign was aimed at combatting overarching myths about overseas aid and BAAG reached over 18,000 people on Twitter alone. BAAG continued to disseminate relevant information to members through 24 members' updates. In January, BAAG and HealthProm's discussion paper on maternal mortality rates in Afghanistan were quoted in American Special Inspector General for Afghanistan Reconstruction's review of US health programmes in Afghanistan.

During November 2016 to January 2017, BAAG organised two mental health photography exhibitions in Atrium Gallery of LSE in London and European Commission building in Dublin. "My Liver is Bleeding" was based on Magda Rakita's photos and Mark de Rond's stories from last year's trip to visit a mental health clinic in Mazar-e-Sharif. They were the winners of BAAG 2015 Afghanistan Journalism Competition. BAAG was able to secure the support of Irish Times and BBC Persian to promote the event and the stories.

#### **Supporting Afghan female journalists through the Sahar Speaks initiative**

BAAG continued to provide organisational support to Sahar Speaks, an initiative to improve the skills of Afghan female journalists so they are employed by international news outlets in Afghanistan. The support enabled Sahar Speaks to conduct two training series on written and visual story-telling. As a direct result of the training, three of the twelve trainees of the first training secured assignments for Associated Press, Al Jazeera and New York Times. Zahra Nader became the first Afghan woman employed as a reporter in the English-language section of a Western news agency. Huffington Post also published the stories of twelve Sahar Speaks graduates which covered a wide range of personal stories and topics including the difficulties of menstruation for Afghan girls, underage marriage, and dressing like a boy to be able to go to school.



## **BAAG (BRITISH AND IRISH AGENCIES AFGHANISTAN GROUP)**

### **TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)**

***FOR THE YEAR ENDED 31 MARCH 2017***

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#### **Supporting Afghan families through the hotline project**

BAAG also worked with Afghanistan Capacity Development and Educational Organisation (ACDEO) to support their core management team's capacity and improve their Family Support Helpline reach international standards. Monica Encinas, Jenny Humphreys and Jawed Nader conducted trainings on budget development, monitoring and evaluation of projects and, strategic advocacy to ACDEO staff in February and March. Like last year, BAAG supported ACDEO in their helpline policies and practices and their application for accreditation by Helpline Partners. ACDEO has subsequently received the accreditation.

#### **Trustees and team**

In June, BAAG welcomed five new Trustees: Pauline Hayes, Fleur Roberts, Anna Larson, Pete Simms, and Nicholas Wade. They bring together significant knowledge of Afghanistan, policy, programme, management, and media. During this period BAAG recruited five short term consultants and one intern to support our work in Afghanistan, Brussels, and the UK.

#### **Objectives for the next financial year**

BAAG will continue to serve as platform for information sharing, coordination and advocacy for its member agencies and the Afghan civil society. BAAG will continue supporting the Afghan civil society's abilities to influence policies and improve on-going dialogue with Afghan Government and international donors. BAAG will also continue improving European public's awareness about the inter-connected challenges faced by Afghans. Where funding permits, BAAG will continue to assist Afghan NGOs to improve their services to the vulnerable groups including people with disability and victims of domestic violence.

#### **Intangible Income**

BAAG is grateful for the contributions of volunteers. Without their considerable efforts BAAG would be unable to survive. It is difficult to measure the monetary value of their services which is not therefore included in the SOFA. All Trustees give their time voluntarily.

#### **Financial review**

BAAG has historically aimed to hold unrestricted reserves equivalent to six months of core costs.

Unrestricted reserves at 31 March 2017 amounted to £45,408 which represents approximately four months of core costs - an increase from last year. This level of unrestricted reserves will be maintained and the Trustees will review BAAG's reserve policy in the 2017/18 fiscal year in light of challenges and the need to ensure the organisation will always be able to meet its legal obligations.

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

#### **Structure, governance and management**

BAAG is a company limited by guarantee (number 6880188) and registered charity (number 1135700). Effective governance is delivered by a board of directors who are also Trustees.

## **BAAG (BRITISH AND IRISH AGENCIES AFGHANISTAN GROUP)**

### **TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)**

#### **FOR THE YEAR ENDED 31 MARCH 2017**

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The Articles of Association provide for at least three Trustees. There is no maximum provided in the Articles. New Trustees have induction through visits to the charity's office, discussions with employees and management and meetings with other trustees. They are provided with past accounts and board papers. The trustees are experienced. There is no formal training policy for trustees, but training will be provided if a gap in skill or experience becomes apparent.

A full list of trustees can be found on the 'Legal and Administrative Information' page.

On 21 June 2016, BAAG appointed five new Trustees. They were Pauline Hayes, Nick Wade, Anna Larson, Pete Simms, and Fleur Roberts.

On 28 February 2017 Alison Kelly resigned as Trustee.

On 17 May 2017 Ai Choo Bennett stepped down as Treasurer.

Tareq Sholi was appointed as Treasurer on 17 May 2017.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £10 in the event of a winding up.

#### **Statement of trustees' responsibilities**

The trustees, who are also the directors of BAAG (British and Irish Agencies Afghanistan Group) for the purpose of company law, are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these accounts, 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 accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity 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 charity and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### **Auditor**

In accordance with the company's articles, a resolution proposing that Mitchell Charlesworth LLP be reappointed as auditor of the company will be put at a General Meeting.

## **BAAG (BRITISH AND IRISH AGENCIES AFGHANISTAN GROUP)**

### **TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)**

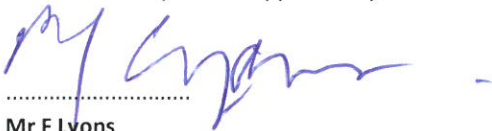
**FOR THE YEAR ENDED 31 MARCH 2017**

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#### **Disclosure of information to auditor**

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees' report was approved by the Board of Trustees.



.....  
**Mr F Lyons**

Trustee

Dated: .....

27 October 2017



# **BAAG (BRITISH AND IRISH AGENCIES AFGHANISTAN GROUP)**

## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE MEMBERS OF BAAG (BRITISH AND IRISH AGENCIES AFGHANISTAN GROUP)**

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We have audited the accounts of BAAG (British and Irish Agencies Afghanistan Group) for the year ended 31 March 2017 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102.

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 regulations made under that Act. 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 auditors' 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 its members as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of trustees and auditor**

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of BAAG (British and Irish Agencies Afghanistan Group) for the purposes of company law, are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the accounts in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

#### **Scope of the audit of the accounts**

An audit involves obtaining evidence about the amounts and disclosures in the accounts sufficient to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the accounts. In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited accounts and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### **Opinion on accounts.**

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2017 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Trustees' Report for the financial year for which the accounts are prepared is consistent with the accounts.

## **BAAG (BRITISH AND IRISH AGENCIES AFGHANISTAN GROUP)**

### **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

#### **TO THE MEMBERS OF BAAG (BRITISH AND IRISH AGENCIES AFGHANISTAN GROUP)**

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##### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires 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 accounts 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.



**Robert Hall (Senior Statutory Auditor)**  
for and on behalf of Mitchell Charlesworth LLP

29/11/17

**Chartered Accountants**  
**Statutory Auditor**

24 Nicholas Street  
Chester  
CH1 2AU

# BAAG (BRITISH AND IRISH AGENCIES AFGHANISTAN GROUP)

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2017

|   | Notes | Unrestricted<br>funds<br>£ | Restricted<br>funds<br>£ | Total<br>2017<br>£ | Total<br>2016<br>£ |
|---|-------|----------------------------|--------------------------|--------------------|--------------------|
| <b><u>Income and endowments from:</u></b>                               |       |                            |                          |                    |                    |
| Donations and legacies  | 3     | 15,585                     | 309,213                  | 324,798            | 156,467            |
| Charitable activities   | 4     | 19,035                     | -                        | 19,035             | 29,871             |
| Other trading activities  | 5     | -                          | -                        | -                  | 723                |
| Investments   | 6     | 59                         | -                        | 59                 | 86                 |
| Other income  | 7     | -                          | -                        | -                  | 56                 |
| <b>Total income</b>   |       | <b>34,679</b>              | <b>309,213</b>           | <b>343,892</b>     | <b>187,203</b>     |
| <b><u>Expenditure on:</u></b>   |       |                            |                          |                    |                    |
| Charitable activities   | 8     | 18,707                     | 292,688                  | 311,395            | 216,371            |
| <b>Net incoming/(outgoing) resources before transfers</b>               |       | <b>15,972</b>              | <b>16,525</b>            | <b>32,497</b>      | <b>(29,168)</b>    |
| Gross transfers between funds   | 13    | (112)                      | 112                      | -                  | -                  |
| <b>Net income/(expenditure) for the year/<br/>Net movement in funds</b> |       | <b>15,860</b>              | <b>16,637</b>            | <b>32,497</b>      | <b>(29,168)</b>    |
| Fund balances at 1 April 2016   |       | 29,548                     | (112)                    | 29,436             | 58,604             |
| <b>Fund balances at 31 March 2017</b>                                   |       | <b>45,408</b>              | <b>16,525</b>            | <b>61,933</b>      | <b>29,436</b>      |

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.




# BAAG (BRITISH AND IRISH AGENCIES AFGHANISTAN GROUP)

## BALANCE SHEET

AS AT 31 MARCH 2017

|   | Notes | 2017<br>£      | £             | 2016<br>£      | £             |
|---|-------|----------------|---------------|----------------|---------------|
| <b>Current assets</b>                                 |       |                |               |                |               |
| Debtors   | 15    | 51,722         |               | 109,822        |               |
| Cash at bank and in hand                              |       | 51,661         |               | 40,209         |               |
|   |       | <u>103,383</u> |               | <u>150,031</u> |               |
| <b>Creditors: amounts falling due within one year</b> | 16    | (41,450)       |               | (120,595)      |               |
| Net current assets                                    |       |                | 61,933        |                | 29,436        |
| <b>Income funds</b>                                   |       |                |               |                |               |
| Restricted funds                                      | 17    |                | 16,525        |                | (112)         |
| Unrestricted funds                                    |       |                | 45,408        |                | 29,548        |
|   |       |                | <u>61,933</u> |                | <u>29,436</u> |

The accounts were approved by the Trustees on 27/10/17.



Mr T Sholi

Trustee

Company Registration No. 6880188



**BAAG (BRITISH AND IRISH AGENCIES AFGHANISTAN GROUP)****STATEMENT OF CASH FLOWS****FOR THE YEAR ENDED 31 MARCH 2017**

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|   | Notes | 2017<br>£ | £             | 2016<br>£ | £             |
|---|-------|-----------|---------------|-----------|---------------|
| <b>Cash flows from operating activities</b>                 |       |           |               |           |               |
| Cash generated from/(absorbed by) operations                | 20    |           | 11,393        |           | (54,135)      |
| <b>Investing activities</b>                                 |       |           |               |           |               |
| Interest received   |       | 59        |               | 86        |               |
|   |       | <u>59</u> |               | <u>86</u> |               |
| <b>Net cash generated from investing activities</b>         |       |           | 59            |           | 86            |
| <b>Net cash used in financing activities</b>                |       |           | -             |           | -             |
|   |       |           | <u>-</u>      |           | <u>-</u>      |
| <b>Net increase/(decrease) in cash and cash equivalents</b> |       |           | 11,452        |           | (54,049)      |
| Cash and cash equivalents at beginning of year              |       |           | 40,209        |           | 94,258        |
|   |       |           | <u>40,209</u> |           | <u>94,258</u> |
| <b>Cash and cash equivalents at end of year</b>             |       |           | <u>51,661</u> |           | <u>40,209</u> |

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# **BAAG (BRITISH AND IRISH AGENCIES AFGHANISTAN GROUP)**

## **NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2017**

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### **1 Accounting policies**

#### **Company information**

BAAG (British and Irish Agencies Afghanistan Group) is a private company limited by guarantee incorporated in England and Wales. The registered office is Romero House, 55 Westminster Bridge Road, London, SE1 7JB.

#### **1.1 Accounting convention**

The accounts have been prepared in accordance with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "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 (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The accounts are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention, modified to include certain financial instruments at fair value. The principal accounting policies adopted are set out below.

#### **1.2 Going concern**

At the time of approving the accounts, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the accounts.

#### **1.3 Charitable funds**

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the accounts.

#### **1.4 Incoming resources**

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Grants are recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received. This can mean that grant income can either accrued or deferred depending on the circumstances. Grant income is assessed on a case by case basis where it is decided which conditions and criteria have been met and recognised accordingly.

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

# BAAG (BRITISH AND IRISH AGENCIES AFGHANISTAN GROUP)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2017**

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### **1 Accounting policies**

#### **1.5 Resources expended**

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates. Expenditure incurred at the balance sheet date that relates to events taking place after the balance sheet date is carried forward as deferred expenditure.

Costs of generating funds comprise the costs associated with attracting voluntary income and the costs of trading for fundraising purposes.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management.

Governance costs are those costs incurred in connection with the administration of the charity and compliance with constitutional and statutory requirements.

#### **1.6 Cash and cash equivalents**

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### **1.7 Financial instruments**

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

#### ***Basic financial assets***

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

# BAAG (BRITISH AND IRISH AGENCIES AFGHANISTAN GROUP)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

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### 1 Accounting policies

#### *Basic financial liabilities*

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### *Derecognition of financial liabilities*

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

### 1.8 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

### 1.9 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

### 1.10 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease.

## 2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

# BAAG (BRITISH AND IRISH AGENCIES AFGHANISTAN GROUP)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

### 3 Donations and legacies

|  | Unrestricted<br>funds | Restricted<br>funds | Total<br>2017  | Total<br>2016  |
|--|-----------------------|---------------------|----------------|----------------|
|  | £                     | £                   | £              | £              |
| Donations and gifts                          | 12,298                | -                   | 12,298         | 9,912          |
| Grants receivable                            | 3,287                 | 309,213             | 312,500        | 146,555        |
|  | <u>15,585</u>         | <u>309,213</u>      | <u>324,798</u> | <u>156,467</u> |
| For the year ended 31 March 2016             | <u>10,162</u>         | <u>146,305</u>      |                | <u>156,467</u> |
| <b>Donations and gifts</b>                   |                       |                     |                |                |
| Donations                                    | 2,458                 | -                   | 2,458          | 72             |
| Gifts in kind                                | 9,840                 | -                   | 9,840          | 9,840          |
|  | <u>12,298</u>         | <u>-</u>            | <u>12,298</u>  | <u>9,912</u>   |
| <b>Grants receivable for core activities</b> |                       |                     |                |                |
| FCO - ACDEO                                  | -                     | 30,094              | 30,094         | -              |
| Department for International Development     | -                     | -                   | -              | (4,497)        |
| Media4Development                            | -                     | 62,766              | 62,766         | 56,979         |
| GPSF   | -                     | -                   | -              | 92,994         |
| GIZ  | -                     | 4,028               | 4,028          | 829            |
| BCA - CAFOD                                  | -                     | 984                 | 984            | -              |
| BCA - CPI                                    | -                     | 16,311              | 16,311         | -              |
| BCA - EC                                     | -                     | 191,661             | 191,661        | -              |
| BCA - SDC                                    | -                     | 3,369               | 3,369          | -              |
| Other  | 3,287                 | -                   | 3,287          | 250            |
|  | <u>3,287</u>          | <u>309,213</u>      | <u>312,500</u> | <u>146,555</u> |

### 4 Charitable activities

|                 | 2017<br>£     | 2016<br>£     |
|-----------------|---------------|---------------|
| Membership fees | <u>19,035</u> | <u>29,871</u> |



**BAAG (BRITISH AND IRISH AGENCIES AFGHANISTAN GROUP)**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

***FOR THE YEAR ENDED 31 MARCH 2017***

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**5 Other trading activities**

|                    | <b>2017</b> | <b>2016</b> |
|--------------------|-------------|-------------|
|                    | <b>£</b>    | <b>£</b>    |
| Fundraising events | -           | 723         |

**6 Investments**

|                     | <b>2017</b> | <b>2016</b> |
|---------------------|-------------|-------------|
|                     | <b>£</b>    | <b>£</b>    |
| Interest receivable | 59          | 86          |

**7 Other income**

|              | <b>2017</b> | <b>2016</b> |
|--------------|-------------|-------------|
|              | <b>£</b>    | <b>£</b>    |
| Other income | -           | 56          |

# BAAG (BRITISH AND IRISH AGENCIES AFGHANISTAN GROUP)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

### 8 Charitable activities

|   | Policy work &<br>information<br>sharing<br>£ | Raising the<br>profile<br>£ | Membership<br>activity and<br>networking<br>£ | Total<br>2017<br>£ | Total<br>2016<br>£ |
|---|--|-----------------------------|---|--------------------|--------------------|
| Staff costs                             | 82,328                                       | 73,801                      | 40,785  | 196,914            | 155,666            |
| Direct costs                            | 36,323                                       | 33,722                      | 16,429  | 86,474             | 34,376             |
|   | <u>118,651</u>                               | <u>107,523</u>              | <u>57,214</u>                                 | <u>283,388</u>     | <u>190,042</u>     |
| Share of support costs (see note 10)    | 5,671  | 1,476                       | 719   | 7,866              | 5,944              |
| Share of governance costs (see note 10) | 20,141                                       | -                           | -   | 20,141             | 20,385             |
|   | <u>144,463</u>                               | <u>108,999</u>              | <u>57,933</u>                                 | <u>311,395</u>     | <u>216,371</u>     |
| <b>Analysis by fund</b>                 |  |                             |   |                    |                    |
| Unrestricted funds                      | 18,707                                       | -                           | -   | 18,707             |                    |
| Restricted funds                        | 125,756                                      | 108,999                     | 57,933  | 292,688            |                    |
|   | <u>144,463</u>                               | <u>108,999</u>              | <u>57,933</u>                                 | <u>311,395</u>     |                    |
| <b>For the year ended 31 March 2016</b> |  |                             |   |                    |                    |
| Unrestricted funds                      | 58,020                                       | -                           | -   |                    | 58,020             |
| Restricted funds                        | 71,798                                       | 51,735                      | 34,818  |                    | 158,351            |
|   | <u>129,818</u>                               | <u>51,735</u>               | <u>34,818</u>                                 |                    | <u>216,371</u>     |

### 9 Basis of cost apportionment

The costs of charitable activities are apportioned according to the percentage of time spent on each of BAAG's main areas of operation. This equates to 41% of restricted staff expenditure on policy work and information sharing, 38% on raising the profile of the needs and aspirations of Afghans and 21% on membership activity. Restricted direct and support costs have been apportioned by allocating 42% to policy work and information sharing, 39% to raising the profile of the needs and aspirations of Afghans and 19% to membership activity. Any unrestricted staff, direct, support or governance costs have been allocated solely against policy work and information sharing.

# BAAG (BRITISH AND IRISH AGENCIES AFGHANISTAN GROUP)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

### 10 Support costs

|                          | Support costs | Governance costs | 2017          | 2016          | Basis of allocation |
|--------------------------|---------------|------------------|---------------|---------------|---------------------|
|                          | £             | £                | £             | £             |                     |
| Insurance                | 2,427         | -                | 2,427         | 567           |                     |
| Telephone and fax        | 2,286         | -                | 2,286         | 632           |                     |
| Website and IT           | 1,291         | -                | 1,291         | 2,619         |                     |
| Postage and stationery   | 1,257         | -                | 1,257         | 679           |                     |
| Membership fees          | -             | -                | -             | 1,432         |                     |
| Bank charges             | 605           | -                | 605           | 15            |                     |
| Audit fees               | -             | 4,289            | 4,289         | 3,029         | Governance          |
| Sundry expenses          | -             | 3,160            | 3,160         | 5,183         | Governance          |
| Training and recruitment | -             | 3,560            | 3,560         | 3,021         | Governance          |
| Rent                     | -             | 9,132            | 9,132         | 9,152         | Governance          |
|                          | <u>7,866</u>  | <u>20,141</u>    | <u>28,007</u> | <u>26,329</u> |                     |
| Analysed between         |               |                  |               |               |                     |
| Charitable activities    | <u>7,866</u>  | <u>20,141</u>    | <u>28,007</u> | <u>26,329</u> |                     |

### 11 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

# BAAG (BRITISH AND IRISH AGENCIES AFGHANISTAN GROUP)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

### 12 Employees

#### Number of employees

The average monthly number employees during the year was:

|           | 2017<br>Number | 2016<br>Number |
|-----------|----------------|----------------|
| Employees | 4              | 3              |

#### Employment costs

|                            | 2017<br>£ | 2016<br>£ |
|----------------------------|-----------|-----------|
| Wages and salaries         | 124,062   | 104,760   |
| Social security costs      | 10,163    | 8,306     |
| Other pension costs        | 9,456     | 5,295     |
| Payments to subcontractors | 53,233    | 37,305    |
|                            | 196,914   | 155,666   |

There were no employees whose annual remuneration was £60,000 or more.

### 13 Transfers

A transfer of £112 has been made from unrestricted funds to restricted funds, this was to cover any shortfalls in funds on restricted projects.

### 14 Financial instruments

|   | 2017<br>£ | 2016<br>£ |
|---|-----------|-----------|
| <b>Carrying amount of financial assets</b>      |           |           |
| Debt instruments measured at amortised cost     | 51,722    | 109,822   |
| <b>Carrying amount of financial liabilities</b> |           |           |
| Measured at amortised cost                      | 38,304    | 117,774   |

### 15 Debtors

|   | 2017<br>£ | 2016<br>£ |
|---|-----------|-----------|
| <b>Amounts falling due within one year:</b> |           |           |
| Trade debtors                               | 1,468     | 2,929     |
| Other debtors                               | 50,254    | 106,893   |
|   | 51,722    | 109,822   |

Other debtors primarily consist of grant receivable during the fiscal year ended 31 March 2017, but received in the following fiscal year. Trade debtors relate to membership fees left owing at year end.

**BAAG (BRITISH AND IRISH AGENCIES AFGHANISTAN GROUP)**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

***FOR THE YEAR ENDED 31 MARCH 2017***

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**16 Creditors: amounts falling due within one year**

|                                    | <b>2017</b>   | <b>2016</b>    |
|------------------------------------|---------------|----------------|
|                                    | <b>£</b>      | <b>£</b>       |
| Other taxation and social security | 3,146         | 2,821          |
| Accruals and deferred income       | 38,304        | 117,774        |
|                                    | <u>41,450</u> | <u>120,595</u> |



# BAAG (BRITISH AND IRISH AGENCIES AFGHANISTAN GROUP)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2017

#### 17 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

|   | Movement in funds          |                       |                       |           |                             |
|---|----------------------------|-----------------------|-----------------------|-----------|-----------------------------|
|   | Balance at 1<br>April 2016 | Incoming<br>resources | Resources<br>expended | Transfers | Balance at 31<br>March 2017 |
|   | £                          | £                     | £                     | £         | £                           |
| Department for International<br>Development | (106)                      | -                     | -                     | 106       | -                           |
| EU  | 21                         | -                     | -                     | (21)      | -                           |
| Media4Development                           | -                          | 62,766                | (46,042)              | -         | 16,724                      |
| Public Campaign                             | 30                         | -                     | -                     | (30)      | -                           |
| ENGI Campaign                               | (57)                       | -                     | -                     | 57        | -                           |
| GIZ   | -                          | 4,028                 | (4,028)               | -         | -                           |
| FCO-ACDEO                                   | -                          | 30,094                | (30,094)              | -         | -                           |
| BCA - CAFOD                                 | -                          | 984                   | (984)                 | -         | -                           |
| BCA - CPI                                   | -                          | 16,311                | (16,582)              | -         | (271)                       |
| BCA - EC                                    | -                          | 191,661               | (191,589)             | -         | 72                          |
| BCA - SDC                                   | -                          | 3,369                 | (3,369)               | -         | -                           |
|   | (112)                      | 309,213               | (292,688)             | 112       | 16,525                      |

1. Media4Development (M4D): BAAG is one of eight organisations to whom the European Commission is providing a 3-year grant for the period January 2015 – December 2017. The grant supports development journalism in New Member States and enhances BAAG's work providing opportunities for policy makers to discuss the challenges and benefits of development assistance, so that their governments may effectively contribute to efforts to tackle global poverty and inequality. BAAG receives a total of €255,032 over the 3 years and funds are dispersed every 6-months.

2. Empowering and Protecting Afghan Women in the Northern Provinces: This is a grant from the German government (GIZ) provided to the Afghanistan Capacity Development and Educational Organisation (ACDEO) for the period 01 Feb 2016 – 31 Dec 2016. BAAG has been given USD \$6,568 to provide support in monitoring and evaluation and programme development during the period.

3. Afghan Civil Society's Contribution to the Brussels Conference on Afghanistan (BCA) Project: This project raised the voices of Afghan civil society before, during, and after the BCA. Four donors contributed to this project: the European Commission (EC) (€250,000), the Swiss Development Agency for Development and Cooperation (SDC) (€36,734), Counterpart International (CPI) (€58,365), and CAFOD (£5,000). BAAG has received a contract extension from the European Commission for an additional €70,000 to complete additional follow-up activities through to 31 October 2017. Grants from all other donors to this project have ended.

4. The Family Hotline: This a grant from the Foreign & Commonwealth Office (FCO) provided to the Afghanistan Capacity Development and Educational Organisation (ACDEO) for the period 25 Aug 2016 – 31 Mar 2017. BAAG was given £32,846 to provide capacity development support during the period. A further £2,088 was given to BAAG as part of a one month, no-cost extension. The grant ended on 30 April 2017.

# BAAG (BRITISH AND IRISH AGENCIES AFGHANISTAN GROUP)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

### 18 Analysis of net assets between funds

|  | Unrestricted<br>£ | Restricted<br>£ | Total<br>£    |
|--|-------------------|-----------------|---------------|
| Fund balances at 31 March 2017 are represented by: |                   |                 |               |
| Current assets/(liabilities)                       | 45,408            | 16,525          | 61,933        |
|  | <u>45,408</u>     | <u>16,525</u>   | <u>61,933</u> |

### 19 Related party transactions

#### Remuneration of key management personnel

The remuneration of key management personnel, being the chief officer, is as follows.

|                        | 2017<br>£ | 2016<br>£ |
|------------------------|-----------|-----------|
| Aggregate compensation | 50,994    | 44,880    |

### 20 Cash generated from operations

|   | 2017<br>£     | 2016<br>£       |
|---|---------------|-----------------|
| Surplus/(deficit) for the year                                    | 32,497        | (29,168)        |
| Adjustments for:  |               |                 |
| Investment income recognised in statement of financial activities | (59)          | (86)            |
| Movements in working capital:                                     |               |                 |
| Decrease/(increase) in debtors                                    | 58,100        | (102,534)       |
| (Decrease)/increase in creditors                                  | (79,145)      | 77,653          |
| <b>Cash generated from/(absorbed by) operations</b>               | <u>11,393</u> | <u>(54,135)</u> |

