

**BAAG (BRITISH AND IRISH  
AGENCIES AFGHANISTAN GROUP)  
COMPANY LIMITED BY GUARANTEE  
TRUSTEES' REPORT AND ACCOUNTS**

**for the year ended  
31st March 2014**

**Company Registration Number 6880188  
Charity Number 1135700**



**MITCHELL CHARLESWORTH LLP**  
Chartered Accountants  
CH1 2AU

# **BAAG (BRITISH AND IRISH AGENCIES AFGHANISTAN GROUP) COMPANY LIMITED BY GUARANTEE**

## **Financial Statements**

**Year ended 31st March 2014**

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# **BAAG (BRITISH AND IRISH AGENCIES AFGHANISTAN GROUP) COMPANY LIMITED BY GUARANTEE**

## **Members of the Board and Professional Advisers**

<b>Registered charity name</b>	BAAG (British & Irish Agencies Afghanistan Group)
<b>Charity number</b>	1135700
<b>Company registration number</b>	6880188
<b>Registered office</b>	55 Westminster Bridge Road London SE1 7JB
<b>Trustees</b>	Bruce Clark Tamar Ghosh Alison Kelly Cintia Lavandera Frederick Lyons David Woodbine Tareck Safi
<b>Auditor</b>	Mitchell Charlesworth LLP Chartered Accountants Statutory Auditor 24 Nicholas Street Chester CH1 2AU
<b>Bankers</b>	The Co-operative Bank plc PO Box 250 Skelmersdale WN8 6WT

# **BAAG (BRITISH AND IRISH AGENCIES AFGHANISTAN GROUP) COMPANY LIMITED BY GUARANTEE**

## **Trustees' Annual Report**

### **Year ended 31st March 2014**

The Trustees, who are also directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 31st March 2014.

#### **REFERENCE AND ADMINISTRATIVE DETAILS**

Reference and administrative details are shown in the schedule of members of the board and professional advisers on page 1 of the financial statements.

#### **THE TRUSTEES**

The Trustees who served the company during the period were as follows:

Bruce Clark  
Tamar Ghosh  
Alison Kelly  
Cintia Lavandera  
Frederick Lyons  
Elizabeth Winter  
David Woodbine  
Tareck Safi

Elizabeth Winter retired as a Trustee on 21st May 2013.  
Cinitia Lavandera resigned as a Trustee on 8 October 2013.

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT Constitution**

The company was incorporated on 17 April 2009 and commenced operating on 1 May 2009. Its activities and staff were transferred from the British Refugee Council (charity number 1014576). It was registered as a charity on 28 April 2010. The company is limited by guarantee and is governed by its Memorandum and Articles of Association. At 31 March 2014 there were 23 members of the company with voting rights and 2 observer members.

#### **Reference and administrative details**

The information set out of page 1 forms an integral part of this report. The financial statements comply with the current statutory requirements, the Memorandum and Articles of Association and the Statement of Recommended Practice – Accounting and Reporting by Charities (revised 2005).



# **BAAG (BRITISH & IRISH AGENCIES AFGHANISTAN GROUP) COMPANY LIMITED BY GUARANTEE**

## **Trustees' Annual Report** *(continued)*

**Year ended 31st March 2014**

### **Organisational structure**

#### **Board of Trustees**

The Board of Trustees of the charity are also its directors for the purpose of company law and throughout this report are collectively referred to as the Trustees or the Board.

The Articles of Association provide for at least three Trustees. There is no maximum provided in the Articles but the Board has decided that its optimum size is eight with no more than half coming from outside the membership. 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.

Elizabeth Winter retired as a Trustee on 21<sup>st</sup> May 2013. Cintia Lavandera resigned as a Trustee on 8 October 2014. BAAG currently has three vacancies on the Board for individuals with extensive experience in finance, fundraising, human resources, NGO programme development or senior NGO management.

#### **Governance and management**

The Board meets four times a year and is responsible for overall policy, annual budgets, financial and professional probity. The Board has delegated day-to-day decision making to the organisation's Director, Jawed Nader.

#### **BAAG's Membership**

BAAG is a membership organisation comprised of 23 British and Irish Non-Governmental Organisations that support humanitarian and development programmes in Afghanistan and 2 observer members. Five organisations left BAAG during this period: Médecins Sans Frontières, Glencree Centre for Peace and Reconciliation, Relief International, Hope Worldwide, and Minority Rights Group International. The majority of these organisations had to terminate membership due to a reduced focus and available funding for programmes pertaining to Afghanistan.

Current members are: ActionAid, Afghanaid, Afghan Action, Afghan Connection, CAFOD, CARE International UK, Children in Crisis, Christian Aid, Concern Worldwide UK, Global Witness, Islamic Relief Worldwide, Khorasan, Marie Stopes International, Mercy Corps, Muslim Hands, Organisation of Human Welfare, Oxfam GB, Refugee Action, Support for Afghan Further Education, Tearfund, War Child UK, Womankind Worldwide and World Vision. BAAG's observer members are Amnesty International UK and The British Red Cross.

#### **OBJECTIVES AND ACTIVITIES**

The objects 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 the effectiveness and efficiency of the voluntary sector organisations and other institutions that are involved in the delivery of humanitarian and development aid.

# **BAAG (BRITISH & IRISH AGENCIES AFGHANISTAN GROUP) COMPANY LIMITED BY GUARANTEE**

## **Trustees' Annual Report** *(continued)*

**Year ended 31st March 2014**

### **Vision**

BAAG's vision is for a just and peaceful Afghanistan where all citizens are able to fulfil their potential, enjoy economic and social rights, and play an active part in the development and governance of their country.

### **Identity**

BAAG is an umbrella organisation deriving its mandate from its British and Irish member agencies engaged in work in Afghanistan.

### **Mission**

BAAG works with member agencies and others to promote pro poor policies that are informed by and benefit the people of Afghanistan and to encourage good practice and policy in development and humanitarian work in Afghanistan.

### **Principles**

BAAG is committed to the principles of:

- Primacy of Afghan ownership
- Rights based and pro poor policy and programmes
- Working in partnership with counterparts in the UK, Europe and Afghanistan
- Evidence based policy and good practice
- Independence and impartiality
- Accountability and transparency

### **Approach**

In order to fulfil its mission, BAAG is committed to excellence in:

- Listening to all Afghan voices, including women and the marginalised, and ensuring these perspectives are heard
- Delivering informed analysis of the current context, debate and thinking on key development issues facing Afghans
- Engaging with key donors based on a sound awareness of their policies
- Networking with the wider relief and development community in the UK, Ireland and internationally
- Identifying and influencing key decision-makers, including parliamentarians, government and international agency officials, to shape pro-poor policy
- Strengthening the capacity of members and Afghan civil society to play an increased role in influencing policies and decisions relating to Afghanistan
- Delivering high quality research of key development issues
- Raising the profile of development issues as they relate to Afghanistan with the public, policy makers and the media
- Encouraging informed media coverage of the situation in Afghanistan
- Acting as a focal point for the network of BAAG member agencies
- Providing quality briefings, induction and other information services



# **BAAG (BRITISH & IRISH AGENCIES AFGHANISTAN GROUP) COMPANY LIMITED BY GUARANTEE**

## **Trustees' Annual Report *(continued)***

### **Year ended 31st March 2014**

- Facilitating learning and exchange of information and experiences to promote strong advocacy, development and humanitarian work
- Promoting adherence to recognised codes of conduct (such as the Red Cross Code of Conduct, SPHERE, etc)
- Managing its resources well in order to maximise its impact

To this end BAAG's core activities are focused on:

1. Facilitating discussion over policy and good practice issues in relation to the delivery of humanitarian and development assistance in Afghanistan;
2. Facilitating the sharing and provision of information and analysis about Afghanistan, in particular the political, economic situation and acting as a focal point for the network of BAAG member agencies;
3. Raising the profile of Afghanistan with policy makers, donors and the public.

### **Public benefit**

In shaping our objectives for the year and planning our activities, the Trustees have considered the Charity Commission's guidance and are confident that the organisation has provided public benefit to the citizens of Afghanistan and refugees from Afghanistan, as detailed below.

### **Background: The Situation in Afghanistan, 2013/14**

#### **Political Context**

The Presidential and Provincial Council Elections heavily dominated the political scene. In July, President Karzai signed two election related laws that paved the way for the elections to take place in April 2014. Following that, the members of the Independent Elections Commission (IEC) and Electoral Complaints Commission (ECC) were appointed. Afghan civil society welcomed the appointments but were disappointed that the government did not ensure the inclusion of a civil society representative in the committee that nominated candidates for the said commissions. Other criticisms were that some of the members of the said commissions lacked the technical expertise.

To reduce electoral fraud, the Afghan government pondered over issuing electronic IDs, however, the plans could not be carried out owing to budgetary and technical constraints.

Eleven Presidential and 2,713 Provincial Council candidates were approved by the IEC to stand in the elections. Rights activists criticised the approval of certain nominees who were accused of war crimes. It was expected that 6,423 voting centres would be open. The remaining 10% centres were closed for security reasons.

In the two months of campaigning, the candidates led rallies in all major regions including the restless Kandahar and Helmand. TV debates between the lead contestants and social media campaigns also stimulated the political activism.

#### **Security**

During March 2013 – April 2014, the Armed Opposition Groups (AOGs) continued their activities in major urban and rural areas in almost all provinces of Afghanistan. Security Transition i.e. handing over security responsibilities to Afghan National Security Forces (ANSF), continued. Rifts between Afghan Government and NATO forces, particularly the Americans, widened.



# **BAAG (BRITISH & IRISH AGENCIES AFGHANISTAN GROUP) COMPANY LIMITED BY GUARANTEE**

## **Trustees' Annual Report** *(continued)*

### **Year ended 31st March 2014**

2013 was one of the deadliest years for civilians in Afghanistan. The UN reported a 14% rise in the number of civilians killed or injured in 2013. The report considered AOGs responsible for the majority (74%) and Afghan and international forces for 11% of casualties in 2013. Civilian deaths were fewer than the peak year of 2011. However, combined deaths and injuries (8,615 persons) have been the highest since the United Nations Assistance Mission in Afghanistan started such records in 2009.

National and international aid agencies and non-government actors also suffered heavy casualties. In January, the Taliban attacked Taverna du Liban, a Lebanese restaurant in Kabul. In what became the deadliest attack on foreign civilians since the collapse of Taliban, 21 people from six nations were killed. In March, Swedish-British journalist Nils Horner was assassinated in Kabul. In another attack on the Serena Hotel that shook the Afghan journalist community, AOGs killed nine foreign and Afghan civilians. Among those killed was Sardar Ahmad, an Afghan reporter with Agence France Press, along with his wife and two children. In response, about 100 Afghan journalists declared a boycott of news coverage of the Taliban for fifteen days, banning publication of the group's press releases, statements and claims.

There were a lot of disagreements over signing of the Bilateral Security Agreement (BSA) between Afghanistan and the US. A 3,000 member Consultative Loya Jirga in November called on the Afghan Government to sign the security agreement with the US before the end of 2013. Mr. Karzai, however, did not agree with the advice and said the BSA would be signed by the next President. Top Afghan and international generals warned that the country may be dangerously exposed if a security pact with the US and the Status of Force Agreement with NATO was not signed soon.

The handling of suspected Taliban prisoners was another source of tension between President Karzai and the US Government. The US transferred the control of Bagram Prison to the Afghan Government in March. However, there were serious concerns that Afghan authorities would release some prisoners that the US considered the most dangerous. A year later, the Afghan government released at least 650 prisoners after a government commission found no satisfactory evidence against them.

Aiming to disrupt the elections, AOGs attacked the IEC's headquarters and provincial offices, campaign convoys of all major candidates (Abdullah escaped two suicide attacks), assassinated campaigners, targeted election staff and threatened possible voters. However, hopes for better security were raised in January when Gulbuddin Hekmatyar, the elusive leader of Hezb-e Islami, made a veiled statement in support of the elections. This was a surprise change in the stance of a major insurgency group, which had previously boycotted the elections in 2009.

In March 2014, UK military officials announced their control of only two out of a previous 137 bases in Afghanistan. Earlier Canadian and Australian armies hauled down their flag in Afghanistan. ANSF conducted the absolute majority of conventional and special operations in the country. It came with heavy casualties. A Pentagon report said there was a 79% rise in the casualties of ANSF during April to September 2013, as compared to the same period last year, whereas coalition deaths dropped by almost 60%.

### **Peace**

Various attempts for peace talks by different players were ultimately fruitless in 2013. In June, the Taliban with the support of the US opened an office in Qatar. However, the office was swiftly closed after opposition from the Afghan Government who thought the process was not Afghan-led.



# **BAAG (BRITISH & IRISH AGENCIES AFGHANISTAN GROUP) COMPANY LIMITED BY GUARANTEE**

## **Trustees' Annual Report *(continued)***

### **Year ended 31st March 2014**

Later in October, the Pakistani government announced they would release Mullah Abdul Ghani Baradar, the Taliban's second in command, after three years in prison. This was welcomed by the Afghan Government, however, they continued to remain suspicious of Pakistan's commitment to peace after a Taliban figure favourable to peace talks was shot dead by unknown gunmen in Pakistan. The Afghan government in February announced that talks with former and current Taliban members were being held in Dubai. The US government was also reported to have revived talks on prisoner swaps with the Taliban in Qatar.

### **Humanitarian and Development**

A downward slope was evident in the aid funding to Afghanistan. Many factors were responsible, including changing political realities in Afghanistan and the donor countries, corruption and the emergence of crises in other parts of the world. As political differences widened between the two countries, in January US lawmakers halved their development aid to Afghanistan. In October, Norway announced it would cut its annual assistance to Afghanistan by 10% due to the Afghan government's lack of progress in fighting corruption and protecting women's rights. The Netherlands and Australia, under new administration, reduced their budgets as well.

Afghan civil society and international aid agencies expressed their concerns over the sustainability of gains of the last 12 years under the current financial support. They called on the international community for long term development and humanitarian support. Among their requests was the full funding of the UN's Common Humanitarian Action Plan for Afghanistan. The country requires \$406 million to meet the most acute needs in 2014, according to the UN. Compared to 2012, there were 25% more people forced out of their homes in 2014 because of natural and man-made catastrophes.

Afghanistan continued to be the lowest performing country in the fight against corruption; however, steps were taken to address this and invest in improved and expanded service delivery. In February 2014, the Afghan cabinet sacked the Governor of Nuristan over graft allegations. In certain parts of that province, police and civilian offices were opened for the first time in twelve years. The Afghan government also announced new development and infrastructure projects such as plans to further reduce mother and child deaths and the construction of the country's first thermal electricity plant in Jowzjan. Also, in November the Asian Development Bank pledged \$220 million for the construction of the 178 km Dara-e-Suf and Yakaolang road. Improved roads are expected to increase trade within and beyond the country.

73 humanitarian workers were killed, kidnapped or injured until November 2013, according to the UN. This is the highest level since the organisation began collecting data in 1997 and makes Afghanistan one of the most dangerous countries for aid workers.

### **Rights**

Human rights had their gains and setbacks in the legal, institutional, awareness and reporting aspects in 2013-14. On the legal issues, rights activists criticised the inclusion of stoning convicted adulterers in the proposed amendment draft of the Penal Code, as well as the banning of voluntary testimony of relatives against an accused person in the Criminal Prosecution Code, which they thought would curtail women's access to justice. On a positive note, they welcomed the allotment of a reserved parliamentary seat for the Sikh and Hindu minority.

The Afghan Independent Human Rights Commission experienced setbacks after it faced the threat of losing its A grade status, after President Karzai appointed 5 new Commissioners with little human rights background in June. The Commission also faces many financial difficulties.



# **BAAG (BRITISH & IRISH AGENCIES AFGHANISTAN GROUP) COMPANY LIMITED BY GUARANTEE**

## **Trustees' Annual Report** *(continued)*

### **Year ended 31st March 2014**

Violence against women and girls was increasingly reported from all over Afghanistan and for the first time increases in violence against men and boys were also reported. Cases included the murder of female relatives, assassination of female public figures and policewomen, and sexual assault of women and young girls and boys. The Ministry of Public Health announced that women constitute 95% of suicides in Afghanistan, with girls aged 16-19 most at risk. Rights activists and donors also criticised the Afghan government for not fully implementing the Elimination of Violence against Women (EVAW) Law. In response, the Afghan government issued a report on the implementation of EVAW law in 32 provinces.

In some cases, the victims of violence were able to bring criminal action against their abusers. Likewise, some courts sentenced the perpetrators of violence against women. For example, in October Mawlai Abdul Qayum, a mullah, was sentenced to 17 years in prison because he had ordered the execution of Halima and her boyfriend in Helmand. Afghan women continued to enjoy notable participation in the government agencies. Afghanistan saw the promotion of Col. Jamila Bayaz, to police chief of Kabul's District One. The Ministry of Interior took practical steps to improve the standing and capacity of women in the police force including sending 135 policemen for training to Turkey and Egypt.

Increased pressure on freedom of expression was also felt in Afghanistan. Violence against journalists was rife including assassination and beatings by government officials, the Taliban and international military forces, and legal pressures such were raised including creating a Media Complaints Commission under the chairmanship of Minister of Information and Culture.

In September a local newspaper published the names of 5,000 Afghans tortured and killed during 1978-79 by the then-Communist government. The names were unearthed by the Netherlands National Prosecutor's Office. This news put an end to the agony of uncertainty for many Afghan families but the official recognition also marked the end of hope and the reopening of old wounds. The Afghan government declared the 30th September a day of national mourning.

### **Economy**

2013/14 had mixed economic developments. The exit of foreign troops coupled with delays in signing the BSA between Afghanistan and the US were considered major factors in lower economic activity. Afghanistan GDP grew by 7% as against last year's 11%, according to the Central Statistics Office. Property and land prices drastically declined. Many Afghans lost their jobs with the withdrawal of international forces. This is a major concern because an estimated 400,000 Afghans enter the labour market each year.

In an attempt to promote legal job seeking, the Iranian Consulate in Herat issued 600 work visas to Afghan workers in only one week of January. Afghanistan-bound remittances from Iran in 2008 amounted to \$500 million, roughly 6% of Afghanistan's GDP.

In January, the Afghan Parliament approved the 1393 Budget. 31.7% of the total \$7.6 billion is expected to be funded by domestic revenues. International aid accounts for 91.3% of the \$2.6 billion development budget portion. The biggest receivers of funds are security (44.1%), infrastructure and natural resources (14.2%), and education (12.9%).

The World Bank announced that Afghanistan has become more investment-friendly. Reforms including the facilitation of business set-up and access to credit have helped improve Afghanistan's rank from 168 out of 185 in 2012, to this year's 164 out of 189.



# **BAAG (BRITISH & IRISH AGENCIES AFGHANISTAN GROUP) COMPANY LIMITED BY GUARANTEE**

## **Trustees' Annual Report** *(continued)*

### **Year ended 31st March 2014**

In November, farmers in Herat reported a one ton increase in saffron production this year. Compared to 150 hectares three years ago, the saffron crop is now believed to cover 700 hectares. Saffron is considered a good alternative crop to replace poppy. However, in the same month, the UN announced 209,000 hectares were now under poppy cultivation, a record figure. Figures from Badghis, Balkh, Faryab, Ghowr, Kabul, Nimroz and Zabul showed significant increases. Overall, the country witnessed a 36% increase in poppy cultivation in 2013.

### **ACHIEVEMENTS AND PERFORMANCE**

During the year 2013-2014, BAAG continued to facilitate and expand collective actions by its members and the wider relief and development community; engage with policy makers in Afghanistan, UK and Europe; and enable and support Afghan civil society's input into policy debate and formulation. 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 March 2013 – April 2014:

#### Information Sharing

To ensure effective information sharing and networking between Afghan civil society organisations (ACSOs), member agencies and other INGOs, BAAG conducted Members' Meetings in London and Kabul. The themes of these meetings covered a variety of major Afghan humanitarian and development issues.

BAAG continued to improve its website and Twitter following as effective ways of disseminating information online. Publishing pieces on Afghanistan that included 45 original news stories, its own reports and resource documents from numerous other professional sources, audio and video interviews and 9 blogs, BAAG's website continued to attract greater number of visitors. During this period there were 28,119 sessions recorded, by a total of 22,280 users. It is estimated that 78% of those were new users. This represents a 42% increase of both sessions and users on the previous reporting period.

BAAG's Twitter followers at the end of the period numbered 1,051 (more than doubling the 514 at end of March 2013) and included, but are not limited to, Afghan and international NGOs, journalists, filmmakers, academics and artists, Afghan and Western politicians, diplomats and think tanks. BAAG launched its Facebook page in April 2013 and had 428 likes by the end of the period.

In November BAAG launched its monthly Afghanistan this Month report, providing a two-page summary of the key news from the country. This has been well-received, with positive feedback not only from members but also from staff of Her Majesty's Government, donors, researchers and academics. These reports are posted on the BAAG website, which has helped increase website traffic.

BAAG's media presence increased during the period. Highlights included BAAG's Director Jawed Nader joining Jeremy Paxman live on the BBC Newsnight programme to discuss David Cameron's comment that Britain had accomplished its mission in Afghanistan, Jawed's opinion piece on the foundations of democracy in Afghanistan quoted on the New York Times online, a blog piece for the BBC Persian website, interviews for visiting Afghan women's rights activists with the BBC World Service and Persian channels and interviews with visiting Afghan gender experts with the Guardian, BBC World Service and Reuters.

BAAG has commissioned a group of student researchers at LSE to analyse the British print media's coverage of Afghanistan in the last 5 years. The report, which was due to be launched in April 2014, was to help develop BAAG's media approach for the future and to be used for discussions and debate on the subject of development journalism.



# **BAAG (BRITISH & IRISH AGENCIES AFGHANISTAN GROUP) COMPANY LIMITED BY GUARANTEE**

## **Trustees' Annual Report** *(continued)*

### **Year ended 31st March 2014**

BAAG is developing ideas for a programme called 'Changing the Narrative', which aims to present a more varied, positive and accurate view of Afghanistan and its people. BAAG engaged Engi, a conflict-focused consultancy, to scope out possible public-facing activities for the future, and is using this to explore possible events for the future. During this period BAAG held a screening of Buzkashi Boys, an award winning short film on Afghanistan, at the Working Title Films screening room in central London.

In March, BAAG sponsored Afghan Connection's annual Afghanistan event. This literary event brought together distinguished British writers on Afghanistan, and BAAG used the event to present ideas for its Changing the Narrative campaign with the 600 audience members.

BAAG published four reports during the period which were widely shared with policy makers, members, researchers, academics and the media. In posting these to the BAAG website they were also made available to the public. These reports were 'Sustainable engagement to 2014 and beyond' based on the November 2012 event with Chatham House; 'Civil Military Relations in Afghanistan, 2001 to Transition' with ODI's Humanitarian Policy Group following a round table with them in May 2013; 'Transition and Non-Government Organisations in Afghanistan: An assessment and prospects' resulting from research undertaken by APPRO with support from BAAG and ENNA; and 'Understanding Gender Programming and Issues in Afghanistan' ahead of the Getting it Right Gender conference in March 2014.

#### Policy and Advocacy activities

BAAG organised quarterly Contact Group Meetings (CGM) between the members, wider relief community and senior figures from the UK Foreign and Commonwealth Office, the Department for International Development and Ministry of Defense. In addition it organized a CGM between members and DFID's Humanitarian Advisers in January 2014, to discuss the latter's revised Humanitarian Strategy. CGMs were instrumental in keeping the various government and non-government bodies updated about each other's work and provided an opportunity for them to engage with one another in the strategic level.

As part of its parliamentary engagement, BAAG continued the secretariat role of All Party Parliamentary Group (APPG) on Afghanistan this year. Two meetings were held during the period in which guest speakers discussed policy and advocacy issues with parliamentarians. In December 2013 BAAG joined the British Council and Culture & Conflict to organise a round table on culture and education in Afghanistan, chaired by Lyse Doucet of the BBC and with speakers including Saad Mohseni (CEO Moby Group) Helay Ershad MP, Afghanistan National Assembly and Daud Rasool, British Council Afghanistan. In March 2014 the four Afghan gender experts involved in the Getting it Right Gender conference met with the APPG members to highlight gender issues in Afghanistan. In addition BAAG staff met with two of the APPG Afghanistan chairs in January 2014 to discuss key political events in the year ahead and possible APPG meetings in response to these.

In May 2013 BAAG and the ODI's Humanitarian Policy Group convened a closed round table to discuss civil military relations in Afghanistan from 2001 to the present day. It brought together military, political and humanitarian/non-governmental (NGO) actors to reflect on what lessons could be learned with regards to civilian-military relations after over a decade of dialogue in Afghanistan. Comments were also gathered from civil society groups in Afghanistan and incorporated into the event report.



# **BAAG (BRITISH & IRISH AGENCIES AFGHANISTAN GROUP) COMPANY LIMITED BY GUARANTEE**

## **Trustees' Annual Report** *(continued)*

### **Year ended 31st March 2014**

Also in May BAAG hosted a one day discussion between four gender experts reviewing the impact, and good/bad practices of gender programming in Afghanistan. Their comments were captured in the BAAG report 'Understanding Gender Programming and Issues in Afghanistan'.

In June 2013 BAAG and 35 international and Afghan civil society organisations petitioned the Afghan Ministry of Mines and the international community to deliver on their commitments for effective oversight of the burgeoning mining sector. Their letter came ahead of critical meetings in Kabul on 3rd July 2013.

In June BAAG also hosted a Violence against Afghan Women and Girls (VAWG) week in London. Inviting four civil society/women activists from Afghanistan, BAAG discussed VAWG issues in a two-day workshop and held meetings with policymakers, members, activists, students and the media.

BAAG used the International Day to Eliminate Violence Against Women in November to present a letter to the Afghan Ambassador calling for support of EVAW.

In support of ENNA (European Network of NGOs in Afghanistan), BAAG surveyed its members on the subject of aid conditionality and presented the survey findings to policy makers in the EU.

Also in November BAAG held a one-day workshop with Afghan diaspora from across the UK. This followed a mapping exercise conducted in September and October. Representatives from DFID and FCO were also invited to attend and present, and the day provided a valuable platform for the diaspora to consider their advocacy and support activities in the UK and Afghanistan. A request was made for further meetings between BAAG and the diaspora.

BAAG also actively supported the UNAMA mandate renewal in early 2014 with commentary and recommendations. In January, BAAG attended the National Action Plan Workshop at the FCO organised by Gender Alliance for Women, Peace and Security (GAPS). BAAG provided input on how the UK can better support gender projects in Afghanistan.

In March 2014 BAAG held a week of Gender activities which culminated in the two-day Getting it Right Gender Conference in central London. Building on the earlier gender discussions in May and June 2013, the conference gathered together Afghan and international NGO views as to what had been successful in developing gender policy and programming in Afghanistan, what had been unsuccessful and the recommend future actions. Approximately 90 people attended the conference, including policy makers and the media. Four Afghan gender experts lead the discussions and met with, amongst others, the Secretary of State for International Development and Senior Minister of State at the Foreign and Commonwealth Office, Baroness Warsi. Informal feedback from Justine Greening, DFID's Secretary of State, included the comment that her meeting with the Afghan specialists 'was the most inspiring meeting of my DFID career'.

In addition to the above, BAAG reactivated their Members' Advocacy meetings in March 2014. These monthly meetings allow BAAG and its members to raise shared or priority advocacy needs and work collectively to address them.

### **Coordination and Networking**

As a founding member and Steering Committee member of the European Network of NGOs in Afghanistan (ENNA), BAAG has actively contributed to ENNA's work. During the period BAAG staff



# **BAAG (BRITISH & IRISH AGENCIES AFGHANISTAN GROUP) COMPANY LIMITED BY GUARANTEE**

## **Trustees' Annual Report** *(continued)*

### **Year ended 31st March 2014**

attended various ENNA members and Steering Committee meetings and contributed to joint advocacy activities.

BAAG also worked closely with Agency Coordinating Body for Afghan Relief and Development (ACBAR) Tawanmandi (The British Council civil society support project in Afghanistan). An MOU was signed with Tawanmandi in April 2013, and the existing MOU with ACBAR was renewed.

BAAG also continued its support of, and discussions with, the Afghan Women Support Forum UK and Gender Action for Peace and Security. BAAG provided advice to these entities, invited them to events and consults them on potential joint projects.

BAAG staff participated in various events during the period, which served both as networking and information sharing opportunities. The Director travelled to Australia where he was invited to speak at 'Afghanistan 2020' a workshop organised by Flinders University, Lowey Institute of International Policy and Chatham House. Whilst there he also attended a meeting with staff of the Department of Foreign Affairs and Trade (DFAT). Other events BAAG spoke at included: a panel role in the Chatham House seminar 'Protecting Women's Rights in Afghanistan'; participated as a panellist at a SOAS event to address development challenges in Afghanistan; moderated panels held by the Afghanistan and Central Asian Association; spoke about women's rights at Amnesty International UK's student event; spoke at King's College London where 30 students of that university and Science Po, a French-based University, convened a workshop on Afghan peace efforts; talked about the conflict in Afghanistan and the possibility of its spill-over in Central Asia and South Asia at International Alert's Conflict Ideas Forum; spoke about the development progress and challenges in Afghanistan to supporters of Taunton-based charity Parfan; and spoke to students of Kings College London about the role of aid in developing state functions in Afghanistan.

During staff trips to Afghanistan and Brussels BAAG held meetings with ministers at the Ministries of Agriculture, Irrigation & Livestock, of Rural Rehabilitation & Development and of Foreign Affairs within the Government of Afghanistan; with the UN – UNAMA (DSRSG Mark Bowden), UNDP (Sultan Aziz, Consultant Police Reform) and UNHCR (Bo Schack, Head of Mission); and with the EU – EUSR Franz-Michael Melbin, Operations Co-ordinator Ulrich Steinle, Paul Godfrey EEAS.

### **Organisational development**

The structure of the BAAG team changed in August 2013 with the appointment of two new staff. Elizabeth Cameron, BAAG's Programme Coordinator, left in July 2013 to take up a position with Oxfam GB in Kabul. Her role was combined with that of the part-time Media Consultant to create a full-time Programme & Communications Coordinator position, which was taken by Jenny Humphreys in late August. A part-time Finance & Administration Officer position was created and was taken by Monica Encinas in early 2014. Based on a three day week, BAAG aim to make the Finance & Administration Officer a full-time position when funding permits.

Following the recommendations of the Trustees' Strategic Planning Committee in early 2013, BAAG's Director undertook a review of the Strategic Plan. The previous version (2009-11) of the document was reflected in BAAG's DFID-funded 3-year Afghanistan Civil Society Partnership Project. As that project was due to come to an end in December 2013 and Afghanistan and its international partners prepare for major changes in the wake of political, military and economic transitions, this exercise allowed BAAG to closely monitor the situation and adapt strategically.

# **BAAG (BRITISH & IRISH AGENCIES AFGHANISTAN GROUP) COMPANY LIMITED BY GUARANTEE**

## **Trustees' Annual Report** *(continued)*

### **Year ended 31st March 2014**

In April, the Director travelled to Afghanistan to consult Members, Afghan civil society actors and other stakeholders. Other meetings took place in the UK and covered respondents living in Ireland and Brussels. Those consulted include: BAAG Board of Trustee and previous employees; Member agencies, based in the UK and Afghanistan; Partner organisations including ACBAR, ENNA and Tawanmandi; Academics and Afghanistan experts; MPs and officials from HMG Departments.

In October 2013 the finalised BAAG Strategic Plan 2014-2017 was presented to and approved by the Board of Trustees, after incorporating their feedback from earlier drafts.

The Strategic Plan 2014-2017 proposes three strategic directions, with corresponding objectives and activities:

1. BAAG will initiate, support and facilitate policy and advocacy initiatives that will positively contribute to the development process in Afghanistan and the work of its member agencies
2. BAAG will bring its members together to share lessons and good practice. It will also create linkages with organisations from outside the membership whose participation in these processes will add value
3. BAAG will work to maintain the profile of Afghanistan with policy makers, donors and public. Sustaining and raising international/UK help to Afghanistan

BAAG will review the Strategic Plan within 4-6 months of the appointment of the new Afghan President and government in 2014.

### **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**

Income rose in the year by 24% from £183,380 to £219,304. As with last year, BAAG received the majority of its financial support - £180,508 – from the Department for International Development with contributions from members providing a further £21,610 and a gift in kind from CAFOD in relation to the provision for office space accounting for most of the balance.

The increase in income was broadly mirrored by an increased in the overall level of charitable activities. Whilst the funding from the Department for International Development funded much of our core costs however some remained unfunded and as a result there was an unrestricted deficit in the year of £10,283.

### **Reserves policy**

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

Unrestricted reserves at 31 March 2014 amounted to £41,009 which represented just over two months of core costs - a decrease of £9,211 from last year's reserves of £50,220. The Trustees will review BAAG's reserve policy in the 2014/15 fiscal year in light of funding challenges and the need to ensure that the organisation will always be in a position to meet its legal obligations.



# **BAAG (BRITISH & IRISH AGENCIES AFGHANISTAN GROUP) COMPANY LIMITED BY GUARANTEE**

## **Trustees' Annual Report *(continued)***

**Year ended 31st March 2014**

### **PLANS FOR FUTURE PERIODS**

In the last year, BAAG reviewed its strategic plans with due consideration to the changing development, humanitarian and other environmental factors in Afghanistan.

#### Information sharing

BAAG will continue to facilitate/hold meetings with ACSOs, Afghan civil society actors and INGOs in the UK, Afghanistan and Europe. The meetings will be used to share information and provide strategic opportunities to influence current issues related to Afghanistan such as women's rights, peacebuilding, economic development and sustaining engagement with Afghanistan post-2014. In addition, BAAG will work with members and other INGOs to feed into consultations currently ongoing on DFID's new humanitarian strategy for Afghanistan.

The website and social media will be used to promote the voice of Afghan civil society. Visiting civil society representatives will be interviewed and audio pieces posted on the website. BAAG continues to feature blogs from prominent individuals, Afghan civil society and members.

BAAG recognizes that the international media audiences receive imbalanced news about Afghanistan. There are much coverage of negative stories such as security incidents, corruption, opium cultivation and the like. While these reports are not untrue, they do not reflect an accurate picture of Afghanistan and the positive changes that have occurred. BAAG plans to understand what public perception gaps are regarding Afghanistan in the UK. Depending on availability of funds, it will then follow up with the project designed to tackle these gaps.

#### Policy Discussions

BAAG will continue to serve as the secretariat of APPG Afghanistan. Through the end of the year, we plan to convene sessions among other about the Afghan Diaspora, Afghan women, and key development issues. BAAG will continue to work with the IDC and present evidence to their Afghanistan-related enquiries, where they are in line with our advocacy strategy.

BAAG will continue to raise the voice of Afghan civil society and member agencies regarding the implications of the political, military and economic transitions in the lead-up to 2014 and beyond.

Working with partners, BAAG will develop evidence-based policy papers around Afghan women's rights issues, peace-building, donor attitude towards Afghanistan and implications of transition on the NGOs. The specific topics will be determined after consultation with partners. The papers will be used as advocacy tools in our discussions with government partners.

BAAG intends to devise an advocacy plan to share the findings of the Dublin peacebuilding workshop and various other research reports with the Afghan authorities. We plan to convene meetings with officials from Afghanistan Peace and Reintegration Programme, High Peace Council and other stakeholders. In the meantime, BAAG will continue to work closely with Glencree, Oxfam and other stakeholders to ensure that the peace process is inclusive and sustainable.

BAAG plans to hold different events in London looking at ways in which to support Afghan women. A consultation with international experts and Afghans will be held. The objective of this consultation will be to assess the status of Afghan women and the international assistance to them. Another event will focus on violence against women and girls in Afghanistan. Afghan civil society representatives will be invited to attend a workshop on the issue, meet HMG representatives, conduct media interviews and visit women's shelters. The events will culminate in a bigger conference on Afghan gender issues.



# **BAAG (BRITISH & IRISH AGENCIES AFGHANISTAN GROUP) COMPANY LIMITED BY GUARANTEE**

## **Trustees' Annual Report** *(continued)*

**Year ended 31st March 2014**

### Coordination and Networking

BAAG will continue to support European Networks of NGOs in Afghanistan (ENNA) by chairing the Steering Committee meetings and providing overall strategic guidance with regards to research and advocacy. BAAG will make visits to Europe combining ENNA work with BAAG's advocacy priorities in the European level.

BAAG plans to hold a discussion with Afghan Diaspora to understand the activities of various diaspora groups. That will be an opportunity for the Afghan communities in London and other cities to network and identify areas of cooperation. Inviting at members from different communities, the event will pave the way for more interaction between BAAG and the Afghan Diaspora.

BAAG intends to sign MOUs with Tawanmandi, ACBAR and other partners. This way, BAAG will more effectively coordinate advocacy efforts between Afghanistan, UK and at European-based organisations.

### Fundraising

BAAG will continue to seek additional income from institutional donors, trusts, foundations and high-net-worth individuals during the year – aiming for a more sustainable balance of restricted and unrestricted income and a reduced reliance on any single donor. Trustees recognise that the level of funding required in a relatively short period of time will be a considerable challenge to the organisation and will be following progress in this area closely.

### **Trustees' Responsibilities**

The Trustees (who are also the directors of BAAG (British & Irish Agencies Afghanistan Group) for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the income and expenditure of the charitable company for that period.

In preparing these financial statements, the Trustees are required to:

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

# **BAAG (BRITISH & IRISH AGENCIES AFGHANISTAN GROUP) COMPANY LIMITED BY GUARANTEE**

## **Trustees' Annual Report** *(continued)*

### **Year ended 31st March 2014**

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

### **AUDITOR**

Following the transfer of the business of Mitchell Charlesworth to Mitchell Charlesworth LLP on 1 June 2014, and having expressed a willingness to continue in office, a resolution for the appointment of Mitchell Charlesworth LLP will be proposed at the forthcoming Annual General Meeting.

### **SMALL COMPANY PROVISIONS**

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

Registered office:  
55 Westminster Bridge Road  
London  
SE1 7JB

Signed by order of the Trustees



Frederick Lyons – Chairman of the Trustees

27<sup>th</sup> January 2015



# Mitchell Charlesworth LLP

Chartered Accountants  
24 Nicholas Street Chester CH1 2AU

## **Independent Auditor's Report to the Members of BAAG (British & Irish Agencies Afghanistan Group)**

### **Year ended 31st March 2014**

We have audited the financial statements of BAAG (British & Irish Agencies Afghanistan Group) for the year ended 31st March 2014 on pages 19 to 26 26. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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

### **RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS**

As explained more fully in the Trustees' Annual Report, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements 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 FINANCIAL STATEMENTS**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements 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 financial statements. In addition, we read all the financial and non-financial information in the reports and financial statements to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

# Mitchell Charlesworth LLP

Chartered Accountants  
24 Nicholas Street Chester CH1 2AU

## Independent Auditor's Report to the Members of BAAG (British & Irish Agencies Afghanistan Group) *(continued)*

**Year ended 31st March 2014**

### **OPINION ON FINANCIAL STATEMENTS**

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at year ended 31st March 2014 and of its incoming resources and application of resources 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' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

### **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 financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Trustees' Annual Report.



24 Nicholas Street  
Chester  
CH1 2AU

MITCHELL CHARLESWORTH LLP  
Chartered Accountants  
Statutory Auditor

27<sup>th</sup> January 2015

**BAAG (BRITISH & IRISH AGENCIES AFGHANISTAN GROUP)  
COMPANY LIMITED BY GUARANTEE**

**Statement of Financial Activities (Incorporating the Income and Expenditure Account)**

**Year ended 31st March 2014**

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2014 £	Total Funds 2013 £
<b>Incoming resources</b>					
Incoming resources from generating funds:					
Voluntary income	2	10,023	186,502	196,525	158,524
Investment income	3	99	-	99	175
Incoming resources from charitable activities	4	22,680	-	22,680	24,681
<b>Total incoming resources</b>		<u>32,802</u>	<u>186,502</u>	<u>219,304</u>	<u>183,380</u>
<b>Resources expended</b>					
Costs of generating funds:					
Costs of generating voluntary income	5	(116)	-	(116)	(84)
Charitable activities		(28,270)	(187,037)	(215,307)	(162,861)
Governance costs	8	(13,627)	(1,737)	(15,364)	(13,690)
<b>Total resources expended</b>		<u>(42,013)</u>	<u>(188,774)</u>	<u>(230,787)</u>	<u>(176,635)</u>
<b>Net incoming/(outgoing) resources for the year/net income/(expenditure) for the year</b>	10	(9,211)	(2,272)	(11,483)	6,745
<b>Reconciliation of funds</b>					
Total funds brought forward		50,220	35,529	85,749	79,004
<b>Total funds carried forward</b>		<u>41,009</u>	<u>33,257</u>	<u>74,266</u>	<u>85,749</u>

The Statement of Financial Activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared.

All of the above amounts relate to continuing activities.

The notes on pages 21 to 26 form part of these financial statements.



**BAAG (BRITISH & IRISH AGENCIES AFGHANISTAN GROUP)  
COMPANY LIMITED BY GUARANTEE**

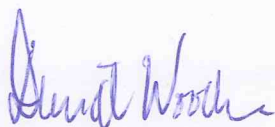
**Balance Sheet**

**31st March 2014**

	Note	2014 £	£	2013 £	£
<b>Current assets</b>					
Debtors	12	11,653		6,456	
Cash at bank and in hand		90,584		98,901	
		<u>102,237</u>		<u>105,357</u>	
<b>Creditors: Amounts falling due within one year</b>	13	<u>(27,971)</u>		<u>(19,608)</u>	
<b>Net current assets</b>			74,266		85,749
<b>Total assets less current liabilities</b>			<u>74,266</u>		<u>85,749</u>
<b>Net assets</b>			<u>74,266</u>		<u>85,749</u>
<b>Funds</b>					
Restricted income funds	14		33,257		35,529
Unrestricted income funds	15		41,009		50,220
<b>Total funds</b>			<u>74,266</u>		<u>85,749</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

These financial statements were approved by the members of the committee on the 27/1/15 and are signed on their behalf by:



David Woodbine

Company Registration Number: 6880188

The notes on pages 21 to 26 form part of these financial statements.



# **BAAG (BRITISH & IRISH AGENCIES AFGHANISTAN GROUP) COMPANY LIMITED BY GUARANTEE**

## **Notes to the Financial Statements**

**Year ended 31st March 2014**

### **1. Accounting policies**

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and the preceding period.

#### **1.1. Basis of accounting**

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), the Statement of Recommended Practice Accounting and Reporting by Charities' issued in March 2005 (SORP 2005) and the Companies Act 2006.

#### **1.2. Fund accounting**

The charity maintains a general unrestricted fund that is expendable at the discretion of the Trustees in furtherance of the objects of the charity. This fund may be held in order to finance both capital investment and working capital.

Restricted funds have been provided to the charity for particular purposes, and it is the policy of the Board of Trustees to carefully monitor the application of those funds in accordance with the restrictions placed upon them.

#### **1.3. Incoming resources**

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

Grants, including grants for the purchase of fixed assets, are recognised in full in the statement of financial activities in the year in which they are receivable. Grants where entitlement is not conditional on the delivery of a specific performance by the charity are recognised when the charity becomes unconditionally entitled to the grant. Grants received and specified by the donor as relating to specific accounting periods are deferred on an accruals basis to the period to which they relate. Such deferrals are shown as creditors in the accounts.

Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included.

Income from conferences is included in the period in which the conference takes place.

Membership subscriptions are accounted for in the year in which they are due.

#### **1.4. 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.

# BAAG (BRITISH & IRISH AGENCIES AFGHANISTAN GROUP) COMPANY LIMITED BY GUARANTEE

## Notes to the Financial Statements

Year ended 31st March 2014

### 1. Accounting policies *(continued)*

#### 1.5. Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Fixtures, fittings and equipment - 33% straight line

Expenditure of a capital nature of less than £200 is not capitalised.

### 2. Voluntary income

	Unrestricted Funds £	Restricted Funds £	Total Funds 2014 £	Total Funds 2013 £
<b>Donations</b>				
Donations	10,023	1,994	12,017	377
Gifts in kind	-	-	-	4,920
<b>Grants receivable</b>				
Grants receivable	-	184,508	184,508	153,227
	<u>10,023</u>	<u>186,502</u>	<u>196,525</u>	<u>158,524</u>

### 3. Investment income

	Unrestricted Funds £	Total Funds 2014 £	Total Funds 2013 £
Bank interest receivable	99	99	175

### 4. Incoming resources from charitable activities

	Unrestricted Funds £	Total Funds 2014 £	Total Funds 2013 £
Membership subscriptions	22,680	22,680	24,681
	<u>22,680</u>	<u>22,680</u>	<u>24,681</u>

### 5. Costs of generating voluntary income

	Restricted Funds £	Total Funds 2014 £	Total Funds 2013 £
Direct fundraising costs	116	116	-
Support costs	-	-	84
	<u>116</u>	<u>116</u>	<u>84</u>

**BAAG (BRITISH & IRISH AGENCIES AFGHANISTAN GROUP)  
COMPANY LIMITED BY GUARANTEE**

**Notes to the Financial Statements**

**Year ended 31st March 2014**

**6. Costs of charitable activities by fund type**

	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Total Funds 2014 £</b>	<b>Total Funds 2013 £</b>
Total	<u>28,270</u>	<u>187,037</u>	<u>215,307</u>	<u>162,861</u>

**7. Costs of charitable activities by activity type**

<b>Activity</b>	<b>Staff costs £</b>	<b>Direct costs £</b>	<b>Support costs £</b>	<b>Total 31 March 2014 £</b>	<b>Total 31 March 2013 £</b>
Policy work and Information Sharing	51,572	22,003	6,623	80,198	67,420
Raising the profile of the needs and aspirations of Afghans, particularly the poorest and most vulnerable	57,637	17,611	6,138	81,386	61,752
Membership Activity and Networking	42,469	7,862	3,392	53,723	33,689
Total	<u>151,678</u>	<u>47,476</u>	<u>16,153</u>	<u>215,307</u>	<u>162,861</u>

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 staff time on policy work and information sharing, 38% on raising the profile of the needs and aspirations of Afghans and 21% on membership activity.

**8. Governance costs**

	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Total Funds 2014 £</b>	<b>Total Funds 2013 £</b>
Audit and accountancy	2,472	-	2,472	2,902
Board expenses	44	-	44	-
Sundries	939	1,725	2,664	1,101
Support costs	10,172	12	10,184	9,687
Total	<u>13,627</u>	<u>1,737</u>	<u>15,364</u>	<u>13,690</u>



# BAAG (BRITISH & IRISH AGENCIES AFGHANISTAN GROUP) COMPANY LIMITED BY GUARANTEE

## Notes to the Financial Statements

Year ended 31st March 2014

### 9. Support costs

Cost	Charitable activities	Fundraising costs	Governance costs	Total 31 March 2014	Total 31 March 2013
	£	£	£	£	£
Rent	-	-	9,012	9,012	8,866
Website and IT	9,126	-	-	9,126	4,689
Telephone and fax	1,122	-	-	1,122	805
Postage and stationery	3,464	-	-	3,464	1,448
Insurance	510	-	-	510	341
Recruitment	-	-	752	752	3,551
Membership fees	1,931	-	-	1,931	1,212
Training	-	-	420	420	1,216
Bank Charges	-	-	-	-	44
Total	<u>16,153</u>	<u>-</u>	<u>10,184</u>	<u>26,337</u>	<u>22,172</u>

Expenditure incurred in respect of a particular activity is allocated to it. Where expenditure cannot be attributed to specific activities, it is apportioned on the basis of the time spent on the various activities.

### 10. Net incoming/(outgoing) resources for the year

This is stated after charging:

	2014	2013
	£	£
Auditors' fees	<u>2,400</u>	<u>2,400</u>

### 11. Staff costs and emoluments

Total staff costs were as follows:

	2014	2013
	£	£
Wages and salaries	143,944	122,525
Social security costs	7,734	5,493
	<u>151,678</u>	<u>128,018</u>

#### Particulars of employees:

The average number of employees during the year, calculated on the basis of full-time equivalents, was as follows:

	2014	2013
	No	No
	3	3

No employee received remuneration of more than £60,000 during the year (2013 - Nil).

# BAAG (BRITISH & IRISH AGENCIES AFGHANISTAN GROUP) COMPANY LIMITED BY GUARANTEE

## Notes to the Financial Statements

Year ended 31st March 2014

### 12. Debtors

	2014	2013
	£	£
Membership receivable	8,815	5,660
Other debtors	2,838	248
Prepayments	-	548
	<u>11,653</u>	<u>6,456</u>

### 13. Creditors: Amounts falling due within one year

	2014	2013
	£	£
Trade creditors	-	14,921
PAYE and social security	2,255	2,260
Other creditors	25,716	2,427
	<u>27,971</u>	<u>19,608</u>

### 14. Restricted income funds

Fund	Balance 1 April 2013	Incoming resources	Outgoing resources	Balance 31 March 2014
	£	£	£	£
FCO-Diaspora	-	1,994	1,994	-
Department for International Development	21,274	180,508	179,280	22,502
Public Campaign	14,312	4,000	7,500	10,812
ENGI Campaign	(57)	-	-	(57)
Total	<u>35,529</u>	<u>186,502</u>	<u>188,774</u>	<u>33,257</u>

#### Purposes of restricted funds

1. DFID granted BAAG a three year accountable grant arrangement for an Afghanistan-Civil Society Partnership project in January 2011. The grant which is dedicated to BAAG's work with Afghan civil society partners will be invaluable in assisting BAAG to ensure that Afghan civil society organisations and activists from across Afghanistan have the opportunity to contribute actively to policy making on development and aid effectiveness at a national and international level. On 31 March this grant was due to end. DFID extended the grant for a further 2 months as part of a no-cost extension so to allow £24,197 in under-spend to be brought forward into the fiscal year 2014/15. The funds were used for the planning and preparation of Afghan civil society's input into the London Conference on Afghanistan.
2. FCO-Diaspora: The Foreign & Commonwealth Office contributed £1,994 for venue costs associated with BAAG's Diaspora Workshop which brought together members of the Afghan diaspora living in the UK to engage in discussion on the current and future situation in Afghanistan, exchange information, and develop closer links with BAAG and HMG.

# BAAG (BRITISH & IRISH AGENCIES AFGHANISTAN GROUP) COMPANY LIMITED BY GUARANTEE

## Notes to the Financial Statements

### Year ended 31st March 2014

3. Public Campaign: three of BAAG's member agencies, Christian Aid, CAFOD and CARE International UK provided BAAG with £19,167, £14,702 and £10,000 respectively to develop and carry out public campaign work on Afghanistan in the financial years 2010-2012. In 2014 CAFOD contributed an additional £2,000 towards BAAG's public campaign work.

### 15. Unrestricted income funds

Fund	Balance 1 April 2013 £	Incoming resources £	Outgoing resources £	Balance 31 March 2014 £
Unrestricted fund	<u>50,220</u>	<u>32,802</u>	<u>42,013</u>	<u>41,009</u>

### 16. Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total funds £
Net current assets	<u>41,009</u>	<u>33,257</u>	<u>74,266</u>

### 17. Related party transactions

Elizabeth Winter, who was a Trustee throughout the previous year, acted for the organisation as an advocacy consultant and in this capacity was paid £nil (2013 - £29,591) during the year. The Trustees were not paid any additional remuneration. The Trustees were paid a total of £nil (2013 - £nil) in expenses during the year to cover travel and postage.

### 18. Taxation

The charity's activities fall within the exemptions afforded by the provisions of the Income and Corporation Taxes Act 1988. Accordingly, there is no corporation tax charge in these accounts. Value added tax is not recoverable by the charity and it is therefore included in the resources expended figures in the SOFA.

### 19. Company limited by guarantee

BAAG is a company limited by guarantee and accordingly does not have a share capital. Every member of the company undertakes to contribute such amount as may be required not exceeding £10 to the assets of the charitable company in the event of its being wound up while he or she is a member, or within one year after he or she ceases to be a member. At 31 March 2014 there were 23 members of the company and 2 observer members.