

Afghanaid
For peace and prosperity

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Annual Report 2025

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

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REFERENCE AND ADMINISTRATIVE INFORMATION



Company Number:	3034888	
Charity Numbers:	1045348 (England and Wales) SC044614 (Scotland)	
Governing Document:	The charity was established under a Memorandum of Association, which established the objects and powers of the charitable company, and it is governed under its Articles of Association.	
Registered Office & Operational Address:	Omnibus Business Centre 39-41 North Road, London N7 9DP	
Board of Trustees:	Mr Christopher Kinder (Chair) Mr Mark Bowden, CMG (Vice-Chair from July) Ms Pauline Hayes CBE (Secretary) Mr Duncan Wood CA (Treasurer) Ms Mary Mountain FCA	Mr Shirazuddin Siddiqi Dr Orzala Ashraf Nemat Mr John Hayward Mr Anthony Fitzherbert OBE (till July) Mr James Sinclair Taylor Professor Nigel Poole Ms Elizabeth Winter, OBE (Vice-Chair till July)
Principal Staff:	Mr Charles Davy, Managing Director Mr Abdul Rahman Tariq, Director of Programme Quality and Implementation Mr Ayub Khan, Director of Operations Ms Zodiac Maslin-Hahn, Director of Programme Development and Resource Mobilisation Mr Johannes Jansen, Deputy Director of Programme Performance and Monitoring Mr Guru Naik Charan, Deputy Director Climate Action Mr Muhammad Akbar Momand, Deputy Director, Finance and Administration	
Bankers:	Barclays Bank Plc. London Corporate Banking Group 1 Churchill Place, London E14 5HP AIB Bank Airport Road, Bibi Mahro Kabul, Afghanistan	Azizi Bank - Main Branch Zanbaq Square, Shar-e-Naw Kabul, Afghanistan Lloyds Bank Banking Group 25 Gresham Street, London EC2V7H, UK
Solicitors	Russell-Cooke LLP, 8 Bedford Row, London, WC1R 4BX	
Auditors	Crowe UK LLP, Chartered Accountants, 55 Ludgate Hill, London EC4M 7JW	
Auditors - Afghanistan	PKF, Chartered Accountants (Member firm of PKF International) House Number 3, Street 5, Sailoo Road, Kabul, Afghanistan	

STATEMENT FROM THE MANAGING DIRECTOR

As I reflect on 2025, I am struck by the extraordinary challenges faced by the people of Afghanistan, particularly the rural communities we serve. Another year of drought brought crop failures, rising food insecurity, and worsening malnutrition, especially among women and young children.



Nearly three million Afghans were forced to return from neighbouring countries, placing additional pressure on already stretched communities and services. At the same time, border disruptions, economic uncertainty, and a devastating earthquake that affected tens of thousands of people compounded the hardships facing families across the country.

These challenges were further intensified by ongoing restrictions on the participation of women and girls in public life, education, and employment, which continue to undermine household resilience and limit Afghanistan's long-term development prospects. Meanwhile, unprecedented reductions in global aid funding created additional pressures for humanitarian and development organisations operating in one of the world's most fragile contexts.

Against this backdrop, I am proud of how Afghanaid responded. Through the dedication of our staff, partners, and supporters, we continued to deliver high-quality programmes while adapting to a rapidly changing operating environment. During the year, we expanded our work into three additional provinces and reached more than 1.3 million people with vital assistance and development support.

We also secured the largest grant in Afghanaid's history from the UK Foreign, Commonwealth and Development Office (FCDO), while maintaining strong partnerships with the European Union, Swiss Development Cooperation (SDC), United Nations agencies, and a wide range of institutional and private donors. Thanks to this support, our annual expenditure remained stable at £15.4 million, enabling us to sustain and strengthen our impact despite a challenging global funding landscape.



“At the heart of this work is our commitment to supporting communities to lead their own development and ensuring that women and girls remain meaningfully engaged and supported”

Our programmes continued to focus on helping communities build resilience to climate change, improve livelihoods, strengthen food security, and reduce vulnerability to future shocks. At the heart of this work is our commitment to supporting communities to lead their own development and ensuring that women and girls remain meaningfully engaged and supported wherever possible.

We are particularly grateful for the generosity of the British public and the many trusts and foundations that contributed to our emergency response efforts, enabling us to provide lifesaving assistance to families affected by the earthquake.

While the challenges facing Afghanistan remain immense, so too does the resilience of its people. As we look ahead, we remain committed to working alongside communities, partners, and supporters to help create a more secure, prosperous, and resilient future. With their continued trust and support, Afghanaid will continue to deliver practical, effective, and lasting change for those who need it most.

REPORT OF THE TRUSTEES

The trustees present their report and audited financial statements for the year ended 31 December 2025.

The reference and administrative information on page 3 are part of this report. The financial statements comply with current statutory requirements, the Memorandum and Articles of Association and the Statement of Recommended Practice – Accounting and Reporting by Charities (issued March 2005).

Governance and Management

Appointment of Trustees

In advance of trustees leaving, the existing board members canvass for new appointments, vet and select, and then vote on new members. Once elected, members remain in office for four years unless they resign or are removed. After this time, members must retire at the annual Board Appointment Meeting but are eligible for re-election at the 12-year point.

The Board of Trustees may also appoint individuals to fill vacancies in the membership and may co-opt up to five additional members.

Policies and Procedures on Training of Trustees

New trustees are provided with Afghanaid's Guide for Trustees, its Memorandum and Articles of Association, information on its current strategy, programmes and projects, its annual accounts and minutes of the most recent board meetings. The Chair and the Managing Director also brief new members, and meetings are arranged for them with key staff. The training requirements of the Board of Trustees are reviewed every two years at a special board meeting dedicated to board appraisal and a strategy review. Annually, the Board members undertake refresher training in safeguarding.

Organisational Decision-Making

Afghanaid's Board of Trustees meet quarterly throughout the year with the Managing Director and other Directors to review strategy, programme and financial performance, security, safeguarding and other risks, funding, and income matters, and to discuss significant trends and problems that might affect long-term organisational stability.

The Board of Trustees periodically reviews Afghanaid's organisational risks as part of its governance responsibilities. At each quarterly meeting, the Board considers updates on key strategic, operational, financial, safeguarding and security risks, and assesses the effectiveness of mitigation measures in place. This structured oversight ensures that Afghanaid remains resilient, accountable, and able to operate effectively in Afghanistan's complex and rapidly changing environment

The Board Security Committee meets quarterly with the Head of the Security Department and the Managing Director. The Board Finance Committee meets quarterly with the Managing Director, Director of Finance and Operations, Deputy Director of Finance and Administration, Deputy Director for Human Resources, and the Head of Communications and Giving. The Programme Committee meets three times a year with the Managing Director, Director Programme Implementation and Quality, Director of Programme Development and Resource Mobilisation, and several other relevant staff.

The Managing Director liaises fortnightly with the Chair of the Board of Trustees to consult and receive support and guidance. The Director of Finance and Operations and other senior finance staff members meet monthly with the Treasurer for consultation, support and guidance, and to review ongoing monthly budget implementation. Trustees are required to disclose all relevant interests and register them with the Chair and withdraw from a decision where a conflict of interest arises.

Pay and Remuneration

As a matter of course, the trustees are not remunerated. However, trustees are normally recruited for their expertise. If a project requires a significant amount of time from a particular trustee, the trustee could be contracted to do the work.

All related party transactions are disclosed under Note 17 in the financial statements.

The Directors of Afghanaid (Principal Staff) are employed according to approved terms, conditions and pay scale applicable to all staff. To better attract and retain the qualified, motivated directors required to work in Afghanistan's challenging environment, Afghanaid aims to offer remuneration competitive with similar NGOs. Directors' salary increments between 0% and 5% are applied based on their performance; these are proposed to and reviewed by the Board of Trustees.

Afghanaid aims to adjust staff salaries in line with inflation and other economic conditions, to retain purchasing power year-on-year. A cost-of-living adjustment (COLA) is applied annually subject to affordability. For International Hire and UK-based staff, the rate is calculated mainly on the UK inflation rate published by the Bank of England; for National Hire staff, the rate is mainly determined by averaging out the World Bank, IMF, or Central Statistical Office inflation rates.

In addition, being cognisant of the difficulty of retaining International Hire staff, Afghanaid rewards tenure by applying 2.5% annually to their salaries. Afghanaid conducts benchmarking exercises every two years to assess the competitiveness of remuneration compared to peer organisations. At the end of 2024, Afghanaid commissioned a comprehensive external review of its remuneration and benefits system, to assess efficiency, value for money and compliance with labour law, and will begin incorporating recommendations during 2025.

Public Benefit

The Board of Trustees of Afghanaid complies with the requirements of Section 17 of the Charities Act 2011. It refers to the Charity Commission's general guidance on Public Benefit when reviewing its aims and objectives and planning future activities. In particular, the trustees have considered how the planned activities will contribute to the aims and objectives they have set.

Afghanaid works in some of the most remote and impoverished parts of Afghanistan. Its special focus is on working with marginalised communities in urgent need of support, including women and children, so that they can improve their well-being and opportunities. We also advocate for social change with, and on behalf of, disadvantaged communities and work with them, civil society organisations and various levels of government in Afghanistan to ensure that national development efforts are both equitable and sustainable. We regularly evaluate our own work and commission external evaluations to ensure that we are meeting our objectives and bringing benefit to the targeted communities and groups.

Safeguarding

Afghanaid has in place key policies to protect its project's participants and staff from sexual exploitation, abuse and harassment. It also provides continual training to staff across its offices to ensure safeguarding policies are followed. Afghanaid aims to adhere to best-practice standards and has again reviewed these practices during 2025.

Subcontracting and Grant Making Arrangements

In provinces where Afghanaid has an established presence, and where institutional funding or emergency needs allow us to resource new field locations, we implement projects directly.

Subcontracting: In order to attain greater geographical reach, access targeted populations and draw on technical expertise to more effectively achieve its objectives, Afghanaid identifies suitable implementing partners from amongst NGOs and Civil Society Organisations. Afghanaid vets and conducts due diligence exercises, including gathering references from other donors and partners. It engages with these organisations throughout the project design, proposal development and subcontracting phases, requires regular reporting, and monitors and evaluates their performance.

Grant Making: As a rule, Afghanaid does not typically make grants to individuals or other organisations.

Fundraising

The Board of Trustees oversees all fundraising activities and ensures that the reputation of and public trust in Afghanaid is protected throughout. Afghanaid conducts its fundraising efforts in full compliance with applicable laws and regulations and continually evaluates its fundraising practices based on the principles provided by the Charity Commission in its guidance on charity fundraising (CC20) published in November 2016. Afghanaid is also registered with the Fundraising Regulator as part of our commitment to fundraising in a way that is legal, open, honest and respectful - in line with the Code of Fundraising Practice.

In 2025, Afghanaid benefited from the support of regular givers and ran four public fundraising appeals, generating funds through events, print mailing, email marketing and digital marketing channels. Afghanaid has dedicated staff members in its London Office who monitor and provide support to all fundraisers. Afghanaid does not use professional fundraisers or commercial organisations to carry out its activities, and in 2025 did not engage in door-to-door, private site or street fundraising. Every care is taken to protect vulnerable people and other members of the public from unreasonable behaviour or places an individual under undue pressure. During the year, we did not receive any fundraising-related complaints.



STRATEGIC REPORT

History

Established in Britain in 1983 to serve the needs of the people of Afghanistan fleeing war following the invasion by the Soviet Union, Afghanaid has since become one of the longest-serving, most widely respected non-governmental organisations (NGOs) in the country.

Today, Afghanaid's dedicated personnel work in some of Afghanistan's most remote and inaccessible areas, serving tens of thousands of families at risk of exclusion and poverty. In the early years, from our initial base in Peshawar, Pakistan, we delivered humanitarian relief to Afghan refugees and, braving conflict in Afghanistan, provided essential services such as delivering food, medical supplies and agricultural and livelihood assistance.

From the early 1990s, Afghanaid shifted the focus of its work in Afghanistan from humanitarian relief to community-focused development, helping rural people claim their rights and strengthen community self-reliance. During this period, we became known for our community-led construction and repair of significant infrastructure, such as bridges and roads, as well as our assistance in improving local capacities for food production.

Moving the head office from Peshawar to Kabul in 2003 enabled Afghanaid to work more closely with the Afghan Government and local stakeholders, strengthen the network of offices across the country, and even more effectively meet the needs of families facing the greatest hardships.

In 2020, Afghanistan saw intensified conflict culminating in the Taliban's return to power in 2021, accompanied by economic collapse, a massive humanitarian crisis, and a profound shift from long-term development funding to short-term life-saving humanitarian funding. In the years that followed, the economy has remained fragile and millions of Afghans continue to require emergency humanitarian assistance. At the same time, some donors have sought to rebalance, investing in addressing the chronic and systemic root causes of poverty and vulnerability. Having long recognised the vital link between humanitarian response and long-term development, Afghanaid was well placed to advocate for and respond to this shift in funding priorities. Our approach supports families through the hardest of times, and then enables them to build the resilience necessary to lift themselves out of poverty, reduce vulnerability, and lessen dependence on recurring humanitarian assistance.



Our vision:

A peaceful, just and thriving Afghanistan

Our mission

To provide Afghans with the training and tools they need to help themselves, their families and their communities



Present Day

Afghanaid's head office is located in Kabul. In 2025 we worked directly in Badakhshan, Daykundi, Ghor, Samangan, Herat, Nangarhar and Kunar provinces, and implemented projects through our partners in Nooristan, Ghazni, Takhar, Paktika and Faryab provinces. We also maintained our small but dynamic Communications and Fundraising Office in London, United Kingdom. Through 2025 we employed an average of 309 national staff, 10 international staff based in Afghanistan and 8 UK-based staff. 30% percent of our staff were female.

Afghanaid operates solely within the Republic of Afghanistan, but has extensive experience across numerous programmes and humanitarian interventions. Over four decades, the organisation has become deeply embedded in Afghan communities, with strong local knowledge, trusted relationships and long-standing networks that enable it to deliver effective, context-specific support throughout the country. This depth of experience and embedded presence provides donors with confidence that Afghanaid can reach those most in need, adapt to changing conditions, and deliver high-quality results across a wide range of programming remit.

Programmes

We deliver basic services for all, including constructing community infrastructure such as wells, reservoirs and pipe systems that provide clean drinking water; constructing latrines and raising communities' awareness of good hygiene practices; installing micro-hydro and solar power plants to bring electrical power to villages, often for the first time; constructing roads that give remote villages access to medical services, schools and markets; and building and equipping schools, making it possible for boys and girls to receive an education in a safe environment.

Our climate change adaptation and disaster risk reduction work involves creating community-based natural resource management associations, and providing them with the tools, training and resources needed to conserve and manage water, forests and rangelands. This helps communities adapt to the impacts of climate change: preventing deforestation, overgrazing and erosion and improving soil quality on irrigated and rainfed land. We also work with communities to assess hazards and provide them with the training and support they need to take pre-emptive actions to mitigate disasters. At the same time, we build local capacity to effectively respond to and manage disasters when they occur. Most importantly, this work increases groundwater, restores water tables, and creates the opportunity for irrigation and rural livelihoods.



Providing economic opportunities, sustainable livelihoods and food security entails working with farmers and their families to improve agricultural and animal husbandry techniques; providing vocational training and support for small enterprise development, especially among women; and introducing innovations that add value for farmers and entrepreneurs and improving access to markets. Together, these interventions improve productivity, incomes, food security and nutrition.

When disaster strikes, we respond immediately with emergency humanitarian assistance, providing food, shelter, clean water and sanitation, or cash to support these needs, both amidst a crisis or in the aftermath. And once the immediate disaster is over, we assist communities to rebuild their homes, renovate productive land and community infrastructure, and revitalise livelihoods.

Gender and inclusion, good governance and community development, and conflict mitigation and peacebuilding are central to the sustainability and impact of Afghanaid's projects and incorporated as cross-cutting themes across all our projects. These themes occasionally also form the basis of stand-alone projects. Afghanaid believes that working with both men and women is necessary for Afghanistan to achieve political and economic stability. We work with both sexes in all our projects and ensure that men and women are consulted at every stage of project intervention – from design and implementation, to monitoring and evaluation. We also work to improve local governance, ensuring that services align with the needs and priorities of under-represented communities.

Afghanaid also leads multi-partner consortia comprising international and national NGOs to deliver large-scale development and humanitarian programmes across Afghanistan. By bringing together complementary expertise, established community networks and operational capacity, this approach enables us to expand our geographical reach, and deliver greater impact for communities in need.



OUR PROGRAMMES IN 2025

Basic Services for all

Among our priorities in supporting local communities to meet their basic needs, improving access to safe drinking water and sanitation remained essential. The lack of employment opportunities in rural communities, combined with the growing impact of climate-related disasters, left many families unable to afford basic necessities such as clean water and hygiene essentials. In 2025, 67% of the households in Afghanistan reported drought and water scarcity, 18% of them lacking sufficient drinking water, and many more relying on unsafe sources of drinking water.

To strengthen water infrastructure in remote and drought-prone areas, Afghanaid, together with local communities, drilled bore wells, constructed reservoirs, and installed water pipelines and public water points, now providing clean water to more than three thousand people.

Alongside these improvements in infrastructure, we invested in behaviour-change initiatives to ensure lasting impact. More than eight thousand community members received structured hygiene and sanitation training, leading to better daily practices and stronger awareness of disease prevention.



Hygiene promotion campaigns, combined with the distribution of kits to vulnerable households, reinforced these improvements and contributed to long-term reductions in preventable illness and stronger community resilience.

To create a safe and supportive environment for learning, we also rehabilitated the drinking water system of local schools in a remote area of Samangan province. As a result, more than one thousand students - over seven hundred of whom are girls - now benefit from reliable access to clean water, strengthening educational participation and overall wellbeing.

Bringing Clean Water and Hope to Rural Families

Zeya, a mother of six, lives in a remote village in Samangan Province. Her husband works as a daily labourer, but opportunities are scarce. “Whatever we earn is only enough to keep our family from going hungry”, Zeya explained. For years, even their most basic needs, especially in health and hygiene, were difficult to meet. Families across the village faced similar difficulties, with limited income, poor sanitation, and unsafe water supplies leaving them vulnerable to waterborne diseases.

When Afghanaid’s team visited her village, Zeya spoke to them about the challenges she experienced, and enrolled in the project to participate in the health and hygiene awareness training sessions. “Community members have become more aware of personal hygiene, family health, and environmental cleanliness, ” she said. “As a result of these practices, we have witnessed a noticeable reduction in common waterborne diseases compared to previous years.”

Families living in the village also received a hygiene kit containing essential items they had previously been unable to afford, such as soap and toothbrushes. These small, but vital tools and the results of improved sanitation practices encouraged local households to continue prioritising their health and hygiene even after the kits were finished.

For Zeya, the most urgent challenge was the lack of access to safe drinking water. Unsafe supplies had long exposed the entire community to preventable illnesses, and women often bore the burden of walking long distances to fetch water each day. To provide safe water sources, Afghanaid with the support of the local community, drilled two water wells and installed a pipeline network throughout the village. “Now, clean water is available in every alley of our village,” she said with relief.

Looking ahead, Zeya hopes her husband will find stable employment so they can provide a more secure future for their children. “ I want them to grow up in a healthy environment where hygiene is always prioritised,” she explains. Now that her village has access to safe water sources, Zeya is also committed to promoting responsible water use within her household and community, ensuring that this valuable resource is conserved for future generations.

“The access to safe water has transformed our daily lives, and we recognise the importance of protecting it,” Zeya reflected. “I am deeply grateful to Afghanaid for their meaningful support, which has enabled our community to live in a cleaner, healthier and more dignified environment.”



Climate Change and Disaster Risk Reduction

In 2025, our climate adaptation and disaster risk reduction work funded by the UK Government's FCDO, the European Union, Swiss Development Cooperation (SDC), Swedish International Development Cooperation Agency (Sida), Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH, and the World Food Programme (WFP), continued to focus on restoring damaged land, improving water systems, supporting farmers, and helping communities prepare for emergencies. Over the year, with our partners we assessed 125 watersheds across more than 520 communities, strengthening their resilience to floods and droughts, and improving their agricultural productivity by better irrigation systems and healthier soil.

To ensure long-term impact and strong local ownership, communities worked with Afghanaid teams to establish local governance structures, such as Watershed Management Committees, and activate almost 250 disaster-response and emergency teams. To improve preparedness, communities also received emergency kits, first aid supplies, and simple early-warning tools that help them react quickly to hazards.



A villager using locally produced biobriquette as a fuel source, thereby reducing pressure to cut trees for cooking

We worked with over 15,000 local labourers to landscape watersheds and build climate-resilient infrastructure, providing them with short-term income while creating the terraces, gully plugs, canals, reservoirs and irrigation systems, as well as planting hundreds of thousands of trees, that slow the water runoff from the hillsides, eliminate flash floods, reduce erosion and protect soil, and allowing for water to be absorbed into the land and to replenish water tables. This included constructing 6.3 km of canals to guide water safely through communities and 19 water reservoirs to store water for agricultural and household use.

The programme also invested in building local skills and strengthening community organisations. Watershed committees and community members received training on watershed management, disaster preparedness, conflict resolution, leadership, bookkeeping, climate adaptation, natural resource management, and safeguarding. By organising workshops that brought together local authorities and community representatives, we strengthened the coordination needed to ensure these interventions can be maintained over the long term.

Building Resilience Against the Floods

Abdul Jawad, his wife, and their four children live in the northern province of Samangan. A daily agricultural labourer by trade, Abdul Jawad is reliant on seasonal work to make ends meet, and during a good year, he tends fields and livestock, to grow food and support his family. However, regular flash floods and droughts have destroyed fields, orchards and crops throughout his community, wreaking havoc on livelihoods and food security, and in Afghanistan's severely stressed economy, requiring men like Abdul Jawad to spend months away from his family working in Iran.

“Families in this area were at risk of seasonal floods,” Abdul Jawad explained, “Which frequently caused damage to people’s homes, orchards and fields. Many families struggled with a lack of food and access to clean drinking water, especially during the summer months when water levels dropped significantly. The flooding also made it dangerous to travel and reach essential services.”

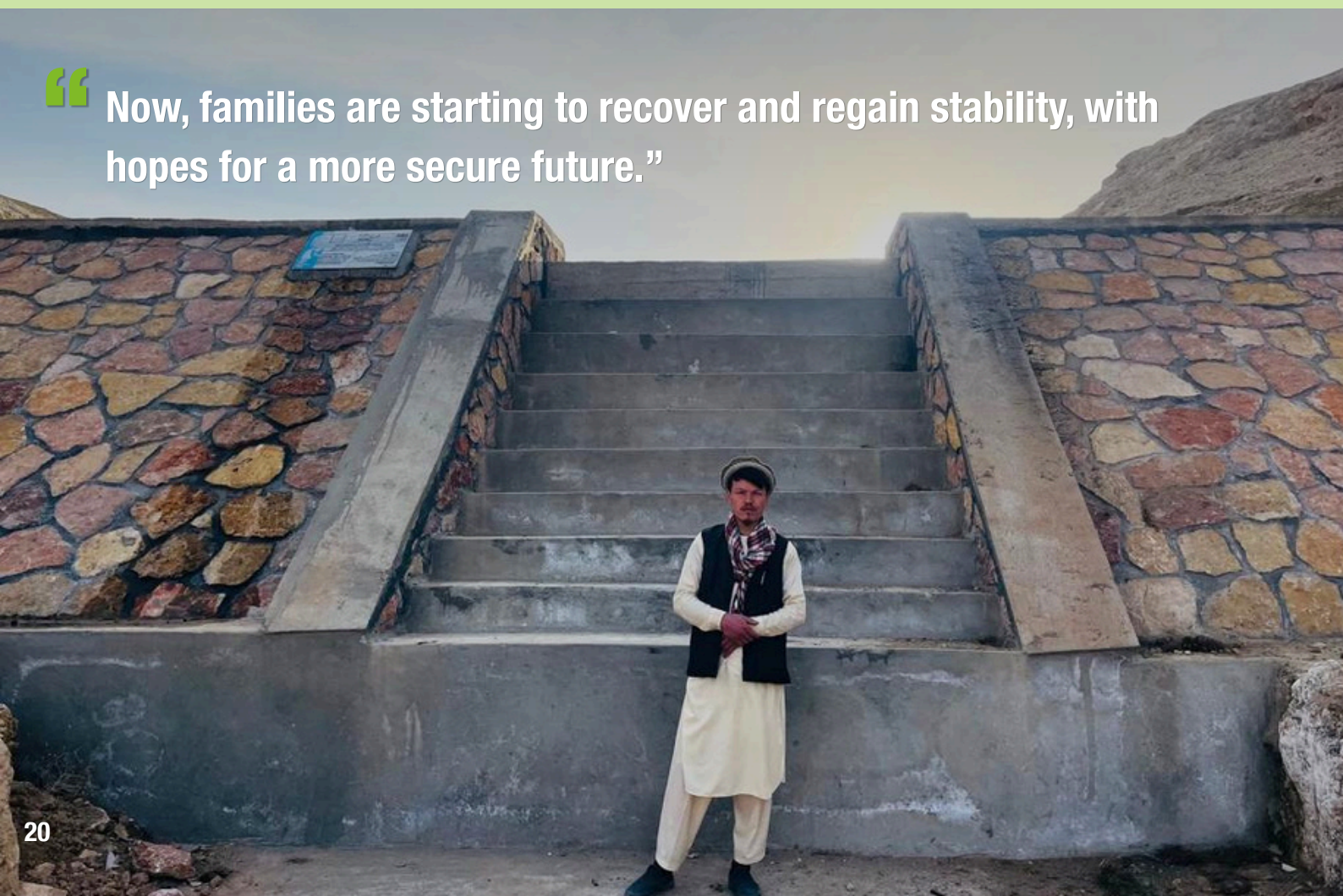
When Afghanistan visited Abdul Jawad's village, they spoke with local community leaders and residents to see how they could address their challenges. Identifying flooding as a key driver of poverty and food insecurity, as well as a key safety concern, Afghanistan's team implemented a programme to build check dams throughout the area

By utilising the skills and labour of local people to build these structures, the project also provided jobs to Abdul Jawad and others, so that they could afford basic necessities, and build economic resilience whilst the structures were completed.

“We each earned 6,400 Afghanis (£75) a month, for six months to do this work,” said Abdul Jawad, “And we got all the tools we needed to complete the constructions: like picks, shovels and wheelbarrows, as well as safety equipment like boots, hi-viz vest and helmets. And now we use these when doing any maintenance.” Now, after the construction work, the residents of Abdul Jawad’s village are safe and their homes, roads, and access to essential services are protected from seasonal flood damage. Additionally, local orchards and wheat fields are protected, water is stored and available, allowing farmers to plan for the next season with greater confidence and in anticipation of greater yields.

Abdul Jawad said about the impact this support has had on his community, “In the past, families in the village lived in constant fear of flooding and its devastating effects. Homes were often damaged, and agricultural produce was lost. The construction of the dams has significantly improved their living conditions, providing flood protection and ensuring access to water for animals. Now, families are starting to recover and regain stability, with hopes for a more secure future.”

“ Now, families are starting to recover and regain stability, with hopes for a more secure future.”



Economic Opportunities, Sustainable Livelihoods and Food Security

In rural Afghanistan, 75% of people experience multidimensional deprivation, driven by low incomes, limited assets, food insecurity, inadequate water resources, restricted education opportunities, and unsafe housing. Many households rely on informal microbusinesses and small-scale agriculture, leaving them highly vulnerable to environmental shocks and market volatility.

In 2025, Afghanaid and its partners worked across seven provinces to help families strengthen their livelihoods and build greater economic resilience. More than 170,000 women and men participated in agriculture, livestock and nutrition training, helping households diversify income sources and improving their productivity ability to cope with future shocks.

Alongside training opportunities, Afghanaid provided technical support for communities to improve access to agricultural inputs, livestock services, markets and business opportunities. Across our livelihoods programming, more than 600,000 people were supported to grow food, earn incomes and strengthen household food security.

Access to finance and business support remained a key barrier for many rural households. To address this, 319 Self-Help Groups with 6,800 members – half of whom were women – together received over GBP 163,000 in micro-grants and over GBP 1.2 million worth of equipment and supplies. To strengthen local value chains, 33 market suppliers together received nearly GBP 80,000, which enabled the establishment and expansion of 200 small businesses



Building a future on her own

Layla, a 21-year-old woman, lives in the mountainous province of Daikundi.

“I began school at age five, but was unable to continue beyond year 10 after the Government's ban on girls going to school” Layla told us. “Which left many girls, including myself, facing financial, social and emotional hardships.” This was at a time when her family was struggling to survive. “We were in extreme poverty, with no reliable source of income,” she explained. “My brothers had to migrate to another province to work in the coal mines”

Layla was also determined to help her family and build a better future, and when Afghanaid visited Layla's village looking to support women like her, it presented an opportunity for change. Layla reported that Afghanaid provided her with, “comprehensive training in small business development and management, and practical, step-by-step, hands-on skills in dairy processing, including the preparation of butter, yogurt, cheese, and other products” Alongside these lessons, she also learned “sewing and proper financial management.”

Today, Layla proudly runs both a dairy business and a tailoring shop. “I am proud to produce a wide range of high-quality dairy products for the market, which has significantly increased our income and allowed me to meet my family's basic needs.” She also saves regularly through a women's savings group, “strengthening [her] financial stability.”



Emergency Humanitarian Assistance

Afghanistan is among the most vulnerable countries in the world to natural disasters and the ravages of climate change, experiencing frequent earthquakes, flash floods, avalanches and droughts, and 2025 was no exception. And, though the repeated cycles of nationwide conflict and extreme violence experienced between the late 1970s and 2021 have subsided for the time being, in 2025, the country witnessed both growing cross-border conflict with Pakistan and the forced return of 2.9 million refugees, mostly from Pakistan and Iran.

In 2025, Afghanaid delivered lifesaving and early recovery assistance to 54,000 individuals, supporting earthquake-affected and winter-vulnerable communities.



On 31 August 2025, a magnitude 6.2 earthquake struck Kunar Province, followed by two significant aftershocks and hundreds of smaller ones over the next two weeks. The earthquake had a devastating impact on local communities, with more than 8,000 homes destroyed or severely damaged, leaving families without shelter, food, or clean water. Afghanaid was among the first responders, delivering drinking water, hot meals, tents, and blankets to affected communities. Our early assistance was financed by generous public donations, which enabled us to meet the most urgent needs in the very early days following the disaster.

With financial support of the Foreign, Commonwealth and Development Office (FCDO), The Hilton Foundation and Moslem Aid, Afghanaid continued providing assistance through the remainder of the year to 40,000 individuals, delivering multipurpose cash, tents, livestock support, transportation assistance, and essential household items such as kitchen equipment, hygiene supplies, and children's toys - replacing what families had lost during the disaster. We also rehabilitated damaged roads and canals, restoring essential community infrastructure and creating labour opportunities for local households in urgent need of income.

Across other provinces, Afghanaid provided shelter support to more than 25,000 individuals, including cash for shelter repairs and heating, blankets, firewood, and over 530 metric tons of food packages for those most in need. This assistance enabled families to maintain safe homes, secure food supplies, and protect their livelihoods during harsh winter conditions.



A Community Rebuilding Together

The village of Salambat was among the hardest hit by the horrific earthquake.

This small, remote community had long faced challenges such as poor roads, limited access to clean water, and few educational opportunities. The disaster, however, pushed families into an entirely new level of hardship. Before the earthquake, most families relied on small plots of land and a few livestock to sustain themselves.



For Mir Ahmad Khan, a father of five, agriculture and livestock rearing had supported his family for generations. “We lived simply, but we managed,” he said. “Our land and animals were enough to meet our needs.”

With the roads they used to reach distant markets blocked by rockfall during the earthquake, even basic necessities became difficult to access. Mir Ahmad Khan explained that many families were forced into difficult choices - buying goods on credit at high prices, selling their remaining livestock at a loss, and parting with valuable assets just to afford food.

When Afghanaid’s team reached Salambat, they found families living in makeshift shelters and struggling to meet their basic needs. Working closely with the community, the team identified the most urgent priorities. Along with essential household items, including hygiene supplies, clothing and lighting, families received cash assistance that helped them address their most pressing needs with dignity and choice.

For Mir Ahmad Khan, this support arrived at a crucial time. “I received 17,850 Afghanis (215 GBP), along with a radio, a flashlight, a prayer mat, and toys for my children,” he shared. “These things helped us feel grounded again. The prayer mat helped us return to our routine, and the radio made us feel connected.”

He used part of the cash assistance to purchase a pregnant, milking goat - an investment that immediately improved his family’s nutrition and offered a path back to income. Afghanaid also provided training on improved livestock care, including concentrated feed and deworming, helping the family protect and strengthen the resilience of their remaining animals.

“Before I met with Afghanaid, I was under severe mental stress,” he said. “I worried constantly about how to provide for my children. After receiving this support, some of my hope has returned.”

Looking ahead, Mir Ahmad Khan is confident he can rebuild what was lost. Working together with other members of the village, he plans to restore his farmland and repair the irrigation channels that once sustained their community - laying the groundwork for a more secure future.



Cross Cutting Themes



Gender and Inclusion

Restrictions on women's rights in Afghanistan continued to worsen in 2025, limiting women's mobility, education and participation in public life, and making it increasingly difficult for them to access livelihood opportunities, support services and decision-making spaces.

Throughout the year, Afghanaid worked closely with local authorities to ensure that our female staff could continue their work safely and effectively. Through ongoing dialogue and negotiation, we protected their ability to travel, participate professionally and reach female community members directly, ensuring that women could still access vital support, training and services.

As a result of this continued commitment, Afghanaid reached nearly 300,000 women across all areas of our programming in 2025.

Good Governance, Community Development and Conflict Resolution

In 2025, we continued to prioritise the strengthening of community capacity through tailored training and support for a wide range of community-based groups.

Community ownership and conflict mitigation were strengthened through engagement with Forest Management Associations (FMAs), Watershed Management Committees (WMCs), Self-Help Groups (SHGs), Women Working Groups, and community leaders. Transparent beneficiary selection, formal MoUs, and regular dialogue helped prevent resource-based conflicts related to forests, irrigation structures, sapling protection, and asset distribution.





2026 PROGRAMME PLANS

Widespread poverty and overlapping crises across Afghanistan will continue to drive high levels of humanitarian need in 2026. Large segments of the population remain unable to meet basic requirements such as food, shelter, and safe water, with many households relying on external assistance to cope with deteriorating living conditions. According to the UN's Afghanistan Humanitarian Needs and Response Plan 2026, 21.9 million people will require humanitarian assistance, while 17.4 million are projected to face crisis or emergency levels of food insecurity - a sharp deterioration compared to the previous year.

The returnee crisis further intensifies pressures on already fragile communities. In 2025, more than 2.9 million Afghans returned from neighbouring countries due to tightened migration policies and worsening protection environments. Most arrived with limited assets, depleted savings, and often incomplete documentation, returning to provinces already affected by climate shocks and restricted access to essential services. Further returns are expected in 2026.

In this context, Afghanaid will continue delivering assistance both directly and through consortia of partner NGOs, combining life-saving support with resilience-building interventions. Programmes will remain inclusive, conflict-sensitive, and rooted in community participation. Our key priorities for 2026 include expanding integrated watershed management systems, strengthening food security and nutrition activities, restoring access to safe drinking water, improving financial stability and diversifying household income through livelihood support and local value-chain development.

Afghanaid will launch the second phase of the multi-year Faragir project funded by the EU, and continue implementing our activities under the Climate Adaptation and Resilient Livelihoods project, funded jointly by the EU and the Swiss Agency for Development and Cooperation (SDC). The PREVALE project, funded by the UK's Foreign, Commonwealth and Development Office (FCDO), will continue to provide climate adaptation and livelihood support across 6 provinces. All of these Afghanaid-led consortia operate across climate-sensitive provinces to help communities establish sustainable livelihoods, increase food security, produce nutritious food, and generate income, all laying the foundations for long-term resilience and reducing reliance on repeated cycles of humanitarian assistance.

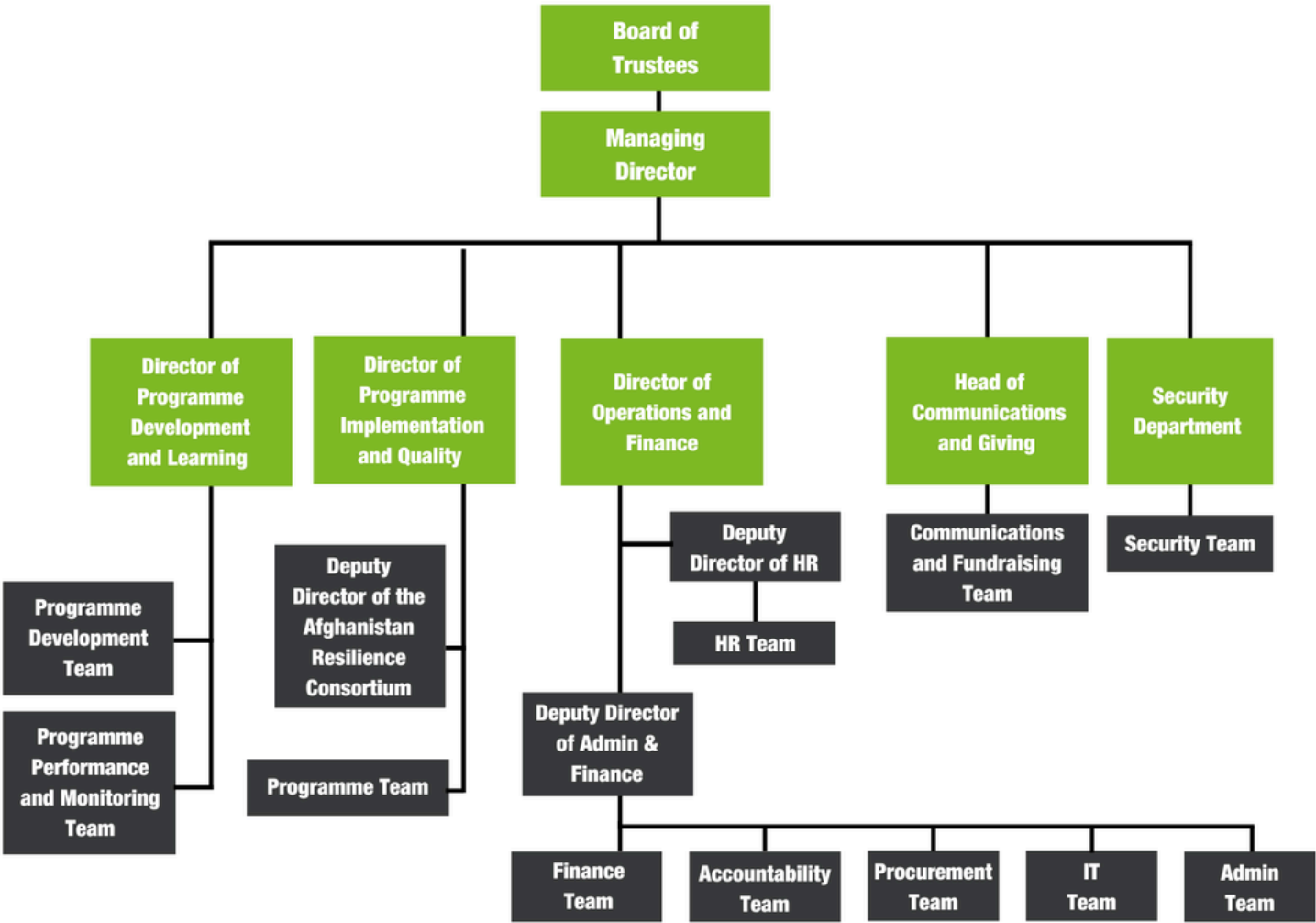
Afghanaid will implement the World Bank-financed, UNOPS-managed CRLP programme, a continuation of the World Bank's flagship community development initiatives in Afghanistan, building on the National Solidarity Programme and the Citizens' Charter Afghanistan Project. In 2026, the programme will expand our geographical coverage to Sar-e Pul, Faryab, Jawzjan and Balkh provinces, where Afghanaid will directly implement activities that create climate-resilient community assets, strengthen local institutions, and improve livelihoods and food security for vulnerable households.

Afghanaid will advance women's leadership in climate action through our Advancing Inclusion & Resilience project, funded by the Swedish Postcode Lottery Foundation. We will train female community members in 24 communities and support them to form Women's Climate Action Circles that lead local adaptation initiatives. These groups will develop and implement Climate Solution Plans focused on tree planting, renewable energy and climate-smart livelihoods.

AFGHANAID PEOPLE



To maintain Afghanaid’s reputation as an impactful and professional organisation, among the most respected NGOs in Afghanistan, we always endeavour to attract and retain the most technically competent, innovative, and driven personnel, who actively contribute to achieving Afghanaid’s mission and vision. The organisation is structured according to the following organogram:



During the year, we employed an average of 327 staff. This total comprises 309 Afghan national staff, 8 UK-based staff and 10 international staff based in Afghanistan. On average, 30% of our staff were female. The staff turnover rate for the year was 0.23%, a decrease from 2024.

In 2025, our HR department facilitated 50 training courses for a total of 277 participants, ensuring that all staff members were well-versed in areas such as IT and financial policies, safeguarding, gender and inclusion, security awareness and monitoring & evaluation skills.

Afghanaid also benefits from a strong culture of internal development. Many of our senior posts are held by individuals who have developed their skills and professional experience within Afghanaid over many years. This continuity strengthens institutional knowledge, supports high-quality programme delivery, and reflects our commitment to investing in the long-term growth of our staff.



Every day, our dedicated staff are working alongside Afghan communities to address the complex challenges they face, once and for all.

Staff Spotlight

Sarah Kazimi

Deputy Consortium Manager

Sarah Kazimi is the Deputy Consortium Manager for Afghanaid's PREVALE project, supporting the coordination and delivery of climate-adaptation and livelihood activities across multiple provinces. Since joining Afghanaid in 2022, Sarah has occupied a variety of roles with increasing responsibility, beginning as a Monitoring and Evaluation Officer and later coordinating multi-partner climate-adaptation work across different consortia.



“What I enjoy most is seeing the real impact of our work on communities. Knowing that thoughtful planning, strong coordination, and teamwork can truly improve people’s lives. Working with different partners also exposes me to new perspectives and ideas, which constantly helps me grow in my role.”

Leadership is central to Sarah’s work. She focuses on supporting her team, creating space for collaboration, and ensuring that everyone can contribute their best. “I see my role as a manager in taking responsibility for results, encouraging my team to solve challenges together, and helping them achieve more collectively than they could individually.”

Sarah shared that one of the most challenging periods in her career came when restrictions on women’s movement and work were introduced, limiting her ability to visit field sites. Balancing her responsibilities with these constraints was emotionally and professionally difficult, but it strengthened her resilience and determination to continue supporting remote communities despite the obstacles.

Sarah highlighted that Afghanistan’s greatest need is helping rural communities adapt to increasingly unpredictable climatic shocks. She emphasises the importance of community-based, climate-smart agriculture and disaster-risk-reduction interventions in strengthening long-term resilience.



Staff Spotlight

Alema Faizi

Livestock Office

Alema Faizi has been working with Afghanaid since 2013, across eight projects as both a Social Organiser and a Livestock Officer in Badakhshan province. Over the years, she has completed extensive training in agriculture and livestock interventions, including vegetable and greenhouse farming, orchard management, animal health, poultry, dairy processing, beekeeping, and mushroom cultivation.

In her role, Alema works closely with communities to identify vulnerable households, support livestock and livelihood activities, and monitor project progress to ensure assistance reaches the right people fairly and transparently.

“I spend my days visiting women in the villages we support, monitoring project activities and coordinating the implementation with community members.” Alema noted that the greatest needs she encounters in her work include the lack of access to quality animal feed and modern tools and equipment. She added that small producers also struggle to sell their goods because markets are far away, making stronger market linkages essential.

Alema finds the greatest motivation in her daily work is seeing positive changes in people’s lives, even when working conditions, poverty, and limited resources pose significant challenges. “One of the most rewarding days of my career with Afghanaid was during a winter cash assistance project. We helped a family whose house was half destroyed. They had no firewood and it was a challenge for them to meet their basic needs. After receiving the assistance, their happiness and emotional reaction deeply touched me. I still remember that family, and moments like this make me proud of my work.”

COMMUNICATIONS

In 2025, the Communications and Giving team delivered a coordinated programme of appeals, events and digital engagement that responded to emerging crises while expanding reach among both existing supporters and new audiences. Annual fundraising income reached over £570,000.

Emergency and thematic appeals remained a primary driver of income. Afghanaid's swift response to the Kunar earthquake, launching an immediate emergency appeal, contributed to an outpouring of support for affected communities, raising over £105,000. Whilst coordinating and delivering our response, team members also facilitated media engagement, where staff were able to highlight the reality on the ground for communities impacted by the quakes.

The team delivered our second ever BBC Radio 4 Appeal, which aired from Sunday 27th July to Saturday 3rd August. Voiced by broadcaster and author Konnie Huq, the appeal focused on the intrinsic role of women in building food security, and was supported by £10,000 in match funding. In total, the broadcast raised over £48,000, and engaged various new donors with our work.



Our annual participation in the Big Give Christmas Challenge resulted in our most successful Big Give appeal yet, raising over £48,000, including £22,500 in pledged match funding. Alongside these successful appeals, shorter campaigns for International Women's Day Appeal and a Summer Appeal further reinforced supporter engagement around food security and building sustainable livelihoods. We also increased our ability to support Islamic Giving through year-long Zakat and Sadaqah appeals.

High value giving showed notable strength throughout the year. The earthquake appeal attracted significant institutional and major donor support, and the team secured several additional five figure gifts, including legacy gifts. Relationship building with both new and longstanding major donors continued to underpin income growth, and the team managed to preserve average monthly income totals from our regular giving community.

Supporter-led and organised events provided both income and engagement opportunities. Community fundraising took the form of various events, including a festival, Afghan dinner parties and challenge events. Fifteen committed Afghanaid supporters took part in the 2025 London Marathon to raise over £24,000, a substantial increase on the previous year's Marathon income.

Afghanaid's biennial event at The Royal Geographical Society in November 2025 included a panel event featuring journalists Lyse Doucet, Kate Clark and Zahra Joya, followed by a reception event with a live and silent auction. Over 260 supporters attended the evening, renewing their interest and engagement in supporting Afghan communities.



Investment in tailored, platform specific content consistent with algorithmic trends also delivered promising growth on social media. Organic social performance was strong across the year, including over 200,000 organic views on our newest channel TikTok, where we more than doubled our follower count. Across Facebook, Instagram and LinkedIn, we secured over 800,000 views, supported by celebrity endorsements and some paid campaigns in Q1. Across all four social platforms, we generated over 31,000 engagements in 2025. A paid social daisy chaining pilot around International Women's Day also generated more than 250 supporter messages and built a new engagement pipeline. In total, we increased our social media following by almost 4.5% across the year.

The year's results demonstrate Afghanaid's ability to mobilise quickly in response to crises, sustain major donor confidence and grow digital reach while operating within constrained resources. In 2026, we hope to increase our team's capacity to proactively build relationships with trusts and foundations, improve our ability to secure legacy gifts, and increase our ability to liaise with media contacts.

OUR DONORS AND SUPPORTERS

In 2025, Afghanaid received humanitarian and development funding from the following institutional donors:

- Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ)
- European Commission – Directorate-General for International Partnerships (DG INTPA)
- Food and Agriculture Organization of the United Nations (FAO)
- Foreign, Commonwealth & Development Office (FCDO)
- Swedish International Development Cooperation Agency (Sida)
- Swiss Agency for Development Cooperation (SDC)
- UN Women (UNW)
- United Nations Office on Drugs and Crime (UNODC)
- United Nations Office for the Coordination of Humanitarian Affairs (OCHA)
- United Nations World Food Programme (WFP)

We were especially grateful to these donors for their steadfast support despite the challenges of sanctions, fund transfers, and the political actions by Afghanistan's de facto authorities.

We also received funding from the following Trusts and Foundations and corporate donors:

- | | |
|---|---|
| • Muslim Aid | • Bloomberg |
| • The Conrad N. Hilton Foundation | • The Harbinson Charitable Trust |
| • The Swedish Postcode Lottery Foundation | • Mike Bartram Limited |
| • CHK Foundation | • The Brewster Maude Charitable Trust |
| • The Compassion Fund Trust | • The General Charity Fund |
| • The Cecil Pilkington Charitable Trust | • The Rhododendron Trust |
| • K Hannay Memorial Trust | • The Joanna Herbert Stepney Charitable Settlement Also Known As The Paget Charitable Trust |
| • Afghan Charity Week | • GlobalGiving's Project of the Month Club |
| • California Community Fund | • Harbinson Charitable Trust |
| • BBC Radio 4 Appeal Fund | • University Of Manchester Student RAG |
| • The Cairns Charitable Trust | • Peace Of Mind |
| • The Eddie Dinshaw Foundation | • Bentley Advancing Life Chances Fund |
| • The Utley Foundation | • Mitford-Slade Charitable Trust |
| • The Linda Norgrove Foundation | • The Afghan Rug Shop |
| • The Wanderwide Charitable Trust | |
| • The P&G Charitable Trust | |
| • The Fitzer Lacy Trust | |

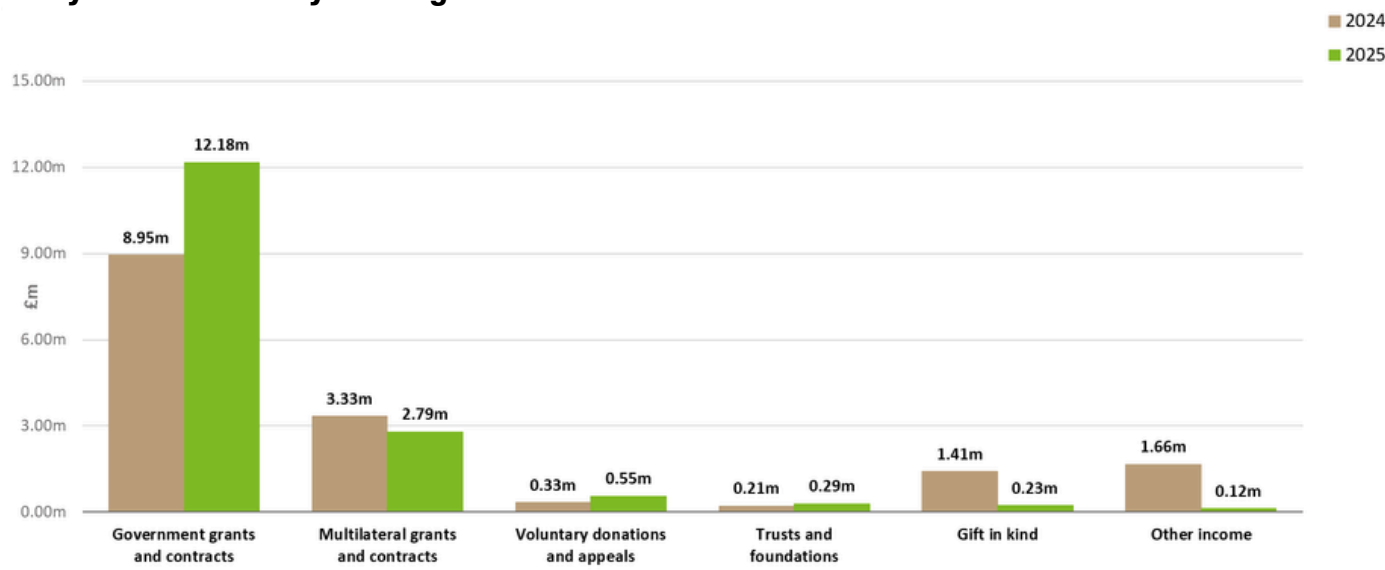
FINANCIAL REVIEW



In the financial year of 2025, total income recognised amounted to £16.151 million, representing an increase of £255k compared with £15.896 million in 2024. This growth was primarily driven by a £3.229 million increase in government grant and contract income, principally attributable to the EU-funded Faragir II project and the FCD0-funded PREVALE project, together with increases of £223k in voluntary donations and £71k in income received from Trusts and Foundations. However, this increase was offset by reductions in multilateral grants from UN agencies of £547k, Gift in Kind income of £1.183 million, and a net decline of £1.53 million in other income.

Charitable expenditure in the year amounted to £16.293 million, a £83k increase compared to 2024 expenditure of £16.210 million.

Analysis of income by funding source



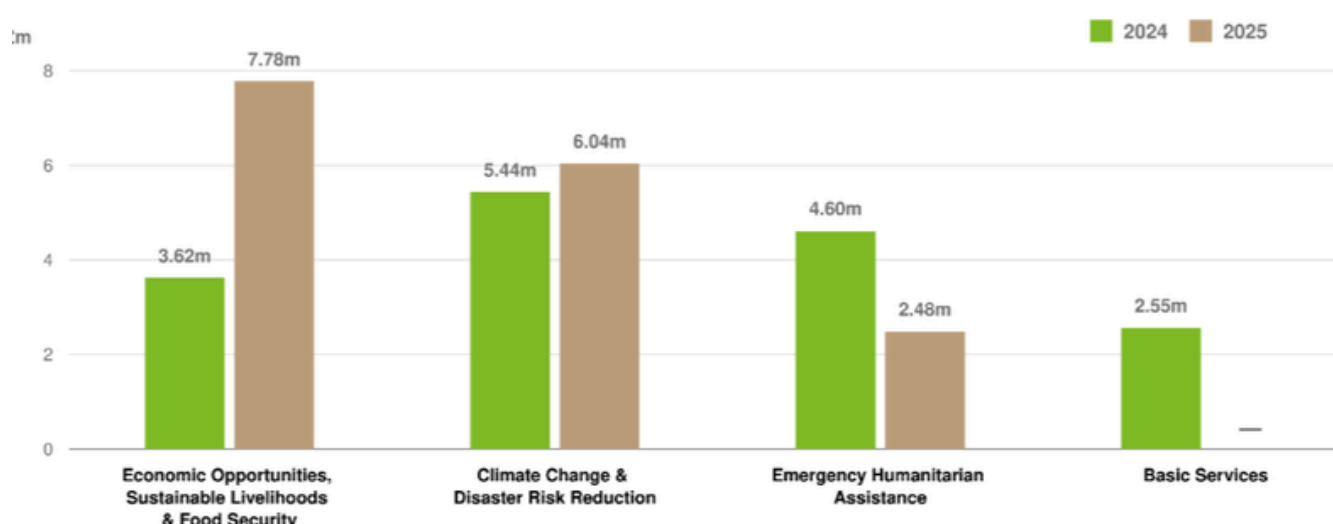
2025 income and year-on-year movement

Funding source	2025 (£m)	Change vs 2024
Government grants and contracts	£12.179m	+ £3.229m (36%)
Multilateral grants and contracts	£2.786m	– £0.547m (16%)
Voluntary donations and appeals	£0.552m	+ £0.223m (68%)
Trusts and foundations	£0.286m	+ £0.071m (33%)
Gift in kind	£0.231m	– £1.183m (84%)
Other income	£0.117m	– £1.539m (93%)
Total income	£16.151m	+ £0.255m (2%)

Expenditure relating to the Economic Opportunities, Sustainable Livelihoods and Food Security programme pillar increased by £4.162 million, while expenditure under the Climate Change and Disaster Risk Reduction programme increased by £599k. Both increases were primarily driven by the implementation of the FCDO-funded PREVALE project and higher budget allocations under the EU- and SDC-funded CARL project and EU funded Faragir Project.

Expenditure associated with the Basic Services for All programme decreased by £2.552 million, mainly due to the closure of the UNOPS-funded CRLP project in 2024, with no equivalent project activity contributing to this programme pillar during 2025.

Analysis of Expenditure by Programme Area



2025 Expenditure and year-on-year movement

Programme Area	2025 (£m)	Change vs 2024
Basic Services	-	-£2.552 (100%)
Economic Opportunities, Sustainable Livelihoods & Food Security	£7,778	+£4.162 (115%)
Climate Change & Disaster Risk Reduction	£6,038	+£0.599 (11%)
Emergency Humanitarian Assistance	£2,477	-£2.125 (46%)
Total Expenditure	16,293	+£0.083 (1%)

In 2025, a total of £241k appeal funds were utilised to co-fund various humanitarian projects. This includes £81k from the Crisis Appeal Programme, £75k from the By Her Side Appeal and £85k from The Times & Sunday Times Appeal. Further disbursement of appeal funds is anticipated in 2026.

As at December 2025, a review of foreign exchange transactions identified a net exchange loss of £44k, comprising unrealised gains of £32k, realised losses of £53k, and losses of £23k arising from the retranslation of opening balances. During the year, the Afghani (AFN) appreciated by 6% against the United States Dollar (USD), while depreciating by 1.03% against the British Pound Sterling (GBP) and by 6.27% against the Euro (EUR). These currency movements were attributable to stringent monetary measures implemented by Da Afghanistan Bank (DAB), including restrictions on deposit withdrawals, controls on capital outflows, and the prohibition of the use of non-AFN currencies in domestic transactions.

Risks, uncertainties and management thereof:

Ban on Afghan women working for NGOs

Throughout 2025, the Taliban's 2022 ban on Afghan women working for NGOs remained in effect, with ongoing uncertainty about the rights, roles, and movement of female staff, challenging Afghanaid in delivering gender-inclusive programmes, retaining qualified women employees, and meeting donor requirements on safeguarding, inclusion, and gender equality.

In the face of these challenges, Afghanaid continued to strengthen relationships and build trust with local Taliban authorities, leading to gradual and meaningful improvements in women's access and participation, ensuring they remained fully involved in both our programmes and the operations. The women-only headquarters in Kabul remained fully operational, while female field staff worked from home and travelled directly to project sites to support female participants. These approaches further reinforced donors' confidence in Afghanaid's ability to adapt and continue to deliver gender-sensitive and inclusive programmes in a highly challenging environment.

Banking sector

Whilst Afghanistan's banking sector has made considerable progress at the national level over the past 12 months, the sector continues to exhibit systemic vulnerabilities. These include limited liquidity at the provincial level and access to formal banking services remains limited in many rural and district areas, compelling banks and NGOs to utilise Money Service Providers (MSPs) for programme implementation and cash-based interventions. The risk averse nature of international banks and weak correspondent banking networks hinders transfers of funds into Afghanistan.

In recent years, Afghanaid has taken several deliberate and prudent steps to dramatically minimise use of the international and local Hawala system that in the wake of the Taliban takeover, had become the only viable means of transferring funds into and around the country, and transitioned once again to formal banking channels. Internationally, in addition to Barclays, we have established relationships and opened accounts with Crown Agents Bank, WU Convera, StoneX, Ebury, the UN Money Transfer System, and most recently Lloyds Bank; meanwhile, in Afghanistan, we have developed strong relations with Afghanistan International Bank (AIB), and as Azizi Bank has recovered, we have taken prudent steps to avail of their broad provincial branch network, especially for salary payments and beneficiary cash disbursements. These measures have eliminated international Hawala usage, reduced domestic usage to less than 3% of total payments, and significantly reduced financial transaction cost; and the broad variety of options for fund transfers, mitigates risks in future market volatility, and provides confidence to donors. Furthermore, Afghanaid continues to hold most of its funds in London, transferring cash to Kabul on a well-managed as needed basis.

Currency volatility

Currency volatility continues to present a financial risk, with the Afghani (AFN) experiencing occasional sharp fluctuations against major international currencies. This volatility exposes Afghanaid to both realised and unrealised foreign exchange (FX) losses, particularly due to the organisation's multi-currency operating model. While Afghanaid receives most of its funding in Pounds, Euro, and US Dollars, the AFN is the functional currency for in-country transactions, and Afghanaid's statutory financial reporting is Pounds: thus, increasing exposure to exchange rate gains and losses, and requiring prudent management of funds held in AFN.

Standard donor contracts require Afghanaid and other NGOs to assume responsibility for exchange rate losses, but in recent years, when losses have impacted the effectiveness of projects, Afghanaid has successfully renegotiated contracts. And in 2025, Afghanaid continued to strengthen its foreign exchange risk management arrangements, incorporating improvements to existing controls and oversight.

Bureaucratic impediments

We continue to face a complex regulatory environment shaped by the evolving policies and practices of the Taliban authorities. Bureaucratic hurdles affect project design, and registration, and the negotiation of project memorandums of understanding with the relevant Ministry. The inability to secure timely MoU approvals can delay the launch of projects, impacting annual spending, critical service delivery to vulnerable communities, and potentially jeopardising donor confidence and future funding. The introduction of the new judiciary law by the DfA has added a further layer of regulatory uncertainty and administrative complexity for NGOs operating in Afghanistan. Afghanaid has responded by investing in early and structured dialogue with authorities and designing projects that reflect both donor expectations and the practical realities on the ground in Afghanistan.

Funding

The global ODA-funding landscape for 2026 continues to be impacted by policy shifts in major donor countries, most notably the USA, but also among Afghanaid's traditional institutional donors, including the UK, Sweden, Germany, and the EU. This will intensify competition for scarce funding, favouring NGOs such as Afghanaid with lower operational costs and/or offering greater value for money, and NGOs with substantial unrestricted income streams. Afghanaid continues to benefit from a diversified donor portfolio, and for 2026, the organisation has secured the following grants:

1. UNOPS-funded Community Resilience and Livelihood Project: Afghanaid has secured a 22 months UNOPS-funded Community Resilience and Livelihood Project valued at US\$16.669 million. The programme is committed through to 31 December 2028 and includes an operational budget of US\$3.951 million and flow-through funding of US\$12.719 million. Planned activities include the establishment and strengthening of Community Resilience Groups, the rehabilitation and construction of climate-resilient productive assets through cash-for-work schemes, social grant distributions, and support for women's economic activities across multiple provinces.

2. EU-funded Faragir II Programme: A €7 million EU-funded Faragir II grant, with funding committed through to 30 June 2028. The 2026 and 2027 budgets cover activities to consolidate watershed management systems, expand climate-resilient infrastructure, strengthen agricultural and livestock services, and support to sustainable livelihoods and micro-enterprise development.
3. FCDO PREVALE additional funding: FCDO has confirmed it will provide an additional £2 million per year, making £10 million per year, for the remaining 3 financial years of the project. The related grant amendment has not yet been signed, as the revised budget and additional activities for 2026–2029 are being finalised in accordance with FCDO's process.

Looking ahead, Afghanaid is planning to increase unrestricted and lightly restricted funding (appeal funds) to meet shortfalls in institutional restricted funding. We will continuously evaluate whether our current footprint and thematic focus areas align with the future funding climate in the sector. We will scale operations in line with funding levels and will work closely with key donors to demonstrate our ability to continue to deliver high-quality humanitarian and development programming and thus maintain donor confidence in the value of continued funding.

Security

Afghanistan's security situation is considerably better than what it was five years ago under the Republican administration. However, over the past year, the cross-border conflict with Pakistan has repeatedly intensified into open warfare, only to subside again. Pakistan is asserting that Afghanistan is providing support to the Pakistani Taliban insurgency in Pakistan although this is vigorously denied by the Taliban authorities in Afghanistan. Also in the past year, the low-level security incidents orchestrated by armed opposition groups, particularly in Kabul, but also in other municipalities and provinces, have increased somewhat and present a small but growing risk to Afghanaid's operations.

The conflict between Afghanistan and Pakistan has resulted in closure of the border to pedestrians and trade for nine months, and the deportation of millions of Afghans living and working in Pakistan. The resultant economic pressure is likely a significant contributing factor to the modest increase in criminal activities. Further threats encompass civil unrest, natural and man-made disasters, workplace accidents, safeguarding incidents, and cyber-attacks.

In this context, Afghanaid maintains the same robust security policy and protocols as were in place prior to the return of the Taliban, as well as strong security infrastructure and remains vigilant and adaptive in a volatile security environment, to ensure staff safety and operational continuity. To actively manage security and safety risks, in 2025, Afghanaid has registered and established a relationship with United Nations Department of Safety and Security (UNDSS) to fill the gap left by the expulsion of International NGO Security Organisation (INSO), which most NGOs relied on for security data collection, analysis and assessment. And in 2026, INSO has re-established an office serving Afghanistan but from outside of the country and is again providing valuable analysis.

Afghanaid's Executive Team is responsible for ensuring that risk management processes are embedded in the day-to-day operations through effective implementation of policies and procedures. The Trustees are ultimately responsible for risk management and the effectiveness of Afghanaid's internal control systems. Afghanaid has an established Risk Management Committee, comprising of the Directorate, as well as the Heads of Compliance, Safeguarding, and Gender and Inclusion.

The Committee provides in-depth review and support in the areas of Risk, Due Diligence, Safeguarding and Fraud and Corruption, anti-money laundering and counter terrorism, to ensure more attention and time is devoted to these areas of our risk framework, and to provide summary reports to the Board of Trustees on a regular basis. The organisational risk register is maintained by the Director of Operations, reviewed quarterly by the Directors, and reviewed on a semi-annual basis by the Finance Committee and the Board of Trustees.

Going Concern

The trustees are required to consider whether it is appropriate for Afghanaid's accounts to be prepared on a 'going concern' basis. These accounts have been prepared on a going concern basis, the assumption underpinning this being that Afghanaid will continue in operational existence for the foreseeable future and has neither the intention nor need to significantly curtail the scale of its operations. In an assessment to support going concern for the 2025 Financial Statements, a detailed review of income and expenditure for 2026 and 2027 was conducted together with cash flow projections. Regular reassessments will continue to be carried out as necessary and the organisation could adjust operating expenditure in the event that funding is curtailed whilst still maintaining core operating capabilities and, if necessary, draw down on reserves. The trustees are satisfied with the measures implemented to mitigate the risks in Afghanistan's operating environment. For these reasons, the trustees continue to adopt the going concern basis in preparing the financial statements.

Factors which support this assumption include the following:

1. Further awards from a range of donors have been agreed in the 2026 financial year along with a viable pipeline of future multi-year funding.
2. No donor will withdraw their funding or cancel existing contracts.
3. Continued strong cash management and cash flow projections.
4. The expectation is that we will be able to deliver our programmes. We will adjust core operating costs should our programme activities be severely impacted by either complex regulatory environment or security considerations.

Whilst the risks associated with operating in Afghanistan have the potential for a significant impact on the operations of the organisation, the trustees believe, they are not however considered material uncertainties in relation to Afghanaid's ability to continue as a going concern.

Reserves

At 31 December 2025, Afghanaid had total reserves of £1.857m, made up of £1.707m of unrestricted reserves and an expendable endowment fund of £150k. This is a decrease from the total reserves of £2.044m as at 31 December 2024.

The total of unrestricted reserves is made up as follows:

General Funds

An amount that allows Afghanaid to pursue its agreed purpose and strategy, specifically to meet short term funding gaps and thereby maintain capacity, to cover short-term working capital needs and potential co-financing requirements. At the end of 2024 this reserve was £813k and increased to £820k at the end of 2025. The £8k increase is due to inter funds transfer from designated contingency funds to general funds.

Fixed Asset Reserve

An amount to cover funds invested in tangible and intangible fixed assets, totalling £8k at the end of 2025 (£25k at the end of 2024).

Appeal Funds

As at 31 December 2025, Afghanaid held appeal funds totalling £330k (£527k at the end of 2024), comprising £224k relating to The Times & Sunday Times Appeal, £63k from the By Her Side Appeal and £43k from the Crisis Appeal Programme.

Designated Contingency Funds

Working in a complex and insecure environment, such as Afghanistan, makes it important for us to cover the costs which might arise from the risk of having to cancel or seriously curtail planned programmes, or the cost arising from closing and/or relocating all or parts of our operations to the extent that these costs cannot be recovered from donor contracted funding. The trustees believe the costs of winding down the organisation (designated contingency fund) are £500k (£530k at the end of 2024), and this amounts to the minimum reserves level.

The trustees review the reserves policy annually and have decided that a range of £1.5 million to £2 million in respect of general funds and contingency funds is appropriate for the charity. The reserves are primarily used to support working capital needs, to meet the cost of unanticipated severe curtailment of programmes or to clear the liabilities linked with closing part of or, in extreme but unlikely circumstances, the whole organisation, and pay off the accumulated liabilities not recoverable from any unrestricted funding sources.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also directors of Afghanaid for the purposes of company law) are responsible for preparing the trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

Company law requires the trustees to prepare financial statements for each financial year. 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 of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions, disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the provisions of the charity's constitution. 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.

In so far as each of the trustees is aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and

- each of the trustees has 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.

The trustees fully subscribe to the tenets of Charity Governance Code which is anchored on seven principles, namely organisational purpose; leadership; integrity; decision-making, risk and control; board effectiveness; diversity; and openness and accountability. The trustees are aware that the Charity Governance Code is not a regulatory requirement but recommends best practice and assists in making well considered decisions, which are in the best interest of the charity.

Auditors

Crowe UK LLP was appointed auditor for the year. In accordance with the provisions of the Companies Act, it is proposed that it be re-appointed auditor for the ensuing year.

The Trustees' Report, incorporating the Strategic and Directors' Report, was approved by the trustees on

29 July 2026 and signed on their behalf by:



Christopher Kinder

Chairman Board of Trustees

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND THE TRUSTEES OF AFGHANAID

Opinion

We have audited the financial statements of Afghanaid ('the charitable company') for the year ended 31 December 2025 which comprise Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2025 and of 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, and the Charities and Trustee Investment (Scotland) Act 2005 and Regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (amended).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the

going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion based on the work undertaken in the course of our audit

- the information given in the trustees' report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and

- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

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

- adequate and proper 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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 47, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44 (1) (c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006

and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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

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

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

We obtained an understanding of the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, the Charities Act 2011 and The Charities and Trustee Investment (Scotland) Act 2005, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The laws and regulations we considered in this context for the UK operations were General Data Protection Regulation (GDPR), Anti-fraud, bribery and corruption legislation, Taxation legislation, and Employment legislation. We also considered compliance with local legislation for the group's overseas operating segments.

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

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of income, and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Board of Trustees about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, and reading minutes of meetings of those charged with governance.

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Dipesh Chhatralia
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor
London
4 August 2026

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2025 Total Funds £	2024 Total Funds £
Income and endowments from:						
Donation	4a	501,727	-	-	501,727	328,913
Legacies	4a	50,128	-	-	50,128	-
Gift in kind		-	231,107	-	231,107	1,414,127
Charitable activities	4b	30,410	15,250,681	-	15,281,091	13,978,713
Investments		38,242	-	-	38,242	26,757
Other		48,604	-	-	48,604	147,139
Total		669,111	15,481,788	-	16,150,899	15,895,649
Expenditure on:						
Raising funds		231,117	-	-	231,117	219,586
Rural Rehabilitation & Emergencies		580,278	15,481,788	-	16,062,066	15,990,748
Total	5	811,395	15,481,788	-	16,293,183	16,210,334
Net income/ (expenditure)		(142,284)	-	-	(142,284)	(314,684)
Other recognised gains:						
Gains/ (losses) on foreign exchange retranslation		(44,450)	-	-	(44,450)	(153,093)
Net Movement in Funds	16	(186,734)	-	-	(186,734)	(467,778)
Reconciliation of funds:						
Total funds brought forward		1,894,098	-	150,000	2,044,098	2,511,876
Total funds carried forward	16	1,707,364	-	150,000	1,857,364	2,044,098

COMPANY NUMBER: 3034888

BALANCE SHEET FOR THE YEAR ENDED 31 DECEMBER 2025

		As at 31 December 2025 £	As at 31 December 2024 £
	Notes		
Fixed Assets:			
Intangible assets		2,723	15,783
Tangible assets	9	4,831	8,756
Total fixed assets	10	7,554	24,539
Current Assets:			
Debtors		1,871,079	1,110,983
Cash at bank and in hand	11	11,133,742	6,761,578
Total current assets	12	13,004,821	7,872,561
Creditors: Amounts falling due within one year		11,155,011	5,853,002
	13		
Net Current Assets		1,849,810	2,019,559
Total Net Assets		1,857,364	2,044,098
The funds of the charity:			
Endowment Fund		150,000	150,000
Restricted Appeal Funds			-
Unrestricted Funds			
Designated Contingency Funds		500,000	530,000
Appeal Funds		329,600	526,986
David Page Internship Fund		50,000	-
Fixed Assets Reserve		7,554	24,539
General Funds		820,210	812,573
Subtotal		1,707,364	1,894,098
Total charity funds	16	1,857,364	2,044,098

Approved by the trustees, and authorised for distribution, on 29 July 2026 signed on their behalf by:



Christopher Kinder
Chairman



Duncan Wood
Treasurer

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2024

	As at 31 December 2025	As at 31 December 2024
	£	£
Cash flows from operating activities:		
Net cash provided by operating activities	4,378,372	1,848,778
Cash flows from investing activities:		
Interest received	38,242	26,757
Purchase of tangible fixed assets	-	(8,602)
Net cash (used in) / provided by financing activities	38,242	18,155
Change in cash and cash equivalents during the reporting period	4,416,614	1,866,933
Cash and cash equivalents at the beginning of the reporting period	6,761,578	5,047,738
Change in cash and cash equivalents due to exchange rate movements	(44,450)	(153,093)
Cash and cash equivalents at the end of the reporting period	11,133,742	6,761,578
Net income/(expenditure) for the reporting period:	(142,284)	(314,685)
Adjustments for:		
Returns on investment	(38,242)	(26,757)
Depreciation and amortisation of fixed assets	16,735	18,509
Revaluation of tangible fixed assets	250	(618)
(Increase) / decrease in debtors	(760,096)	1,284,575
Increase / (decrease) in creditors	5,302,009	887,754
Net cash flow from operating activities	4,378,372	1,848,778

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 1: CHARITY INFORMATION

Afghanaid is a company limited by guarantee, which is incorporated in England and Wales. Afghanaid is a registered charity in England and Wales, and Scotland, and is a public benefit entity.

The address of the registered office is Omnibus Business Centre, 39-41 North Road, London N7 9DP.

- Company Name: Afghanaid, LBG
- Company No. 3034888
- Charity Nos. 1045348 (England and Wales)
SC044614 (Scotland)

NOTE 2: CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of Afghanaid's accounting policies, which are described in note 3, trustees are required to make judgements, estimates, assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying 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 on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects the current and future periods.

In the view of the trustees and management, the following are the most significant accounting estimates and areas of judgement:

- The treatment of deferred income balances related to restricted contracts as monetary liabilities.
- The judgement that expenditure incurred on performance related grants is a reliable basis for estimating the right to receive payment for the work received.
- The judgement that, subject to evidence to the contrary, all expenditure incurred under a signed funding agreement is recoverable from funders.
- The judgement that there is no provision required for disallowed expenditure under donor funding agreements.
- Gifts-in-kind received during the reporting period have been valued at fair value of these gifts based on donor published commodities rates.

NOTE 3: ACCOUNTING POLICIES

The principal accounting policies which have been adopted have been set out below:

1. Accounting Convention

The accounts (financial statements) have been prepared under the historical cost convention and in accordance with the Charities SORP (FRS102) applicable to charities preparing their accounts in accordance with FRS102 the Financial Reporting Standard applicable in the UK and Republic of Ireland and UK Generally Accepted Practice.

NOTE 3: ACCOUNTING POLICIES (CONTINUED)

2. Branch accounting

Operations in Afghanistan are treated as a branch of Afghanaid and their results are included herein.

3. Preparation of the accounts on a going concern basis

The trustees are required to consider whether it is appropriate for Afghanaid's accounts to be prepared on a 'going concern' basis. These accounts have been prepared on a going concern basis, the assumption underpinning this being that Afghanaid will continue in operational existence for the foreseeable future and has neither the intention nor need to significantly curtail the scale of its operations. In an assessment to support going concern for the 2025 Financial Statements, a detailed review of income and expenditure for 2026 and 2027 was conducted together with cash flow projections. Regular reassessments will continue to be carried out and the organisation could adjust operating expenditure in the event that funding is curtailed whilst still maintaining core operating capabilities and, if necessary, draw down on reserves. The trustees are satisfied with the measures implemented to mitigate the risks in Afghanistan's operating environment. For these reasons, the trustees continue to adopt the going concern basis in preparing the financial statements. More information is included within the risks and uncertainties section of the trustees' report.

4. Functional/Presentation Currency

The functional currency of Afghanaid and its branches is considered to be Afghanis because that is the currency of the primary economic environment in which the charity operates i.e. Afghanistan. However, in accordance with FRS 102, the financial statements are presented in Pound Sterling (GBP), which is the reporting currency.

5. Income

All incoming resources are included in the Statement of Financial Activities (SOFA) when Afghanaid is entitled to the income, when it is probable that the incoming resource will be received and the amount can be quantified with reasonable accuracy.

The following specific policies apply to categories of income:

Grants from governments, institutional donors and trusts & foundations: due to the fragile nature of the areas that we work, entitlement to programmatic income is recognised when the underlying expenditure has been incurred. For those agreements related to specific conditions, income is recognised in the SOFA when the conditions have been substantially met and expenditure incurred. For those agreements with unconditional entitlement, income is recognised based on expenditure incurred. Where income is received in advance of its recognition in the SOFA it is deferred as a liability until probability exists that the entitlement to that income has been incurred. Where entitlement occurs before incoming resources are received, the income is accrued.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

NOTE 3: ACCOUNTING POLICIES (CONTINUED)

Performance based contracts: where Afghanaid provides goods and/or services in return for a fee as part of its charitable activities such contractual income is recognised as income in the SOFA to the extent that Afghanaid has provided the goods and/or services thereby earning the right to consideration by its performance.

Appeals income: Appeals income is raised from individual giving, trusts, and major donors and is recognised as income in the SOFA when it is received. The funds will be used according to implementation plans developed in response to the needs specified in the appeal, and must be approved by directors according to their authority limits.

Investment income is recognised when receivable.

Gift in kind: Gifts-in-kind represent non-monetary contributions in the form of donated goods, services and facilities made by benefactors to support the organisation's mission and activities. An equivalent amount is included in the SOFA at fair value of these gifts, which is determined using average market price rates published by the World Food Programme (WFP)

Other income, including proceeds from the sale of assets, is recognised in the period it is receivable and to the extent that Afghanaid has provided the goods or services.

6. Expenditure

Resources expended are accounted for on an accruals basis and have been classified under headings that aggregate all costs related to the category. Cost of raising funds relates to direct costs incurred in obtaining future funding, including an allocation of salaries and resources used. Direct charitable expenditure comprises all expenditure directly relating to the objects of the charitable company.

Support costs comprise all administrative services supplied centrally, identifiable as wholly or mainly in support of the emergency and rural rehabilitation programmes as well as governance costs related to the management of Afghanaid's assets, organizational management and compliance with constitutional and statutory requirements. These have been apportioned to the charitable activities and costs of raising funds on the basis of staff time spent on each area.

7. Intangible Fixed Assets

Software and website development costs are capitalised within intangible assets as they can be identified with a specific project anticipated to produce future benefits. Once brought into use they will be amortised on the straight-line basis over the anticipated life of the benefits (generally four years), arising from the completed project.

NOTE 3: ACCOUNTING POLICIES (CONTINUED)

Tangible Fixed Assets

Depreciation is provided on a straight-line basis on all tangible fixed assets at rates calculated to write off the cost of each asset over its expected useful life as follows:

Motor vehicles	4 years
Office equipment	4 years
Plant and machinery	5 years

Items of equipment are capitalised where the purchase price exceeds £3,706 (US\$ 5,000).

Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities.

8. Financial Instruments

Afghanaid has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at fair value at the Balance Sheet date, with gains and losses being recognised within income and expenditure. Financial assets held at fair value at the Balance Sheet date comprise cash at bank and in hand, together with trade and other debtors. Financial liabilities held at amortised cost comprise bank loans and overdrafts, trade and other creditors.

9. Fund Accounting

Restricted funds are donations and grants for which the donor has specified an intention to support a particular aspect of Afghanaid's charitable activities, together with investment income accruing directly to those restricted funds. Only expenditure which meets the criteria agreed by the donor is charged against each fund. Surpluses are held until they can be fully expended on the activity to which the restriction applies. In the case of grant funds, unspent balances are usually returnable at the end of the grant period.

Endowment funds are resources held by Afghanaid on trust, comprising monetary and other assets which represent capital. Expendable endowment funds are held for the purpose specified by the donor. The balance of expendable endowment funds is maintained to provide working capital for the charity, structured as a stability fund to meet cash flow needs while preserving resources for core expenses. This grant acts as a reserve, accessible as required, with the expectation of replenishment during favourable conditions.

All other funds are unrestricted income and may be used for any of the organisation's charitable purposes.

General reserve: an amount that allows Afghanaid to pursue its agreed purpose and strategy, specifically to meet short term funding gaps and thereby maintain capacity, to cover short term cash flow needs and potential co-financing requirements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

NOTE 3: ACCOUNTING POLICIES (CONTINUED)

Designated funds are amounts set aside from the general fund which are being held at the discretion of the Afghanaid Board of Trustees.

10) Foreign Currency Transactions

Transactions in foreign currencies are recorded using the monthly average rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date. Non-monetary assets and liabilities denominated in foreign currencies are not retranslated. Gains or losses on transactions are included in the Statement of Financial Activities. Where exchange differences are directly attributable to a particular fund, they have been included in the movements against that fund.

11) Leases

Rentals payable under operating leases, where substantially all the risks and rewards of ownership remain with the lessor, are charged to the Statement of Financial Activities on a straight-line basis over the lease term.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025**

NOTE 4a: DONATION LEGACIES

	Unrestrict ed Funds	Restric ted Funds	Total 2025	Unrestrict ed Funds	Restricte d Funds	Total 2024
	£	£	£	£	£	£
Donations	458,710	-	458,710	310,019	-	310,019
Crises Appeal	43,017		43,017	17,043	-	17,043
Earthquake Appeal	-		-	1,851		1,851
David Page Internship Fund	50,128	-	50,128	-	-	-
TOTAL	551,855	-	551,855	328,913	-	328,913

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 4b: GRANTS & CONTRACTS FOR RURAL REHABILITATION & EMERGENCIES

	Unrestricted Funds	Restricted Funds	Total 2025	Unrestricted Funds	Restricted Funds	Total 2024
	£	£	£	£	£	£
Government Grants & Contracts (Note 4b.1 & 4b.2)						
European Commission	-	6,756,419	6,756,419	-	3,869,764	3,869,764
UK Foreign, Commonwealth, and Development Office (FCDO)	-	4,491,585	4,491,585	-	-	-
Swedish International Development Cooperation Agency (SIDA)	-	704,000	704,000	-	4,047,502	4,047,502
Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ)	-	227,325	227,325	-	1,032,763	1,032,763
Sub total	-	12,179,329	12,179,329	-	8,950,029	8,950,029
Multilateral Grants & Contracts						
United Nations World Food Programme (WFP)	-	724,607	724,607	-	1,118,286	1,118,286
United Nations Office for the Coordination of Humanitarian Affairs (UNOCHA)	-	1,193,428	1,193,428	-	620,003	620,003
United Nations Food and Agriculture Organization (FAO)	-	120,460	120,460	-	414,820	414,820
United Nations Office for Projects Services (UNOPS)	-	-	-	880,860	-	880,860
United Nations Women (UN Women)	-	85,969	85,969	-	298,193	298,193
United Nations Office on Drugs and Crime (UNODC)	-	661,068	661,068	-	-	-
Sub total	-	2,785,532	2,785,532	880,860	2,451,302	3,332,162
Search for Common Ground (SfCG)	-	-	-	-	392,323	392,323
US- Avaaz	-	-	-	-	117,448	117,448
Trusts & Foundations Grants	-	285,820	285,820	-	214,515	214,515
Others	30,410	-	30,410	129,303	842,933	972,236
Sub total	30,410	285,820	316,230	129,303	1,567,219	1,696,522
TOTAL	30,410	15,250,681	15,281,091	1,010,163	12,968,550	13,978,713

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 4b.1: INCOME FROM GOVERNMENT GRANTS & CONTRACTS (2025)

Income from governments during the reporting period include:

<u>Government/Agency</u>	<u>Nature</u>	<u>Amount</u>	<u>Unfulfilled conditions</u>
European Commission	Inclusive Livelihoods Recovery and Community Resilience	6,756,419	None
UK Foreign, Commonwealth, and Development Office (FCDO)	Grants for Emergency Rural Livelihoods Recovery	4,491,585	None
Swedish International Development Cooperation Agency (Sida)	Grants for Community-Based Eco-Disaster Risk	704,000	None
Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ)	Grants for Forest Landscape Restoration and Transitional Development Assistance.	227,325	None
TOTAL		12,179,329	

NOTE 4b.2: INCOME FROM GOVERNMENT GRANTS & CONTRACTS (2024)

Income from governments during the reporting period include:

<u>Government/Agency</u>	<u>Nature</u>	<u>Amount</u>	<u>Unfulfilled conditions</u>
European Commission	Inclusive Livelihoods Recovery and Community Resilience	3,869,764	None
Swedish International Development Cooperation Agency (Sida)	Grants for Community-Based Eco-Disaster Risk	4,047,502	None
Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ)	Grants for Forest Landscape Restoration and Transitional Development Assistance.	1,032,763	None
TOTAL		8,950,029	

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

NOTE 5: EXPENDITURE

	Raising funds	Rural Rehabilitations & Emergencies	2025 Total	2024 Total
	£	£	£	£
Staff costs	118,168	2,618,251	2,736,419	3,869,093
Sub-Grants/Sub-Contracts to Implementing Partners (note 5.1 & 5.2)	-	6,395,901	6,395,901	5,455,896
Direct costs	78,525	6,053,288	6,131,813	4,811,759
Gift in kind	-	231,886	231,886	1,414,127
Support costs (note 5.3)	34,424	762,740	797,164	659,459
Total	231,117	16,062,066	16,293,183	16,210,334

NOTE 5.1: EXPENDITURE

	Grants to Implementing Partners	Support Costs	Year ended 31 December 2025	Year ended 31 December 2024
	£	£	£	£
Basic Services	-	-	-	272,835
Economic Opportunities, Sustainable Livelihoods & Food Security	3,806,497	364,107	4,170,604	2,027,331
Climate Change and Disaster Risk Reduction	2,589,404	282,650	2,872,054	2,815,842
Emergency Humanitarian Assistance	-	115,983	115,983	982,156
Total	6,395,901	762,740	7,158,641	6,098,164

NOTE 5.2: SUB GRANTS PER PARTNER (excluding support costs)

	Year ended 31 December 2025 (£)	Year ended 31 December 2024 (£)
The Liaison Office (TLO)	1,839,210	159,671
Concern Worldwide Afghanistan (CWW)	1,276,647	1,679,854
Deutsche Welthungerhilfe.V (WHH)	1,050,223	658,727
Danish Refugee Council (DRC)	1,004,421	180,816
Action Aid Afghanistan (AA)	499,651	348,696
Save the Children Afghanistan (SCI)	439,352	1,174,041
Handicap International (HI)	108,516	131,277
Coordination of Humanitarian Assistance (CHA)	-	650,736
Afghan Education Production Organization (AEPO)	70,612	-
Rural Rehabilitation Association for Afghanistan (RRAA)	-	318,187
Afghanistan National Horticulture Development-Organization (ANHDO)	63,273	-
Women's Activities and Social Services Association	-	100,950
The Share Trust Inc	43,996	-
Others (Various below £5k)	-	52,941
Total	6,395,901	5,455,896

100% of grants are to institutions; no grants are paid to individuals (2024: £ nil).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 5.3: ANALYSIS OF SUPPORT COSTS

	Raising funds	Rural Rehabilitations & Emergencies	Year ended 31 December 2025 Total	Year ended 31 December 2024 Total
	£	£	£	£
Staff costs	18,934	473,985	492,919	331,130
Governance	3,442	77,801	81,243	67,152
Administrative costs	12,048	210,954	223,002	261,177
Total	34,424	762,740	797,164	659,459

NOTE 6: NET INCOME FOR THE YEAR IS STATED AFTER CHARGING:

	Year ended 31 December 2025	Year ended 31 December 2024
	£	£
Amortisation and depreciation	16,735	18,509
Trustees' travel expenses	4,667	1,026
Auditors' remuneration:		
Afghanistan – Other Auditors	10,748	10,997
United Kingdom – Crowe U.K. LLP	38,280	36,960
Operating lease payments:		
Land and buildings	195,123	208,787
Other assets	3,387	3,978

NOTE 7: STAFF COSTS

	Year ended 31 December 2025	Year ended 31 December 2024
	£	£
Staff costs were as follows:		
Gross salaries - Afghanistan	2,613,308	3,265,873
Gross salaries – UK	405,274	421,791
Pension and Social security costs	210,758	512,559
Total	3,229,340	4,200,223

No trustee received any remuneration for their services in 2025 (nil in 2024), and no redundancy or termination payments were made during 2025 (£nil in 2024).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

Number of employees who earned more than £60,000 during the period:

	Year ended 31 December 2025	Year ended 31 December 2024
£60,000 - £69,999	3	3
£70,000 - £79,999	2	-
£80,000 - £89,999	1	5
£90,000 - £99,999	-	1
£110,000 - £119,999	2	1
£130,000 - £139,999	1	1
180,000 - 199,999	1	1

In addition to the amounts disclosed above, Afghanaid have incurred security costs of £74,697 (2024: £80,231) and employer national insurance contributions of £14,237 (2024: £11,672).

	Year ended 31 December 2025	Year ended 31 December 2024
Key Management Personnel Remuneration	£782,112	£803,324

The above key management personnel costs include salaries as well as all associated fringe benefits for the following key management positions:

- Managing Director
- Director Operations
- Director Programme Development and Impact Learning
- Programme Implementation & Quality Director
- Deputy Director Climate Action
- Deputy Director of Programme Performance and Monitoring
- Deputy Director Finance and Administration

Staff Numbers

Staff numbers indicate the average head count during the reporting period.

United Kingdom	No. in 2025	No. in 2024
• National Staff	8	10
Afghanistan		
• International Staff	10	12
• National Staff-Fixed Term	203	297
• National Staff- Freelance	76	88
• National Staff- Consultant	30	14
Total	327	421

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 8: TAXATION

As a charity, Afghanaid is exempt from tax on income and gains under sections 466 to 493 of the Corporation Tax Act 2010, to the extent that all income is applied for charitable purposes. No tax charges have arisen in the charity in the current or prior year.

NOTE 9: INTANGIBLE FIXED ASSETS

Cost	Software
	£
At 01 January 2025	120,498
Additions in the year	-
Disposals in the year	-
Forex Movement During the year	(1450)
At 31 December 2025	119,048
Amortisation	
At 01 January 2024	(104,715)
Charge for the year	(12,899)
Disposals in the year	-
Forex Movement During the year	1,289
At 31 December 2025	(116,325)
Net Book Value	
At December 2025	2,723
At December 2024	15,783

NOTE 10: TANGIBLE FIXED ASSETS

	Motor Vehicles (£)	Office Equipment (£)	Total (£)
Cost			
At 01 January 2025	583,707	181,333	765,040
Additions in the year	-	-	-
Forex movement during the year	(5,964)	(2,174)	(8,138)
At 31 December 2025	577,743	179,159	756,902
Depreciation			
At 01 January 2025	(583,707)	(172,577)	(756,284)
Charge for the year	-	(3,836)	(3,836)
Forex movement during the year	5,964	2,085	8,049
At 31 December 2025	(577,743)	(174,328)	(752,071)
Net Book Value			
At 31 December 2025	-	4,831	4,831
At 31 December 2024	-	8,756	8,756

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 11: DEBTORS

Cost	2025	2024
	£	£
Prepayments	426,732	35,279
Grants receivable	723,384	772,487
Accrued income	657,399	211,021
Other debtors	63,564	92,196
Total Debtors	1,871,079	1,110,983

NOTE 12: CASH & CASH EQUIVALENTS

Cost	2025	2024
	£	£
Cash at bank	11,119,495	6,747,846
Cash in hand	14,247	13,732
Total Cash & Cash Equivalents	11,133,742	6,761,578

NOTE 13: CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2025	2024
	£	£
Trade creditors	447,149	244,515
Deferred income (Note 13.1)	9,138,308	4,029,006
Grants payable	843,922	619,233
Accruals	153,437	266,262
Taxation and social security	219,532	284,942
Other creditors	352,663	409,044
Total Creditors	11,155,011	5,853,002

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 13.1: DEFERRED INCOME

Award Name	Balance at 01 January 2025	Receipts	Release to SOFA	Balance at 31 December 2025
	£	£	£	£
Climate Change Adaptation and Rural Livelihoods (European Union)	2,016,212	6,232,779	(4,183,341)	4,065,650
PREVALE	-	5,941,449	(3,832,235)	2,109,214
Faragir II	-	2,089,657	-	2,089,657
Strengthening Counternarcotic Capacities	-	935,857	(661,068)	274,789
Kunar EQ Recovery & Resilience Project	-	185,182	(3,408)	181,774
Advancing Inclusion & Resilience(AIR)	-	112,910	-	112,910
Emergency WASH in SMG (RA1 2025, #35129) - SMG	-	342,746	(245,384)	97,362
Kunar Earthquake Response – FCDO	-	729,860	(659,350)	70,510
Food Security, Climate and Resources (GiZ)	111,649	164,639	(213,790)	62,498
Strengthening the Resilience of Afghan Women (UN-Women)	-	85,969	(85,969)	-
Food Security Project Daikundi (FAO)	-	120,460	(120,460)	-
Kunar Earthquake Response – Muslim Aid	-	166,315	(119,192)	47,123
Afghanistan Resilience Consortium Project (SIDA)	590,630	113,370	(704,000)	-
Inclusive Livelihoods Recovery & Community Resilience (EU)	771,746	1,801,333	(2,573,079)	-
Women's SHGs (Ignite)	112,746	-	(112,746)	-
Forest Landscape Restoration for Food Security (GiZ)	11,970	1,565	(13,535)	-
Winterisation Assistance in Ghor (UNOCHA)	364,686	81,143	(445,829)	-
Emergency Shelter in GH0 (RA1 2025, #35113)	-	502,215	(502,215)	-
Others	49,367	752,534	(775,080)	26,821
Total Deferred Income	4,029,006	20,359,983	(15,250,681)	9,138,308

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 14: OPERATING LEASE COMMITMENTS

Afghanaid has total commitments under non-cancellable operating leases as follows

	2025 (£)	2024 (£)
Land and Buildings		
Within one year	43,384	44,801
Other assets		
Within one year	3,387	3,978
Total Operating Lease Commitments	46,771	48,779

NOTE 15: ANALYSIS OF NET ASSETS BETWEEN FUNDS (2025)

	Expendable Endowment Funds	Unrestricted Funds	Restricted Funds	Total Funds 2025
	£	£	£	£
Total fixed assets	-	7,554	-	7,554
Current assets	150,000	12,854,821	-	13,004,821
Current liabilities	-	(11,155,011)	-	(11,155,011)
Net assets at 31 December 2024	150,000	1,707,364	-	1,857,364

NOTE 15.1: ANALYSIS OF NET ASSETS BETWEEN FUNDS (2024)

	Expendable Endowment Funds	Unrestricted Funds	Restricted Funds	Total Funds 2024
	£	£	£	£
Total fixed assets	-	24,539	-	24,539
Current assets	150,000	7,722,561	-	7,872,561
Current liabilities	-	(5,853,002)	-	(5,853,002)
Net assets at 31 December 2023	150,000	1,894,098	-	2,044,098

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 16: FUNDS MOVEMENT (2025)

	At 1 January 2025	Income	Expenditure	Gains, (Losses)	Transfers	At 31 December 2025
	£	£	£	£	£	£
Endowment Funds:	150,000	-	-	-	-	150,000
Total Restricted Funds (Note 16.1)	-	15,481,788	(15,481,788)	-	-	-
Total Unrestricted Funds						
Designated Contingency Funds	530,000	-	-	-	(30,000)	500,000
Appeal Funds (Note 16.2)	526,986	43,018	(240,523)	119	-	329,600
David Page Internship Fund (Note 16.3)	-	50,128	-	(128)	-	50,000
Fixed Assets Reserve	24,539	-	(16,291)	(694)	-	7,554
General Funds	812,573	575,965	(554,581)	(43,747)	30,000	820,210
Subtotal	1,894,098	669,111	(811,395)	(44,450)	-	1,707,364
Total Fund	2,044,098	16,150,899	(16,293,183)	(44,450)	-	1,857,364

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 16.1: RESTRICTED FUNDS MOVEMENT (2025)

Project Name	At 1 January 2025 £	Income £	Expenditure £	At 31 December 2025 £
Climate Change Adaptation and Rural Livelihoods (EU)	-	4,183,341	(4,183,341)	-
Inclusive Livelihoods Recovery & Community Resilience (EU)	-	3,832,235	(3,832,235)	-
Emergency Food Assistance-Daikundi (UNOCHA)	-	2,573,079	(2,573,079)	-
Resilience Building Program-Samangan (WFP)	-	997,275	(997,275)	-
Community Assistance Recovery & Empowerment (Hilton Foundation)	-	704,000	(704,000)	-
Renew Collaborative Civic Space (FCDO)	-	661,068	(661,068)	-
Forest Landscape Restoration Food Security (GiZ)	-	659,350	(659,350)	-
Community Based Eco-DRR (CBED)-Phase II (Sida)	-	502,215	(502,215)	-
Resilience Building Program-Ghor (WFP)	-	445,829	(445,829)	-
Gift in Kind	-	231,107	(231,107)	-
Other (Various with income below £300k)	-	692,289	(692,289)	-
Total	-	15,481,788	(15,481,788)	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 16.2: APPEAL FUNDS MOVEMENT (2025)

	At 1 January 2025	Income	Expenditure	Gains, (Losses)	Transfers	At 31 December 2025
	£	£	£	£	£	£
The Times & Sunday Times Appeal Funds	308,148	-	(84,468)	-	-	223,680
By Her Side Appeal Funds	138,650	-	(75,436)	-	-	63,214
Crisis Appeal Program Funds	80,188	43,018	(80,619)	119	-	42,706
Total Fund	526,986	43,018	(240,523)	119	-	329,600

NOTE 16.3: DAVID PAGE INTERNSHIP FUNDS MOVEMENT (2025)

	At 1 January 2025	Income	Expenditure	Gains, (Losses)	Transfers	At 31 December 2025
	£	£	£	£	£	£
David Page Internship Scheme	-	50,128	-	(128)	-	50,000
Total Fund	-	50,128	-	(128)	-	50,000

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 16.4: FUNDS MOVEMENT (2024)

	At 1 January 2024	Income	Expenditure	Gains, (Losses)	Transfers	At 31 December 2024
	£	£	£	£	£	£
Endowment Funds:	150,000	-	-	-	-	150,000
Total Restricted Funds (Note 16.1)	-	14,382,677	(14,382,677)	-	-	-
Total Unrestricted Funds						
Designated Contingency Funds	525,000	-	-	-	5,000	530,000
Appeal Funds (Note 16.2)	919,404	18,894	(411,352)	40	-	526,986
Fixed Assets Reserve	33,828	-	(9,723)	434	-	24,539
General Funds	883,644	1,494,078	(1,406,582)	(153,567)	(5,000)	812,573
Subtotal	2,361,876	1,512,972	(1,827,657)	(153,093)	-	1,894,098
Total Fund	2,511,876	15,895,649	(16,210,334)	(153,093)	-	2,044,098

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 16.5: APPEAL FUNDS MOVEMENT (2024)

	At 1 January 2024	Income	Expenditure	Gains, (Losses)	Transfers	At 31 December 2024
	£	£	£	£	£	£
The Times & Sunday Times Appeal Funds	428,788	-	(120,640)	-	-	308,148
By Her Side Appeal Funds	150,090	-	(11,440)	-	-	138,650
Crisis Appeal Program Funds	307,053	17,043	(243,968)	60	-	80,188
Earthquake Appeal	33,473	1,851	(35,304)	(20)		-
Total Fund	919,404	18,894	(411,352)	40	-	526,986

NOTE 17: RELATED PARTIES

There were no related party transactions in 2025 (Nil 2024)

END

