

PUMP AID

England & Wales · Charity number 1077889

Details

Other names	PUMP AID LIMITED
Status	Registered
Legal form	Charitable company
Company number	03661446
Registered	1999-10-21
Register	View on the Charity Commission register

Contact

Address	3rd Floor 86-90 Paul Street London EC2A 4NE
Phone	02081062100
Email	info@pumpaid.org
Website	www.pumpaid.org

Activities

Objects: TO RELIEVE FINANCIAL HARDSHIP IN RURAL AFRICAN COMMUNITIES BY IMPROVING THE AVAILABILITY AND QUALITY OF WATER FOR IRRIGATION AND DOMESTIC NEEDS

Activities: With more than 17 years of experience working in Africa, Pump Aid is committed to achieving lasting positive change in peoples lives by improving the quality, availability and use of water with communities in need. Pump Aid is currently active in Malawi but has also previously built pumps in Zimbabwe, Liberia and Mozambique.

Classification

- **How:** Provides Services, Provides Advocacy/advice/information, Sponsors Or Undertakes Research, Other Charitable Activities
- **What:** The Prevention Or Relief Of Poverty, Overseas Aid/famine Relief
- **Who:** Other Defined Groups, The General Public/mankind

Geography

- **Area of benefit:** AFRICA
- Malawi
- Tower Hamlets

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£958,795	£793,562	£918,845	18
2024-03-31	£861,863	£794,721	£753,612	20
2023-03-31	£959,605	£909,604	£686,470	19
2022-03-31	£1,012,198	£991,094	£636,469	27
2021-03-31	£1,266,095	£963,184	£615,365	27

Trustees

Name	Role	Appointed
David Francis Waller		2016-07-01
Eric McKenzie		2023-09-30
Gerard Peter Tyler		2016-07-01
Justine Reader		2023-09-30

PUMP AID

England & Wales - Charity number 1077889

Accounts



A Company Limited by Guarantee and not having a Share Capital

**Trustees' Report
and Consolidated Financial Statements
For the year ended 31st March 2025**

REGISTERED CHARITY NUMBER: 1077889

REGISTERED COMPANY NUMBER: 03661446 (England & Wales)



www.pumpaid.org



[@PumpAid](https://twitter.com/PumpAid)



[Pump Aid](https://www.facebook.com/PumpAid)

CONTENTS	PAGE
Harnessing enterprise - ending dependency	2
Verified, validated, confirmed, corroborated	3
Chair's Introduction	4
Trustees' Report	
Vision, mission and values	5
Achievements in 2024/25	5
Objectives for 2025/26	7
Charitable purpose	8
Basis of accounting	9
Criteria for measuring success	9
Risk management	9
Structure, governance and management	9
Appointment and training of trustees	10
Approach to fundraising	10
Going concern	10
Financial review of 2024/25	11
Reserves policy	12
Auditors and disclosure of information to auditors	13
Legal and Administrative Information	14
Statement of Trustees' Responsibilities	15
Independent Auditor's Report	16
Financial Statements	
Statement of Financial Activities	20
Balance Sheets	22
Cash Flow Statement	24
Notes to the Financial Statements	25
Glossary of terms and abbreviations	33



HARNESSING ENTERPRISE – ENDING DEPENDENCY



**+100 local entrepreneurs trained
and +100 small businesses created**

+2,600 domestic and irrigation pumps sold



**+1,100 waterpoints under memorandum of
understanding**

+550 waterpoints under direct service contracts



**+5,200 waterpoint services and repairs
carried out**

+70% direct service contract renewal rate



**+98% functionality rates for waterpoints under direct
service contracts**

**+13,000 children benefitting from safe water and
hygienic sanitation at rural nurseries**

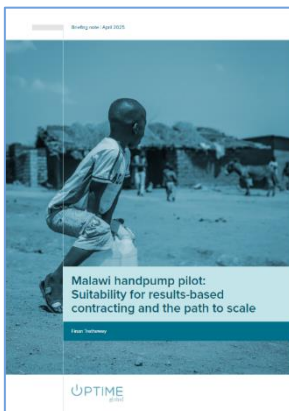


**+2,250,000 people given reliable
access to safe water since 1998**

✓ VERIFIED ✓ VALIDATED ✓ CONFIRMED ✓ CORROBORATED

Beyond Water's Professionalised Repair and Maintenance Approach independently assessed to outperform all comparable organisations

In 2024 Beyond Water joined a national pilot in preparation for a UK FCDO bid, to see if community waterpoint functionality could be improved by paying providers according to the functionality rates they achieved, rather than the access to water work they delivered, and which compared Beyond Water's social enterprise approach with that of three other NGOs working in Malawi. The independent assessor's report, published in April 2025, not only validated Beyond Water's approach, it showed that Beyond Water's impact was double that of any other provider and, in one area, Beyond Water exceeded the outcomes of the three other NGOs added together.



Key findings

- Direct service models, where providers are fully responsible for operations, offer higher confidence and show evidence of better service outcomes
- Providers which exercise greater oversight and control, tend to maintain more structured data systems that are better suited to results-based contracting
- Provider A (Beyond Water) shifted from a mixed delivery model to a fully direct delivery model during the pilot, reducing downtime from over a month to less than two days
- Provider A (Beyond Water) placed greater emphasis on engagement and community contributions and generated more local revenue than the other three providers combined
- Given their strong performance, Provider A (Beyond Water) appears well positioned for future results-based contracts to the extent that they can expand their direct service model.

The pilot not only reinforced our belief of the need for structured incentives and the direct management of services to maintain and sustain waterpoint functionality, but also proved that Beyond Water's approach can deliver more effective outcomes than any other comparable provider.

Service provider	Service model for pilot	Number of waterpoints in pilot	Quarterly revenue per waterpoint	Reported uptime %	Total results based payments
Provider A (Beyond Water)	Mixed in Q1 Direct in Q2	250	\$7.16	97.7%	\$45,243
Provider B	Direct	250	\$1.02	98.8%	\$48,811
Provider C	Indirect	139	\$2.24	99%	\$20,073
Provider D	Indirect	240	\$1.52	98.9%	\$46,775

Service Provider A (Beyond Water)	1 st Quarter	2 nd Quarter	3 rd Quarter	4 th Quarter
Number of breakdowns in quarter	20	18	8	14
Number of breakdowns fixed in 3 days or less	8	9	6	14
Average downtime in days	31.5	31.1	11.7	1.3
Total downtime across all 250 waterpoints in pilot (days)	630	560	93.5	18
Waterpoints with a functionality rate of less than 96% in quarter	12	8	2	1

By the end of the pilot,

- 100% of all waterpoint breakdowns in Beyond Water's area were being fixed within 3 days
- average downtime following a breakdown had dropped from over 30 days to less than 1½ days
- total downtime across Beyond Water's 250 waterpoints had dropped from 630 days in Q1 to just 18 days in Q4
- and only one waterpoint in the final quarter failed to reach 96% functionality.

The independent assessor concluded that, of the four Malawi based NGOs in the pilot, only Beyond Water was “well positioned” for future results-based contracts and, the fact that Beyond Water raised more local revenue than any other provider in the pilot, demonstrates its customers agreed with them.

CHAIR'S INTRODUCTION

As I said in my first introduction last year, what attracted me most to Pump Aid was its obsession with sustainability and its belief that we will only solve the problems of poverty in Africa when we work together with the skilled, talented and ambitious people that live and work there. Pump Aid's 'Enterprise not Aid' approach is designed to do just that and Beyond Water, its customer-focused, Malawi-led social enterprise, is leading the way. By creating and supporting financially viable and locally owned businesses and by encouraging communities to sign ongoing repair and maintenance contracts with those local businesses, Pump Aid is ensuring that communities not only acquire the vital technical skills needed to restore their own waterpoints, but they also have the ability to maintain their access to water into future, freeing them from their dependence on us or on anyone else.

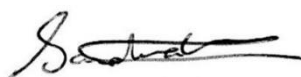
I am proud to be Chair of a charity that is at the forefront of the change that is sweeping across the water sector and I have also been heartened by the way major funders and other NGOs are increasingly recognising that the UN target of eliminating water poverty by 2030 will not be achieved without others following our lead. A recent UNICEF report concluded that *"Improved levels of waterpoint functionality can only be sustained if they are supported by affordable preventative maintenance"* and I cannot think of a better endorsement of the approach that Pump Aid and Beyond Water have been so proud to champion.

Pump Aid is not just an organisation challenging the status quo, it is offering sustainable solutions to problems that have beset the water sector for decades and there is no better endorsement of this than the report of the national comparative study (summarised on the previous page), which concluded that Beyond Water was the only organisation in the pilot *"well positioned"* for future results-based contracts. We intend to take full advantage of this opportunity.

But it is not just external validations that excite us, it is the endorsement of our customers and, as the following report sets out, we have more than doubled the number of waterpoints we have under contract in 2024/25 from 245 to 553 and, at the time of writing, this has already increased to more than 600. Our ability to increase the number of waterpoints under contract at the same time as we increase our revenue from those waterpoints is the best possible demonstration of the customer satisfaction we are generating and gives us a clear route to financial sustainability.

Relaunching Pump Aid's repair and maintenance programme as Beyond Water's professionalised preventative maintenance service has been a game changer for our profile and has propelled us to the point where we are now being approached to join programmes and to share our experience with the Malawi government and with other NGOs working in Malawi. By some margin, Beyond Water is now viewed as the leading waterpoint repair and maintenance provider in Malawi, which is testament to its innovation, to its tenacity in the face of opposition from entrenched sector interests and the focussed and dedicated work of its staff.

On behalf of the Board, I would like to thank everyone who has worked for and with Pump Aid or Beyond Water over the past year. It is their performance that has driven Pump Aid's success and it is their commitment which will secure its future.



Sandra Welch

Chair

31st July 2025

TRUSTEES' REPORT

Trustees are pleased to present their Trustees' Report and Financial Statements for the year ending 31st March 2025, which contains a Directors' Report as required by company law. The Financial Statements comply with the requirements of the Companies Act 2006 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their Financial Statements in accordance with FRS102 (effective 1st January 2019).

VISION, MISSION AND VALUES

Vision

Pump Aid is committed to the UN's objective to totally eradicate water poverty by 2030. But our ultimate goal is to transform the lives and life chances of poor and disadvantaged people, so that they reach a point of resilience and self-reliance where they no longer need the support of us or anyone else.

Mission

Pump Aid's mission is to achieve lasting positive change in the lives of disadvantaged people by harnessing the determination of the community, the power of local businesses and the skills of partners in other sectors to deliver reliable, affordable, and sustainable access to safe water.

Values

At the heart of everything we do is the central belief that fulfilling the basic human right of access to reliable and safe water is a vital first step to better life expectancy, improved educational attainment and increased social and economic independence and that delivering this in a way that empowers the poorest in society as activist service users, rather than disempowers them as passive service recipients, is critical to the long term sustainability of these rights.



ACHIEVEMENTS IN 2024/25

Pump Aid's charitable activities are delivered wholly in Malawi, where handpumps are the primary source of improved water for over 85% of the rural population and where for decades maintenance has been based on a community-based management (CBM) model. Under this model governments and NGOs invest in water point provision and installation, in the hope that, with some basic training and the use of unmanaged area mechanics, communities will ensure ongoing maintenance and raise sufficient funds through tariffs to pay for any necessary repairs and spare parts. This has always been a tall order and, in many parts of Malawi, it has totally failed.

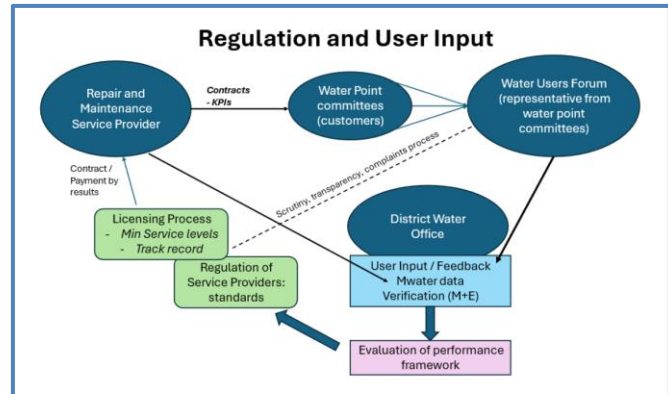


A 2023 research project, commissioned by the Government of Malawi, revealed that 41.5% of rural handpumps under CBM were non-functional, depriving at least five million people of reliable access to safe water, despite having all the necessary infrastructure in place. The research project found that the main causes of non-functionality were:

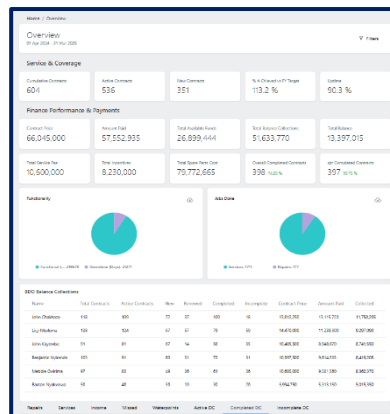
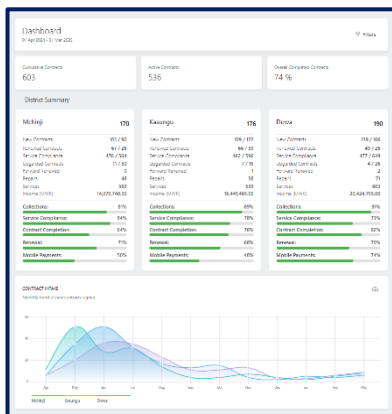
- the absence of effective repair and maintenance services,
- a reliance on volunteer community structures,
- a lack of oversight over unregulated pump mechanics, and
- the absence of any framework of management and accountability to regulate and hold service providers to account.

Without these fundamental pillars, effective repair and maintenance quickly breaks down, resulting in increased downtime, escalating repair costs, and a dependence on external funders to pay for ongoing maintenance and repairs. The Government's report concluded that this was not a sustainable long-term solution.

Beyond Water's Professionalised Repair and Maintenance Service is based on years of rural water provision experience and provides an efficient and customer focussed service that ensures year round access to reliable water in a cost effective way, appropriate regulation and user engagement, and offers a pathway to financial viability that, with the right investment will drive ongoing improvements in performance and productivity.



As well as investing in Beyond Water's delivery capacity, Pump Aid has also invested in its ability to manage and motivate its staff and contractors. A system of remuneration and incentives based around the user experience encourages its field teams and contractors to service regularly, to respond rapidly and to provide levels of customer care that far exceed those of the water sector generally. They are supported by a management information system that provides real time data on contract delivery and mechanic performance, which both rewards team members who exceed their targets and highlights areas where management attention may be required.



Contract ID	Contract Name	Contract Type	Contract Status	Contract Value	Contract Date
1	...	...	...	...	...
2	...	...	...	...	...
3	...	...	...	...	...
4	...	...	...	...	...
5	...	...	...	...	...

Beyond Water's Management Information System has been widely praised. It is seen as unique in Malawi and we have been approached by a number of Malawi based NGOs, many times our size, seeking to use our system to better manage their own projects. All of which has contributed to a major expansion of our maintenance services in 2024/25.



We began the year with 245 communities on direct contracts, where either the community paid for parts and repairs or where the full costs of servicing and repairs were consolidated into a single annual fee. We ended 2024/25 with 553 communities on direct contracts, 279 of whom were on premium contracts, where Beyond Water covers the full costs of servicing, parts and repairs for a single annual fee. Our premium contract is unquestionably our most popular product, 50.5% of all contracts signed last year were premium ones and, so far, 82.4% of contracts signed this year have been premium contracts, despite increasing the annual fee

for a premium contract from Mwk150,000 to Mwk195,000, and we seem to be on course to have 100% of our community customers on this contract in the near future. But, even more impressively, in 2023/24 we generated an average of £69 in user revenues and results-based funding from each of the 245 waterpoints we had under contract but, in 2024/25, we generated an average of £89 from each of our 553 waterpoints, which we plan to increase to £120 per waterpoint by the end of 2025/26.



Our ability to both increase the number of waterpoints under contract while, at the same time, increasing the amount each of those waterpoints pay for our services is the best possible demonstration of the customer satisfaction our field teams and mechanics are generating and illustrates a clear route towards financial sustainability.



OBJECTIVES FOR 2025/26

The appointment of a new Malawi Director in February 2024 gave us the opportunity to look afresh at how we were delivering resilience and sustainability and how we might better meet the current and emerging needs of the remote and rural communities with whom we work. Our entire team in Malawi has been through a thorough and extensive process of evaluation and lesson learning to revise and adapt our operational processes and to improve our impact and efficiency. Our proposed adaptations are based on what we have learned and the data from the follow up surveys which were necessary to unpack some of that learning.

Our objectives for 2025/26 relate to two broad areas: improving the effectiveness of our delivery and organisation and exploring potential partnerships with other Malawi based water NGOs, to share/reduce overheads and generate improved economies of scale.

1. 2025/26 Organisational objectives

- Secure at least another 500 direct contracts in the Districts of Kasungu, Mchinji and Dowa, to demonstrate strong proof of concept and our ability to grow to scale,
- Achieve at least an 85% contract renewal rate, for contracts signed in 2024/25, to ensure we are delivering a good service and to prove ongoing demand,
- Generate operational efficiencies and productivity increases, through better procurement, more efficient delivery, and reduced costs of R&M per person and per waterpoint,
- Build the capacity of our field teams to increase their contract conversion and renewal rates and improve their relationships with local and district government,
- Move into the management of piped water systems, to enable the inclusion of health centres and schools in our repair and maintenance model.

2. 2025/26 Partnership objectives

- Exploring partnership opportunities with other NGOs in Malawi, by providing repair and maintenance services to their water programmes,
- Developing joint funding bids with other NGOs, where our repair and maintenance service will be a crucial part of the ongoing sustainability of their waterpoint installations,

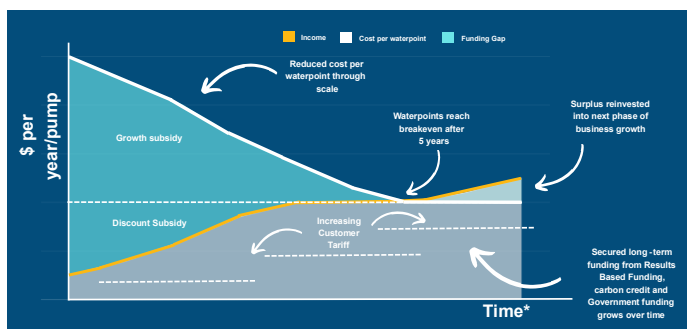


- Convincing government and other stakeholders of the benefits of a professionalised repair and maintenance service and of the need to include some form of ongoing maintenance in every new waterpoint installation.

Over the next three years, Pump Aid intends to develop Beyond Water into the leading waterpoint repair and maintenance organisation in Malawi:

- ensuring that, at least, 1,250,000 people have access to fully functional waterpoints that provide improved access to safe water on a sustainable basis,
- diversifying our model into solar powered, piped water systems and developing climate resilient water security packages to improve the management of ground water resources,
- attracting inward investment to support our growth to scale from a more diverse range of funders and investors.

Because of the high costs of initial repairs, the reluctance of customers to pay in advance for a service they have yet to receive and don't know how to value, and the need for a management structure that assures effective delivery and contract compliance from day one, the viability and sustainability of our approach will only be delivered through scale.



This chart, extracted from modelling developed by the financial consultancy EY, shows that, by progressively decreasing its costs per waterpoint and by progressively increasing its revenues, Beyond Water could become financially sustainable when the number waterpoints it has under contract reaches 5,000. A number we hope to reach within the next five years.

Going forward, we think it likely that Beyond Water's repair and maintenance service will probably make up around 90% of Pump Aid's ongoing business in Malawi but, more important than the impact on us, all the waterpoints Beyond Water now has under direct contract are achieving levels of functionality in excess of 97% and the impact of this on the health and resilience of the more than 250,000 people who depend on those waterpoints is immeasurable.

CHARITABLE PURPOSE

The Charity Commission's guidance on public benefit, as required by section 17 of the Charities Act, 2011, sets out two key principles: the organisation must have an identifiable benefit and the benefit must be to the public or to a section of the public.

Trustees have reviewed the vision and mission of the Charity in the light of this guidance and have been mindful of it when setting the objectives for the current year. They have also noted the emphasis on water in the UN SDGs, of which SDG6 requires action to achieve universal access to safe and reliable drinking water, improving water quality by eliminating avoidable pollution, increasing water-use efficiency, the protection of water-related ecosystems, and support to strengthen the participation of local communities in improving water resource management.

Pump Aid is engaged in activities that support all of these objectives and Trustees believe the activities of Pump Aid, as detailed in this report, demonstrate that the Charity fully meets both of the Charity Commission's public benefit requirements.

BASIS OF ACCOUNTING

Prior to April 2022, the Charity delivered all its activities in Malawi through a Malawi registered branch, Pump Aid Malawi. Since April 2022, some of its activities have been delivered through Pump Aid Malawi, but most have been delivered by Beyond Water Malawi, a Malawi registered company of which the Charity is the ultimate, sole, beneficial owner. The Consolidated Financial Statements of the Charity include all of the funds it raised during the year and all of the activities it delivered, regardless of which company raised the funds or delivered the activity.

CRITERIA FOR MEASURING SUCCESS

As stated earlier, Pump Aid has developed a comprehensive management information system, that uses qualitative and quantitative data indicators collected from beneficiaries and project sites and which is independently tested and verified to determine the impact, effectiveness and appropriateness of all Pump Aid's activities. Pump Aid uses this data to compile reports to funders and other stakeholders and its restricted programmes are often subject to additional external and independent evaluation as and when required by funders.

RISK MANAGEMENT

All significant activities are subject to a risk review as part of the initial activity assessment and implementation. The Senior Management Team ranks all risks in terms of their potential impact and likelihood and, where possible, puts in place appropriate mitigation.

Major risks for this purpose, are those that may have a significant impact on:

- Operational performance, including risks to personnel and programme beneficiaries;
- Financial sustainability, including predictability and security of income; and
- Meeting the expectations of beneficiaries, funders and supporters.

Trustees annually assess the major risks, both positive and negative, to which the Charity is exposed, particularly those related to its finances, operations and reputation, and ensure that adequate systems are in place to:

- Provide early warning of opportunities and risks;
- Ensure that any significant opportunities are not overlooked; and
- As far as possible, ensure that any foreseeable risks are adequately mitigated.

A risk review forms part of the Board's annual planning process.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Pump Aid is a company limited by guarantee incorporated on 4th November 1998. The Company was registered as a Charity with the Charity Commission on 21st October 1999. The Company's governing document, its Memorandum and Articles of Association, was revised and approved at the Annual General Meeting held on 13th October 2014.

Pump Aid's Trustees are responsible for the general control and management of the Charity and serve for an initial period of three years, after which they may offer themselves for re-election. The Trustee Board is responsible for setting the organisation's strategy, assessing risk and

reviewing and adopting the Charity's annual budget and quarterly financial reports. The Trustee Board meets four times per year, including an annual strategy day with senior staff.

Except as stated in note 7 to the Financial Statements, Trustees have no beneficial interest in the activities of the Charity. All Trustees are members of the company and guarantee to contribute £10 in the event of a winding up.

Day to day management and oversight of the Charity is vested in a Senior Management Team comprising its UK based Chief Executive and Head of Business Development, and Beyond Water's Malawi based Managing Director. Staff salaries are benchmarked against similar roles in similar sized organisations and the salaries of the Senior Management Team are set by the Board with reference to market data for each individual role.

APPOINTMENT AND TRAINING OF TRUSTEES

The Board conducts a biennial skills audit and, if necessary, new trustees are sought to ensure the Board maintains a mix of skills and expertise appropriate to the needs of the organisation. New Trustees are provided with information on the purposes of Pump Aid, its financial position and the key issues it faces. They are also given copies of policies and procedures on issues such as delegated authority, recruitment, equal opportunities, and guidance on conflicts of interest. Additional training is provided in line with the identified needs of the Board.

The Trustees, who are also directors for the purposes of company law, who served during the year and up to the date of this report, are set out on page 14.

APPROACH TO FUNDRAISING

Pump Aid raises a very small amount of its income from the general public in the UK (2025: 4.6%, 2024: 4.8%), with the majority of its income coming from governments, corporates and charitable trusts and foundations. All fundraising activities are delivered by directly employed staff, whose working practices fully comply with the Fundraising Regulator's Code of Fundraising Practice and our use and storage of fundraising data is in full accordance with the GDPR. Pump Aid does not share its supporter details with other organisations and we do not purchase cold contact lists. Supporters on Pump Aid's fundraising database are contacted in the manner they prefer and we encourage them to contact us with any feedback. The Charity received no complaints with regard to its fundraising activities in the year under review (2024: none).

GOING CONCERN

Trustees have reviewed income projections for 2025/26 and 2026/27, have assessed the economic climate and its potential impact on the Charity and have considered a report on the financial sustainability of the organisation prepared by the Senior Management Team. Because Beyond Water Malawi is wholly dependent on the income raised by Pump Aid UK and Pump Aid Malawi is ultimately liable for all expenditure incurred by Beyond Water Malawi, for the purposes of their going concern assessment, Pump Aid's trustees have considered these entities as if they were one.

The sudden and dramatic reductions in US Aid and UK Aid and those of other agencies sent shock waves around the world. US Aid accounts for two thirds of the budget of the Malawi Ministry of Health and Malawi has been a major recipient of UK Aid funding too, so the short-term effect of

this on Malawi is likely to be devastating. But, in the long-term, if it helps to reduce Malawi's dependence on countries and organisations over which it has little or no control, it may prove to be beneficial. Pump Aid's focus on delivering aid through enterprise has reduced its eligibility for government funds and it received nothing from either US Aid or UK Aid in 2024/25 and it is not anticipating any direct funding from either of these sources in 2025/26.

So, although the situation is challenging for all international aid organisations, trustees believe Pump Aid's long-term sustainability is not in doubt and that the repositioning of the Charity as a social impact business means it will have little difficulty in generating the resources it needs to meet the requirements of a going concern.

FINANCIAL REVIEW OF 2024/25

Income

As Pump Aid (through Beyond Water) has steadily repositioned itself away from being a traditional NGO towards a more customer focussed, social impact business, it has also needed to refine its approach to funders. This has inevitably led it away from funders who had been generous in the past, including the UK government, and towards funders that see sustainability as more important than process or delivery. Attracting new funders and securing first-time funding from them is an understandably protracted task and trustees were aware that the move from one group of funders to another might cause a slight hiatus in the receipt of funds and that has indeed been the case. Trustees were therefore pleased to see an increase in income in 2024/25 which, at £1,022,595 (pre-deferrals), saw Pump Aid's income exceed £1m for the first time in three years, as the transition to new funding streams finally began to take effect. New funding streams are looking increasingly promising and trustees anticipate that income in 2025/26 will also exceed £1m.

This brief hiatus in funding would have been far greater without the continued support of Pump Aid's most loyal funders and trustees would like to thank the Medicor and Waterloo Foundations, Waiakea Springs, Thirsty Planet and Rotork plc, in particular, for their sustained and significant funding, which helped us maintain our work on the ground while we developed the income streams we need for the future. Our changed approach to funding is further evidenced in the breakdown of income in the table below, which shows how we have steadily moved away from the simple installation of water pumps towards securing the ongoing viability of community water networks and how funding for our enterprise activities has risen from less than 5% of our total income, when this journey started, to more than 90% of total income now.

	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Community water, hygiene and sanitation	64.3%	41.6%	38.2%	31.9%	18.0%	12.1%	9.3%	12.8%	8.9%
WASH for vulnerable populations	16.3%	14.3%	18.3%	13.8%	9.8%	18.2%	5.1%	5.1%	0.6%
Urban WASH and entrepreneurship	15.1%	4.6%	0.5%	-	-	-	-	-	-
Enterprise for WASH and agriculture	4.3%	39.5%	43.0%	54.3%	49.9%	26.4%	18.5%	9.2%	2.7%
Enterprise for repair and maintenance	-	-	-	-	22.3%	43.3%	67.1%	73.0%	87.8%
TOTAL INCOME	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Expenditure

Expenditure on charitable activities in the year was virtually unchanged on 2023/24, though we spent less on pump manufacturing and sales, as we continued to focus on the development of our professionalised repair and maintenance service and transferred our entire field team into this

workstream. As we become increasingly funded by funders who are more interested in sustainable impact than simple beneficiary numbers, we have continued to invest in our digital monitoring and management systems and, this year, moved the bulk of our community collections and area mechanic payments onto Airtel Money. This digital money service, using mobile phones, has not only accelerated our receipt and payment services, it has also reduced our use of cash with all the associated improvements in accuracy and security you might expect.

Having established ourselves as the market leader in professionalised repair and maintenance in Malawi, our in-house monitoring and reporting system is now also attracting attention. Accessed and updated by our field teams through their phones and tablets, it offers real-time monitoring of the waterpoints under contract, an on-line dashboard that details repairs, service visits, and contract compliance, and provides verifiable waterpoint performance and functionality data on a weekly basis. We are told it is far superior to any comparable management information system in Malawi and we are looking into the potential of licencing its use to other NGOs.

RESERVES POLICY

Trustees believe unrestricted reserves are necessary for three reasons:

- To support new and innovative projects, which need a period of testing and development before we can approach funders with funding bids
- To support the strategic direction of the charity and, if necessary, to underwrite the costs of strategic change
- To cover committed or unexpected expenditures in periods when these are not covered by grants and donations.

Trustees acknowledge that the Aid sector is sailing in uncharted waters but, this notwithstanding, they believe their minimum unrestricted reserves target of £300,000 is more than sufficient to protect the Charity from any unanticipated shocks.

Current Reserves

The Group Charitable Company's free and unrestricted reserves figure of £822,802 at March 2025 is more than double Trustees' target and free reserves now stand at their highest level since 2010. While many actions have contributed to this, the two most significant were the restructuring Pump Aid undertook at the start of 2020 and the decision the Board took to focus on enterprise, which has enabled Pump Aid to ride out the Covid storm and more recent disruptions in the aid sector and grow its operations with more ease than many much larger charities.

The effect of the recent changes to international aid on countries like Malawi is likely to be long lasting and Trustees have given management permission to invest some of the Charity's surplus reserves on increasing Malawi's resilience to this and future global events.

DISCLOSURE OF INFORMATION TO AUDITORS

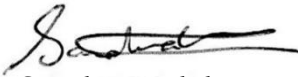
Each of the Directors has confirmed there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed they have taken appropriate steps to identify such relevant information and to establish that the auditors are aware of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

Audit Consult, a Malawi based external auditor, was reappointed in 2024 to provide independent oversight of Pump Aid's Malawi operations. They have conducted a local audit of Pump Aid Malawi and Beyond Water Malawi and have provided information and assistance to the Charity's auditor in the UK.

AUDITORS

Shaw Gibbs (Audit) Limited were appointed to act as the charitable company's auditors last year and a resolution appointing them as the Charity's UK auditor for the ensuing year will be put to the AGM.

For and on behalf of the board of Trustees



Sandra Welch

Chair

31st July 2025

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Sandra Welch (Chair) - Appointed July 2023
Spencer Mahony - Appointed July 2016, resigned July 2024
Eric McKenzie - Appointed September 2023
Ben Nealon OBE - Appointed November 1998, resigned June 2024
Justine Reader - Appointed September 2023
Gerard Tyler - Appointed July 2016
Pramodrai Unia - Appointed May 2023, resigned July 2024
Dave Waller - Appointed July 2016
Angela Zamaere-Smith - Appointed September 2023, resigned July 2024

Charity Number

1077889

Company Number

03661446

Registered office and principal address

3rd Floor, 86-90 Paul Street, London, EC2A 4NE

Bankers

Barclays Bank	Standard Bank
1-7 King Street	Capital City
London, EC2V 8AU	Lilongwe, Malawi

UK Auditors

Shaw Gibbs
2nd Floor, 201 Great Portland Street, London, W1W 5AB

Malawi Auditors

Audit Consult
Vanguard Life Insurance House, Mandala Road, Lilongwe 3, Malawi

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Charity's trustees (who are also the directors of Pump Aid for the purposes of company law) are responsible for preparing a Trustees' Report and Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law requires Trustees to prepare financial statements for each financial period, which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, including the income and expenditure of the Charity for that period.

In preparing these financial statements, Trustees are required to:

- Select suitable accounting policies and 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
- Prepare the Financial Statements on a going concern basis, unless it is inappropriate to presume that the Charity will continue in operation.

Trustees are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time, the financial position of the Charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charity and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT

To the Members of Pump Aid

OPINION

We have audited the financial statements of Pump Aid ('the charitable company') and its subsidiaries (together the "group") for the year ended 31st March 2025, which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Charitable Company Balance Sheet, the Consolidated Cash Flow Statement 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 consolidated financial statements:

- give a true and fair view of the state of the group's and the charitable company's affairs as at 31st March 2025 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

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 other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other

information. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the Trustees' Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

RESPONSIBILITIES OF THE TRUSTEES

As explained more fully in the Statement of Trustees' Responsibilities (set out on page 9), 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 152 of the Charities Act 2011 and report in accordance with the Act 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- we identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We considered the nature of the charitable company's sector and its control environment, and reviewed the charitable company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also identified the laws and regulations applicable to the charitable company through discussions with the Trustees and other management, and from our cumulative audit, knowledge and experience of the charitable company.

We obtained an understanding of the legal and regulatory framework that the Charitable company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included the Companies Act 2006, the Charities Act 2011, the Charities SORP, and UK financial reporting standards as issued by the Financial Reporting Council; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the Charitable company's ability to operate or to avoid a material penalty. These included the Charitable company's regulatory requirements, employment and taxation legislations.

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls and policies in place to mitigate risks of fraud and non-compliance with laws and regulations.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;

- enquiring of the Trustee concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of Trustee meetings, reviewing internal audit reports and reviewing correspondence with the Charities Commission.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the Trustees and other management and the inspection of regulatory and legal correspondence, if any.

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.

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

USE OF OUR REPORT

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Records) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

A handwritten signature in black ink that reads 'Shaw Gibbs'.

Shaw Gibbs (Audit) Limited
Statutory Auditors
Sutton

Date: 31st July 2025

Shaw Gibbs (Audit) Limited is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES for the year ended 31st March 2025

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2025 £	Total 2024 £
INCOME					
Donations and voluntary income	2	207,854	596,033	803,887	644,729
Income from charitable activities	3	195,564	-	195,564	208,447
Bank interest		10,989	-	10,989	8,687
Other Income		12,155	-	12,155	-
TOTAL GENERATED INCOME		426,562	596,033	1,022,595	861,863
Deferred income	14	-	(63,800)	(63,800)	-
TOTAL RECOGNISED INCOME		426,562	532,233	958,795	861,863
EXPENDITURE					
Costs of raising funds					
Costs of generating voluntary income and income from charitable activities		52,671	67,647	120,318	115,697
Charitable activities					
Delivering water, sanitation and hygiene improvement in Malawi		180,465	492,779	673,244	679,024
TOTAL EXPENDITURE	4	233,136	560,426	793,562	794,721
Net income and net movements in funds	15	193,426	(28,193)	165,233	67,142
Reconciliation of funds					
Total funds brought forward		701,527	52,085	753,612	686,470
TOTAL FUNDS CARRIED FORWARD	16	894,953	23,892	918,845	753,612

All income and expenditure is derived from continuing activities.

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES for the year ended 31st March 2024

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2024 £	Total 2023 £
INCOME					
Donations and voluntary income	2	158,326	486,403	644,729	844,865
Income from charitable activities	3	200,279	8,168	208,447	138,042
Net profit on disposal of assets		-	-	-	101
Bank interest		8,687	-	8,687	1,597
TOTAL GENERATED INCOME		367,292	494,571	861,863	984,605
Deferred income	14	-	-	-	(25,000)
TOTAL RECOGNISED INCOME		367,292	494,571	861,863	959,605
EXPENDITURE					
Costs of raising funds					
Costs of generating voluntary income and income from charitable activities		49,238	66,459	115,697	104,446
Charitable activities					
Delivering water, sanitation and hygiene improvement in Malawi		232,447	446,577	679,024	805,158
TOTAL EXPENDITURE	4	281,685	513,036	794,721	909,604
Net income and net movements in funds	15	85,607	(18,465)	67,142	50,001
Reconciliation of funds					
Total funds brought forward		615,920	70,550	686,470	636,469
TOTAL FUNDS CARRIED FORWARD	16	701,527	52,085	753,612	686,470

All income and expenditure is derived from continuing activities.

CONSOLIDATED BALANCE SHEET AT 31st March 2025

REGISTERED COMPANY NUMBER: 03661446 (England & Wales)

	Notes	2025 £	2024 £
FIXED ASSETS			
Tangible assets	9	13,278	4,342
		<u>13,278</u>	<u>4,342</u>
CURRENT ASSETS			
Stocks	11	84,607	46,256
Debtors	12	27,125	35,038
Cash at bank and in hand		964,682	699,208
		<u>1,076,414</u>	<u>780,502</u>
Less: CURRENT LIABILITIES			
Creditors: Amounts falling due within one year	13	(170,847)	(31,232)
NET CURRENT ASSETS		<u>905,567</u>	<u>749,270</u>
NET ASSETS			
Total assets less total liabilities		<u>918,845</u>	<u>753,612</u>
Represented by:			
Restricted funds		23,892	52,085
Unrestricted funds		894,953	701,527
TOTAL FUNDS CARRIED FORWARD	16	<u>918,845</u>	<u>753,612</u>

For the financial year ended 31 March 2025 the charitable company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the charitable company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006. However, an audit was required in accordance with section 152 of the Charities Act 2011.

The Trustees, who are regarded as directors for the purpose of the Companies Act 2006, acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of the accounts. These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the Trustees, authorised for issue on 31st July 2025 and signed on their behalf by:


Sandra Welch
 Chair

CHARITABLE COMPANY BALANCE SHEET AT 31st March 2025

REGISTERED COMPANY NUMBER: 03661446 (England & Wales)

	Notes	2025 £	2024 £
FIXED ASSETS			
Tangible assets	9	5,255	3,860
Investments	10	1	1
		<u>5,256</u>	<u>3,861</u>
CURRENT ASSETS			
Stocks	11	18,414	19,043
Debtors	12	31,047	33,872
Cash at bank and in hand		926,089	698,856
		<u>975,550</u>	<u>751,771</u>
Less: CURRENT LIABILITIES			
Creditors: Amounts falling due within one year	13	(134,112)	(21,677)
NET CURRENT ASSETS		<u>841,438</u>	<u>730,094</u>
NET ASSETS			
Total assets less total liabilities		<u>846,694</u>	<u>733,955</u>
Represented by:			
Restricted funds		23,892	52,085
Unrestricted funds		822,802	681,870
TOTAL FUNDS CARRIED FORWARD	16	<u>846,694</u>	<u>733,955</u>

As permitted by Section 408 Companies Act 2006, the charitable company has not presented its Statement of Financial Activities (also known as The Profit & Loss Account under Company Law). The charitable company made a surplus for the financial year of £112,739 (2024: £66,325)

For the financial year ended 31 March 2025 the charitable company was entitled to exemption from audit under section 145 of the Companies Act 2006 relating to small companies. The members have not required the charitable company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006. However, an audit was required in accordance with section 138 of the Charities Act 2011.

The Trustees, who are regarded directors for the purpose of the Companies Act 2006, acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of the accounts. These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the Trustees, and authorised for issue on 31st July 2025 and signed on their behalf by:


Sandra Welch
Chair

CONSOLIDATED CASH FLOW STATEMENT for the year ended 31st March 2025

	2025 £	2024 £
Reconciliation of net movement in funds to net cash flow from operating activities		
Net movement in funds	165,233	67,142
Bank interest	(10,989)	(8,687)
Depreciation	7,353	6,353
Decrease / (Increase) in stock	(38,351)	6,959
Decrease / (Increase) in debtors	7,913	11,767
Increase / (Decrease) in creditors	139,615	(35,148)
Net cash (used in) / provided by operating activities	270,774	48,386
Cash flows from investing activities		
Bank interest received	10,989	8,687
Payments to acquire fixed assets	(16,289)	-
Net cash (used in) investing	(5,300)	8,687
Change in cash and cash equivalents in the reporting period	265,474	57,073
Cash and cash equivalents at the beginning of the year	699,208	642,135
Cash and cash equivalents at the end of the year	964,682	699,208
Cash balances are held in the following locations		
United Kingdom	896,009	629,834
Overseas	68,673	69,374
CASH BALANCES at 31st MARCH 2025	964,682	699,208

Analysis of changes in net debt

The charity had no net debt during the year

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31st March 2025

1. ACCOUNTING POLICIES

Legal status of the Charity

Pump Aid is a company limited by guarantee incorporated on 4th November 1998. Its registered office is at 3rd Floor, 86-90 Paul Street, London, EC2A 4NE.

Basis of accounting

The Consolidated Financial Statements have been prepared in accordance with the Charity's Memorandum & Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1st January 2019)".

Since April 2022, some of the Charity's activities have been delivered by Beyond Water Malawi, a Malawi registered company of which the Charity is the ultimate sole beneficial owner. The Consolidated Financial Statements of the Charity include all of the funds it raised during the year and all of the activities it delivered, regardless of which company raised the funds or delivered the activity.

The Company meets the definition of a public benefit entity under FRS 102.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The accounting policies of the Charity have not changed during the period.

Preparation of the financial statements on a going concern basis

As stated on page 9 of the Trustees' Report, Trustees believe there are no material uncertainties that call into doubt the Charity's ability to continue as a going concern and the financial statements have therefore been prepared on the basis that the Charity is a going concern.

In reaching this conclusion, Trustees have considered the enduring effect of Covid19 and more recent issues in the aid sector. The Charity continues to employ all its staff on a full-time basis and believes it can continue to fund its existing and future programme commitments well into the next financial year. While the recent changes in international aid funding has caused some disruption to the sector, Trustees are confident that Pump Aid can continue as a going concern for the foreseeable future.

Functional currency

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

Income

Income is recognised when the Charity is entitled to the funds, any requirements attached to the income have been met, it is probable the income will be received and the amount can be measured reliably.

The following specific policies are applied to particular categories of income:

- Grants and donations are included on a receivable basis
- Income from charitable activities is included on a receivable basis, except where the funder specifies that the income must be used in a particular year or imposes conditions which have to be fulfilled before the charity becomes entitled to it.
- Income from the sale of pumps and service contracts is included on a cash received basis. When service contracts include a contribution towards spare parts, the spare parts contribution is retained in a separate account and funds released when parts are used. No funds are retained for service contracts that do not include a contribution towards spare parts.

Expenditure

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all the costs related to a category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of the resources.

Expenditure is recognised once there is an obligation to make a payment to a third party, it is probable

that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure is classified under the following activity headings:

- Costs of generating funds comprise the costs of attracting voluntary income, meeting any donor imposed reporting requirements and the costs of fundraising
- Expenditure on charitable activities includes the direct and indirect costs of activities and services delivered for the Charity's beneficiaries
- Governance costs are those associated with the governance of the Charity, compliance with statutory obligations and costs relating to the Charity's strategic management.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Almost all costs are directly attributable to programmes and are recovered either by direct recharge or by apportionment. Unlike larger charities with substantial UK and overseas offices, Pump Aid has a very small central team which both develops and delivers programmes and, aside from the proportion charged to fundraising and governance, the payroll and occupancy costs of the central team are charged to the programmes they deliver.

Critical accounting judgements and estimation uncertainty

In the application of the Charity's accounting policies, trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods. Trustees do not consider there to be any critical accounting estimates or judgements in preparing these financial statements.

Pension costs

In Malawi, the Charity contributes to a defined contribution pension scheme and, in the UK, the Charity contributes to any personal scheme which meets its obligations under auto enrolment. The amounts charged in the financial statements are the employer's contributions payable in the financial year.

Operating leases

Rentals payable under operating leases are charged in the Statement of Financial Activities on a straight-line basis over the life of the lease.

Tangible fixed assets

Fixed assets are stated at cost less depreciation. They are depreciated at rates intended to reduce their cost to their residual value over their estimated useful life (currently 33.3% on a straight-line basis). Any asset costing less than £500 is fully depreciated in the year of acquisition. All assets are inspected regularly for any impairment and any defects fixed to maintain their value and usefulness.

Investments

Investments in subsidiary undertakings are stated at cost less provisions. Any provisions made against these investments are charged in the Statement of Financial Activities.

Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. All financial instruments are initially recognised at transaction value and subsequently measured at their settlement value. The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Stock

Stocks are stated at lower of cost or net realisable value.

Debtors and prepayments

Trade and other debtors are recognised at the settlement amount after any provision for bad and doubtful debts. Prepayments are valued at the amount prepaid.

Cash at bank and in hand

Cash at bank and cash in hand includes cash and short-term, highly liquid investments with a maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Creditors and provisions

Creditors and provisions are recognised where the Charity has a present obligation that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are recognised at their settlement amount.

Foreign currency translation

Transactions in foreign currencies are translated into sterling at the average rate of exchange pertaining to the relevant accounting period. At each reporting date, monetary assets and liabilities denominated in foreign currencies are retranslated at the rates prevailing at the reporting date. Exchange differences are recognised through the Statement of Financial Activities.

Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the Charity.

Restricted funds are donations which the donor has specified are to be used solely for specific projects or for specific aspects of the Charity's work to be delivered in specific locations.

2. DONATIONS AND VOLUNTARY INCOME

	Unrestricted Funds £	Restricted Funds £	Total 2025 £	Unrestricted Funds £	Restricted Funds £	Total 2024 £
Donations						
Waterloo Foundation	12,500	127,600	140,100	12,500	121,400	133,900
Medicor Foundation	-	140,000	140,000	-	140,000	140,000
Rotork PLC	-	100,000	100,000	-	72,000	72,000
Oak Foundation	-	39,500	39,500	-	-	-
Uptime Catalyst	26,645	-	26,645	8,816	-	8,816
Estate of Jeremy Berkoff	25,450	-	25,450	-	-	-
Urenco Ltd	-	25,000	25,000	-	25,000	25,000
Sense Foundation	-	21,035	21,035	-	-	-
Aspect Capital	19,500	-	19,500	5,000	-	5,000
Roland Fox and Colette Flanagan	11,292	-	11,292	14,334	-	14,334
Coles Medlock Foundation	-	10,000	10,000	-	5,000	5,000
One Days Wages	-	-	-	-	23,729	23,729
Charles Hayward Foundation	-	-	-	-	15,000	15,000
Peter Stebbings Memorial Charity	-	-	-	-	10,000	10,000
Gift Aid	7,431	-	7,431	11,105	-	11,105
Donations of less than £10,000 or Anonymous	105,036	71,500	176,536	106,571	56,000	162,571
	207,854	534,635	742,489	158,326	468,129	626,455
Government grants						
State of Guernsey	-	43,526	43,526	-	18,274	18,274
French Embassy in Malawi	-	17,872	17,872	-	-	-
	-	61,398	61,698	-	18,274	18,274
Total Donations and Voluntary Income	207,854	596,033	803,887	158,326	468,403	644,729

The restricted grant of £127,600 from the Waterloo Foundation shown above is for the period October 2024 to November 2025 and £63,800 of this grant has been deferred into 2025/26 (see note 14).

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	Total 2025 £	Unrestricted Funds £	Restricted Funds £	Total 2024 £
Thirsty Planet	108,284	-	108,284	104,036	-	104,036
Waiakea Springs	63,553	-	63,553	65,107	-	65,107
Income from sales of pumps	791	-	791	14,852	-	14,852
Income from waterpoint repairs	22,457	-	22,457	8,158	-	8,158
Purple Field Productions	-	-	-	3,720	8,168	11,888
Other Charitable Income	479	-	479	4,406	-	4,406
Total Income from Charitable Activities	195,564	-	195,564	200,279	8,168	208,447

4. EXPENDITURE ANALYSIS

	Staff costs £	Operational costs £	Total 2025 £	Staff costs £	Operational costs £	Total 2024 £
Costs of generating voluntary income	84,075	36,243	120,318	94,642	21,055	115,697
Charitable expenditure						
Delivering water, sanitation and hygiene improvement in Malawi	311,338	319,540	630,878	346,631	293,227	639,858
Governance costs	23,565	18,801	42,366	20,910	18,256	39,166
Total Expenditure	418,978	374,584	793,562	462,183	332,538	794,721

Costs of generating voluntary income include staffing, office and publicity costs related to fundraising.

5. STAFF COSTS

	Total 2025 £	Total 2024 £
Gross emoluments	361,300	395,902
Employer's social security costs	14,341	17,908
Pension contributions	33,155	35,201
Health insurance for staff in Malawi	10,182	13,172
Total Staff Costs	418,978	462,183

Key management personnel (KMP) of the Charity comprise the Trustees, the UK based Chief Executive and Head of Business Development, and Beyond Water's Malawi based Managing Director. Remuneration of KMP (including employer's social costs) was £180,032 (2024: £152,792).

In Malawi, the Charity operates a defined contribution pension scheme, whose assets are held in an independently administered fund and in the UK it makes contributions to any personal pension scheme which meets its obligations under auto enrolment. Pension contributions payable by the Charity in the year amounted to £33,155 (2024: £35,201), including contributions of £12,791 (2024: £10,154) payable by the Charity on behalf of higher paid staff.

	Total 2025	Total 2024
Average number of staff excluding trustees		
Based in Malawi	14.0	14.5
Based in the United Kingdom	4.4	5.2
Total Staff	18.4	19.7

6. GOVERNANCE COSTS

	Total 2025 £	Total 2024 £
Governance costs comprise		
Staff costs	23,565	20,910
Statutory auditor's remuneration	7,700	7,325
Subsidiary entity's auditor's remuneration	7,566	7,795
Premises, office costs and travel	3,535	3,136
Total Governance Costs	42,366	39,166

Governance costs comprise the costs of external audits, the costs of trustees' meetings, the costs of statutory compliance and other costs incurred in the strategic oversight of the Charity.

7. TRUSTEES' EMOLUMENTS AND REIMBURSED EXPENSES

No payments were made to any of the Charity's Trustees in respect of their role as trustees during the financial year (2024: £nil) and no Trustees were reimbursed expenses (2024: £nil).

8. CORPORATION TAX

As a charity, Pump Aid is exempt from UK tax on income and gains to the extent that these are applied to its charitable objects. No UK tax charges have arisen during the year or in the previous year.

9. FIXED ASSETS

GROUP	Land £	Fixtures and Equipment £	Motor Vehicles £	Total 2025 £
Cost at 1 st April 2024	1,232	20,535	121,660	143,427
Additions during period	-	5,041	11,248	16,289
Disposals during period	-	(1,978)	-	(1,978)
Cost at 31st March 2025	1,232	23,598	132,908	157,738
Accumulated depreciation at 1 st April 2024	-	18,109	120,976	139,085
Charge for the year	-	3,289	4,064	7,353
Depreciation on disposals	-	(1,978)	-	(1,978)
Accumulated depreciation at 31st March 2025	-	19,420	125,040	144,460
Net book value at 31st March 2025	1,232	4,178	7,868	13,278
Net book value at 31st March 2024	1,232	2,426	684	4,342

CHARITABLE COMPANY	Land £	Fixtures and Equipment £	Motor Vehicles £	Total 2025 £
Cost at 1 st April 2024	1,232	19,559	121,660	142,451
Additions during period	-	5,041	-	5,041
Disposals during period	-	(1,979)	-	(1,979)
Cost at 31st March 2025	1,232	22,621	121,660	145,513
Accumulated depreciation at 1 st April 2024	-	17,613	120,976	138,589
Charge for the year	-	2,964	684	3,648
Depreciation on disposals	-	(1,979)	-	(1,979)
Accumulated depreciation at 31st March 2025	-	18,598	121,660	140,258
Net book value at 31st March 2025	1,232	4,023	-	5,255
Net book value at 31st March 2024	1,232	1,944	684	3,860

10. INVESTMENTS

CHARITABLE COMPANY	Total 2025 £	Total 2024 £
Wholly owned subsidiary - Beyond Water Limited	1	1
Total Investments	1	1

The Charity has a registered branch in Malawi, Pump Aid Malawi, which used to deliver all its activities in that country. Since April 2022, some of its activities have been delivered by Beyond Water Malawi (Company Number: 01756706. Registered Office: 14/211, off Presidential Way, PO Box 2712, Lilongwe), which is a wholly owned subsidiary of Beyond Water Limited (Company Number: 7387428. Registered Office: 86-90 Paul Street, London, EC2A 4NE), which is a wholly owned subsidiary of the Charity.

11. STOCKS

	GROUP		CHARITABLE COMPANY	
	Total 2025 £	Total 2024 £	Total 2025 £	Total 2024 £
Stocks including small tools, fuel and materials for building pumps				
Stocks of finished pumps	14,192	14,591	14,192	14,591
Materials for making and repairing pumps	69,962	30,885	3,769	3,985
Other stock items	453	780	453	467
Total Stocks	84,607	46,256	18,414	19,043

12. DEBTORS

	GROUP		CHARITABLE COMPANY	
	Total 2025 £	Total 2024 £	Total 2025 £	Total 2024 £
Trade debtors	23,481	31,234	23,480	31,234
Provision for doubtful debts	-	(1,266)	-	-
Amount owed by group undertaking	-	-	3,927	1,000
Other debtors	3,644	5,070	3,640	1,638
Total Debtors	27,125	35,038	31,047	33,872

13. CREDITORS (amounts falling due within one year)

	GROUP		CHARITABLE COMPANY	
	Total 2025 £	Total 2024 £	Total 2025 £	Total 2024 £
Trade creditors	87,299	13,641	55,202	7,888
Taxes and social security costs	4,327	3,560	4,327	3,560
Accrued audit fees	15,421	14,031	10,783	10,229
Deferred income	63,800	-	63,800	-
Total Creditors	170,847	31,232	134,112	21,677

14. MOVEMENT IN DEFERRED INCOME

	GROUP		CHARITABLE COMPANY	
	Total 2025 £	Total 2024 £	Total 2025 £	Total 2024 £
Deferred income at 1 st April 2024	-	26,093	-	25,000
Amounts released from previous years	-	(26,093)	-	(25,000)
Incoming resources deferred in the year	63,800	-	63,800	-
Deferred income at 31st March 2025	63,800	-	63,800	-

15. MOVEMENT IN FUNDS

2025 GROUP	Balance at 1 st April 2024 £	Income £	Expenditure £	Net movement in funds £	Balance at 31 st March 2025 £
RESTRICTED FUNDS					
WASH for vulnerable populations	52,085	5,000	(33,193)	(28,193)	23,892
Enterprise for WASH and agriculture	-	25,000	(25,000)	-	-
Enterprise for repair and maintenance	-	502,233	(502,233)	-	-
Movement in Restricted Funds	52,085	532,233	(560,426)	(28,193)	23,892
UNRESTRICTED FUNDS	701,527	426,562	(233,136)	193,426	894,953
Movement in Total Funds	753,612	958,795	(793,562)	165,233	918,845

2025 CHARITABLE COMPANY	Balance at 1 st April 2024 £	Income £	Expenditure £	Net movement in funds £	Balance at 31 st March 2025 £
RESTRICTED FUNDS					
WASH for vulnerable populations	52,085	5,000	(33,193)	(28,193)	23,892
Enterprise for WASH and agriculture	-	25,000	(25,000)	-	-
Enterprise for repair and maintenance	-	502,233	(502,233)	-	-
Movement in Restricted Funds	52,085	532,233	(560,426)	(28,193)	23,892
UNRESTRICTED FUNDS	681,870	403,314	(262,382)	140,932	822,802
Movement in Total Funds	733,955	935,547	(822,808)	112,739	846,694

2024 GROUP	Balance at 1 st April 2023 £	Income £	Expenditure £	Net movement in funds £	Balance at 31 st March 2024 £
RESTRICTED FUNDS					
WASH for vulnerable populations	30,550	43,729	(22,194)	21,535	52,085
Enterprise for WASH and agriculture	-	62,512	(62,512)	-	-
Enterprise for repair and maintenance	40,000	388,330	(428,330)	(40,000)	-
Movement in Restricted Funds	70,550	494,571	(513,036)	(18,465)	52,085
UNRESTRICTED FUNDS	615,920	367,292	(281,685)	85,607	701,527
Movement in Total Funds	686,470	861,863	(794,721)	67,142	753,612

2024 CHARITABLE COMPANY	Balance at 1 st April 2023 £	Income £	Expenditure £	Net movement in funds £	Balance at 31 st March 2024 £
RESTRICTED FUNDS					
WASH for vulnerable populations	30,550	43,729	(22,194)	21,535	52,085
Enterprise for WASH and agriculture	-	62,512	(62,512)	-	-
Enterprise for repair and maintenance	40,000	388,330	(428,330)	(40,000)	-
Movement in Restricted Funds	70,550	494,571	(513,036)	(18,465)	52,085
UNRESTRICTED FUNDS	597,080	343,753	(258,963)	84,790	681,870
Movement in Total Funds	667,630	838,324	(771,999)	66,325	733,955

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

GROUP	Unrestricted Funds £	Restricted Funds £	Total 2025 £	Unrestricted Funds £	Restricted Funds £	Total 2024 £
Fund balances at 31 st March represented by:						
Tangible fixed assets	13,278	-	13,278	4,342	-	4,342
Current assets	1,052,522	23,892	1,076,414	728,417	52,085	780,502
Current liabilities	(170,847)	-	(170,847)	(31,232)	-	(31,232)
Fund balances at 31st March	894,953	23,892	918,845	701,527	52,085	753,612

CHARITABLE COMPANY	Unrestricted Funds £	Restricted Funds £	Total 2025 £	Unrestricted Funds £	Restricted Funds £	Total 2024 £
Fund balances at 31 st March represented by:						
Tangible fixed assets	5,256	-	5,256	3,861	-	3,861
Current assets	951,658	23,892	975,550	699,686	52,085	751,771
Current liabilities	(134,112)	-	(134,112)	(21,677)	-	(21,677)
Fund balances at 31st March	822,802	23,892	846,694	681,870	52,085	733,955

17. COMMITMENTS UNDER OPERATING LEASES

The Charity had no commitments under operating leases at 31st March 2025 (2024: none).

18. RELATED PARTY TRANSACTIONS

The Charity received funding in the year from Urenco Limited, a company that employs Gerard Tyler, one of the Charity's trustees. Charitable donations made by Urenco are overseen by a grant making committee and are subject to a vetting and due diligence process in which Gerard Tyler takes no part. There were no conditions attached to Urenco's donation that would not have accompanied any other donation to any other charity.

19. EVENTS AFTER THE REPORTING PERIOD

There were no significant events after the reporting period that would require disclosure in these group consolidated financial statements.

GLOSSARY OF TERMS AND ABBREVIATIONS

AM	A self-employed area mechanic
BWM	Beyond Water Malawi
CBCCs	Community Based Childcare Centres (rural nurseries for the under-5s)
CWP(s)	Community Waterpoint(s)
CBM	Community based management
DFID	The UK Department for International Development
DWO	District Water Office
ENTREPRENEUR	A self-employed artisan or trader
FCDO	The UK Foreign, Commonwealth & Development Office (formed by the merger of DFID and the Foreign and Commonwealth Office)
GDPR	General Data Protection Regulations
JMP	Joint Monitoring programme of the WHO and UNICEF
MOU	Memorandum of Understanding
MVAC	Malawi Vulnerability Assessment Committee
NGO(s)	Non-Governmental Organisation(s)
PAM	Pump Aid Malawi
PRM	Professionalised Repair and Maintenance
SDGs	The United Nations' Sustainable Development Goals
SELF-SUPPLY	The delivery of incremental improvements to water for consumption and irrigation, financed by the users themselves
UKAID	Funds received from DFID or FCDO
UN	United Nations
UNICEF	The United Nations International Children's Emergency Fund
WASH	The collective term for Water, Sanitation and Hygiene interventions
WHO	World Health Organisation
WPC	Waterpoint Committee

PUMP AID

England & Wales - Charity number 1077889

Accounts



A Company Limited by Guarantee and not having a Share Capital

**Trustees' Report
and Consolidated Financial Statements**

For the year ended 31st March 2024

REGISTERED CHARITY NUMBER: 1077889

REGISTERED COMPANY NUMBER: 03661446 (England & Wales)



www.pumpaid.org



[@PumpAid](https://twitter.com/PumpAid)



[Pump Aid](https://www.facebook.com/PumpAid)

CONTENTS	PAGE
25 years of life-saving water	2
Legal and Administrative Information	3
Chair's Introduction	4
Trustees' Report	
Vision, mission and values	5
Charitable purpose	5
Achievements in 2023/24	6
Objectives for 2024/25	7
Basis of accounting	8
Criteria for measuring success	8
Risk management	8
Structure, governance and management	9
Appointment and training of trustees	9
Approach to fundraising	9
Going concern	10
Financial review of 2023/24	10
Reserves policy	11
Auditors and disclosure of information to auditors	12
Statement of Trustees' Responsibilities	13
Independent Auditor's Report	14
Financial Statements	
Statement of Financial Activities	18
Balance Sheets	20
Cash Flow Statement	22
Notes to the Financial Statements	23
Glossary of terms and abbreviations	31

25 YEARS OF LIFE-SAVING WATER



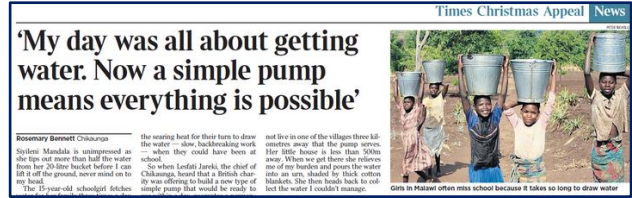
1998

Pump Aid first established in Zimbabwe



2004

Pump Aid expands into Malawi



2008

Pump Aid chosen as the Times and Sunday Times Charity of the Year



2010

Pump Aid reaches 1,000,000 people with life-saving water



2014

Pump Aid secures a UNICEF grant to pilot an enterprise led approach to ending water poverty



2014

Pump Aid delivers its first rural nursery water and sanitation scheme (it now has 92)



2015

Pump Aid launches its first urban enterprise programme with first-time funding from Comic Relief



2017

Pump Aid's enterprise led approach wins the UK International Development Charity of the Year Award



2018

Pump Aid secures a major DFID grant to transform its enterprise led approach into a professionalised system of repair and maintenance (PRM)



2018

Beyond Water established as a social enterprise in Malawi to promote and accelerate the development of PRM



2020

Beyond Water repairs a record number of 959 community waterpoints in a single year, restoring life-saving water to more than 250,000 people



2021

Beyond Water's enterprise led approach is commended by DFID for "challenging the traditional delivery model of aid"



2022

Pump Aid reaches more than 2,000,000 people with clean, safe, life-saving water



2023

Pump Aid is invited to the State House to appraise the First Lady on its work in Malawi



2024

Pump Aid's 25 years of life-saving water is rewarded with a visit from the Malawi Minister for Water and Sanitation



LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Sandra Welch (Chair) - Appointed July 2023
Megan Bingham-Walker - Appointed May 2003, resigned July 2023
Spencer Mahony - Appointed July 2016
Eric McKenzie - Appointed September 2023
Ben Nealon OBE - Appointed November 1998, resigned June 2024
Justine Reader - Appointed September 2023
Gerard Tyler - Appointed July 2016
Pramodrai Unia - Appointed May 2023, resigned July 2024
Dave Waller - Appointed July 2016, Acting Chair from November 2022 to July 2023
Angela Zamaere-Smith - Appointed September 2023

Charity Number

1077889

Company Number

03661446

Registered office and principal address

3rd Floor, 86-90 Paul Street, London, EC2A 4NE

Bankers

Barclays Bank	Standard Bank
1-7 King Street	Capital City
London, EC2V 8AU	Lilongwe, Malawi

UK Auditors

Shaw Gibbs
2nd Floor, 201 Great Portland Street, London, W1W 5AB

Malawi Auditors

Audit Consult
Vanguard Life Insurance House, Mandala Road, Lilongwe 3, Malawi

CHAIR'S INTRODUCTION

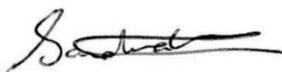
In the early 2000s, I was privileged to work on a number of international development projects in sub-Saharan Africa many in the water, sanitation and hygiene (WASH) sector. I saw first-hand the positive impact that such programmes had on individuals and communities and swiftly realised that access to education, livelihoods, and economic independence were all intrinsically linked to clean, safe water. I was therefore delighted to be invited to become Pump Aid's Chair and am particularly pleased to have joined it in its 25th year of operation.

What attracted me most to Pump Aid and what differentiates it from many other charities working in the water sector is its long-term approach and its belief that we will only solve the problem of poverty in Africa when we work together with the skilled, talented and ambitious people that already live and work there. Pump Aid's innovative 'Enterprise not Aid' approach is designed to do just that and Beyond Water, its customer-focused, Malawi-led social enterprise, is leading the way. By creating and supporting financially viable and locally owned businesses, Pump Aid is ensuring that communities not only acquire the vital technical skills needed to repair and maintain their own waterpoints, but that they also have the ability to sustain their access to water into future, freeing them from their dependence on us or on anyone else.

Now celebrating 25 years of bringing clean, life-saving water to the people of Sub-Saharan Africa, I am proud to be chair of a charity that is at the forefront of the change that is sweeping across the water sector and to know that its professionalised repair and maintenance service will be a key factor in achieving the UN target to end water poverty in Malawi by 2030. I have also been heartened by the way major funders and other NGOs are increasingly recognising that the UN 2030 target will not be achieved without others following our lead, with a UNICEF report concluding that *"Improved levels of waterpoint functionality can only be sustained if they are supported by affordable preventative maintenance."* (UNICEF, Reach). I cannot imagine a better endorsement of the approach that Pump Aid and Beyond Water have been so proud to champion.

Pump Aid's willingness to challenge the traditional models of aid is now influencing organisations many times its size and, increasingly, Pump Aid is seen not just as an organisation challenging the status quo, but one that is offering sustainable solutions to problems that have beset the water sector for decades. Key to all of this has been our commitment to an approach that enables all parties to benefit and all participants to generate an income. While many businesses set up by NGOs and other well-meaning funders struggle to survive once their aid funding ceases, our small businesses have flourished and, even in the wake of a global pandemic, have continued to do so. Each new business we create and each community waterpoint we sign up for our maintenance service brings our vision of eradicating water poverty in Malawi ever closer and, in the pages that follow, we demonstrate just how much closer that vision has come.

I cannot close without reference to Ben Nealon, who has recently stood down from the Board. Ben was one of Pump Aid's inaugural trustees and, for 25 years, he has been both a forceful advocate and a trusted friend, whose personal contribution to Pump Aid is incalculable. On behalf of the Board, I would like to thank him and everyone who has supported Pump Aid in its first 25 years and I would also like to express my thanks to all of Pump Aid's staff. It is their performance that has driven Pump Aid's success and it is their commitment which will secure its future.



Sandra Welch

Chair

23rd July 2024

TRUSTEES' REPORT

The Board of Trustees are pleased to present their Trustees' Report and Financial Statements for the year ending 31st March 2024.

The Trustees' Report contains a Directors' Report as required by company law. The Financial Statements comply with the requirements of the Companies Act 2006 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their Financial Statements in accordance with FRS102 (effective 1st January 2019).

VISION, MISSION AND VALUES

Vision

Pump Aid is committed to the delivery of the UN's Sustainable Development Goals and the total eradication of water poverty by 2030. But our ultimate goal is to transform the lives and life chances of poor and disadvantaged communities, so that they reach a point of resilience and self-reliance where they no longer need the support of us or anyone else.

Mission

Pump Aid's mission is to achieve lasting positive change in poor and disadvantaged communities by improving the quality, availability and use of water and sanitation, by harnessing the power of the community, local businesses and partners in other sectors, and providing access to affordable, innovative and sustainable water solutions.

Values

At the heart of everything we do is the central belief that fulfilling the basic human right to safe water and sanitation is the vital first step to better life expectancy, improved educational attainment and increased social and economic independence.

CHARITABLE PURPOSE

The Charity Commission's guidance on public benefit, as required by section 17 of the Charities Act, 2011, sets out two key principles: the organisation must have an identifiable benefit and the benefit must be to the public or to a section of the public.

Trustees have reviewed the vision and mission of the Charity in the light of this guidance and have been mindful of it when setting the objectives for the current year. They have also noted the emphasis on water and sanitation in the UN Sustainable Development Goals of which SDG6 requires the achievement of universal and equitable access to safe and affordable drinking water, access to adequate and equitable sanitation and an ending of open defecation. SDG6 also requires action to improve water quality by reducing pollution, increased water-use efficiency, the elimination of water poverty, the protection of water-related ecosystems and support to strengthen the participation of local communities in improving water and sanitation management.

Pump Aid is engaged in activities that support all of these objectives and Trustees believe the activities of Pump Aid, as detailed in this report, demonstrate that the Charity fully meets both of the Charity Commission's public benefit requirements.

ACHIEVEMENTS IN 2023/24

Pump Aid's charitable activities are delivered wholly in Malawi, where widespread access to water is seriously hampered by the poor functionality of rural waterpoints. In the most recent study, 52% of Malawi's community waterpoints were classified as non-functional (UpGro/DFID) (either not working properly or not working at all) and this is depriving over 5 million Malawians of access to safe water each and every day. While 85% of Malawi's rural population is reliant on subsistence farming, only 11% of small-scale farmers use any form of irrigation, which both severely limits farm yields and increases the vulnerability of farm livelihoods.

Malawi's underlying problems in 2023/24 were compounded by an unexpectedly poor harvest and the central bank's decision to devalue the Kwacha for the 2nd time in 18 months, which meant at the end of the financial year the Malawi Kwacha was trading at 70% of the value it had started the year at. We had decided in 2022, as a result of what was an already deteriorating economic climate, to reduce our manufacturing and sales operation and, in 2023 as the economic situation deteriorated further, we transferred all staff previously engaged in manufacturing and sales into our waterpoint repair and maintenance business.

We had begun piloting professionalised repair and maintenance in 2020, as a result of extensive research and assessment looking into the underlying causes of waterpoint non-functionality in Malawi (and elsewhere in sub-Saharan Africa), based on our own experience in the WASH sector, and the lessons of other innovative stakeholders. The result has been the development of a business model to repair and maintain community waterpoints, which both maximises commercial objectives and operational efficiencies and guarantees a strong social impact, primarily a 99% waterpoint functionality rate. Underlying this approach is a fundamental mission to make the Malawi businesses that are improving access to water locally owned and truly sustainable

The outcome of our new focus has been extremely positive for ourselves and for Malawi. We now have more than 1,100 community waterpoints under Memoranda of Understanding (which give Beyond Water exclusive rights to repair and maintain them) and we are progressively moving communities from service level agreements, where communities have to pay for parts and repairs, onto direct contracts, where repairs and maintenance are consolidated into a single annual fee. Relaunching our pilot programme as Beyond Water's preventative maintenance service and creating incentives for our pump mechanics to seek and secure maintenance contracts from waterpoint committees has been a game changer for our profile and has propelled us to the point where we are now being approached to join programmes and to share our experience with the Malawi government and with other NGOs working in Malawi.

By some margin, Beyond Water is now viewed as the leading waterpoint repair and maintenance provider in Malawi, which is testament to its innovation, tenacity in the face of opposition from entrenched sector interests and the focussed and dedicated work of its staff.

Our focus on combining social impact and financial sustainability has given us the opportunity to participate in Malawi's first water-based payment by results programme. Overseen by Uptime, Beyond Water and a small group of other NGOs are being paid for maintaining waterpoint functionality, rather than being paid for undertaking waterpoint repairs and, this change of emphasis, could have a massive impact on waterpoint functionality across Malawi. At the moment it is just a one year pilot and, in our case, relates to just 250 waterpoints but, for the first time, NGOs in the water sector are being paid for what they achieve rather than what they do. This programme is being closely watched by the Malawi government, who are soon to launch their own payment by results pilot in which we also hope to participate.

Going forward, we think repair and maintenance will probably make up around 85% of our ongoing business in Malawi but, more important than the impact on us, the waterpoints we now have under direct contract are currently achieving levels of functionality in excess of 99% and the impact of this on the health and long term resilience of the more than 100,000 people who depend on those waterpoints is immeasurable.

In addition to the programmes delivered by Beyond Water, Pump Aid has continued to support the vulnerable young children who depend on Malawi's network of rural Community Based Childcare Centres (CBCCs). The total number of CBCCs to whom we have given access to improved water and sanitation now stands at 92 and, in comparison with CBCCs we are not supporting, monitoring data indicates a 42% increase in attendance, a 60% drop in diarrhoea rates and an improvement in handwashing at crucial times from 27% to 63%, all of which will massively improve the lives and life chances of the 13,000 children that attend them.

As we reach a not insignificant milestone, it is with much pride that we look back on our 25 years of work in Africa and on the 15 years we have been working in Malawi. We have now established and supported more than 100 Malawian small-scale water businesses, we have sold more than 2,500 domestic and irrigation pumps, we have repaired more than 3,000 community waterpoints. And as a result of our activities and the support we have had from all those that fund them, more than 2 million people now have access to safe, clean, and reliable water that they might otherwise not have had.

OBJECTIVES FOR 2024/25

The appointment of a new Malawi Director in February 2024 gave us the opportunity to look afresh at how we were delivering resilience and sustainability and how we might better meet the current and emerging needs of the remote and rural communities with whom we work.

Our entire team in Malawi has been through a thorough and extensive process of assessment, evaluation and lesson learning to revise/adapt our interventions and to improve our operational impact and efficiency. Our proposed adaptations are based on what we have learned and the data from the follow up surveys which were necessary to unpack some of the learning.

Our objectives for 2024/25, which have been informed by the above, relate to two broad areas: organisational and operational.

1. 2024/25 Organisational objectives

- Review and finalise the optimal relationship between Pump Aid and Beyond Water
- Formally separate the staff structures of the two organisations, allocating staff to the organisation that most needs their services and, as far as possible, make the two organisations administratively independent of each other
- Start the journey towards financial separation with Pump Aid activities being funded by charitable funders and Beyond Water being increasingly funded by performance related funding and from its own income generation activities
- Strengthen the structure, operations and funding base of Beyond Water through a combination of leadership, operational adaptations, business plan development and aggressive profile building
- Complete the initial phase of the separation by July 2024, with the remainder being completed during the current financial year.

2. 2024/25 Operational objectives

- Secure at least 500 direct contracts for repair and maintenance in the Districts of Kasungu, Mchinji and Dowa Districts (up from the current 276), to provide strong proof of concept for our bids to new and existing funders
- Achieve at least an 85% contract renewal rate, for contracts signed in 2023/24, to ensure we are delivering a good service and to prove ongoing demand
- Generate operational efficiencies, through improved procurement and more efficient delivery, to reduce the costs of R&M per person and per waterpoint
- Build the capacity of our field teams to increase their conversion rates and improve their relationships with local and district government
- Develop partnerships with other NGOs in Malawi, providing R&M services to their water programmes, and promoting Beyond Water as a go to organisation for other people's problems
- Influence government and sector stakeholders on the need for a professionalised service and for transparent full-cost recovery to be at the heart of government policies and interventions.

Over the next three years (2024-2027) Beyond Water aims to become the leading professionalised waterpoint repair and maintenance organisation in Malawi:

- ensuring that at least 1,250,000 people have access to fully functional waterpoints that are providing improved access to safe water on a sustainable basis;
- moving into the management of piped water systems, to enable the inclusion of health centres and schools in our repair and maintenance model; and
- attracting inward investment to support our growth to scale from a more diverse range of funders and investors.

Over the same period, Pump Aid will continue to deliver its philanthropic community programmes and seek ways in which it could expand Beyond Water's game changing approach into other parts of Malawi and into other countries of Sub-Saharan Africa.

BASIS OF ACCOUNTING

Prior to April 2022, the Charity delivered all its activities in Malawi through a Malawi registered branch, Pump Aid Malawi. Since April 2022, some of its activities have been delivered through Pump Aid Malawi, but most have been delivered by Beyond Water Malawi, a Malawi registered company of which the Charity is the ultimate, sole, beneficial owner. The Consolidated Financial Statements of the Charity include all of the funds it raised during the year and all of the activities it delivered, regardless of which company raised the funds or delivered the activity.

CRITERIA FOR MEASURING SUCCESS

Pump Aid has developed a detailed framework for measuring its impact using an activity based framework. Qualitative and quantitative indicators are collected from beneficiaries, installations are independently tested and verified and case studies and questionnaires are used to determine the effectiveness and appropriateness of all of Pump Aid's interventions. Pump Aid uses this data for the compilation of its reports to funders and its restricted programmes are often subject to additional external and independent evaluations as and when required by funders.

RISK MANAGEMENT

All significant activities are subject to a risk review as part of the initial activity assessment and implementation. The Senior Management Team ranks all risks in terms of their potential impact and likelihood and, where possible, puts in place appropriate mitigation.

Major risks for this purpose, are those that may have a significant impact on:

- Operational performance, including risks to personnel and programme beneficiaries;
- Financial sustainability, including predictability and security of income; and
- Meeting the expectations of beneficiaries, funders and supporters.

Trustees annually assess the major risks, both positive and negative, to which the Charity is exposed, particularly those related to its finances, operations and reputation, and ensure that adequate systems are in place to:

- Provide early warning of opportunities and risks;
- Ensure that any significant opportunities are not overlooked; and
- As far as possible, ensure that any foreseeable risks are adequately mitigated.

A risk review forms part of the Board's annual planning process.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Pump Aid is a company limited by guarantee incorporated on 4th November 1998. The Company was registered as a Charity with the Charity Commission on 21st October 1999. The Company's governing document, its Memorandum and Articles of Association, was revised and approved at the Annual General Meeting held on 13th October 2014.

Pump Aid's Trustees are responsible for the general control and management of the Charity and serve for an initial period of three years, after which they may offer themselves for re-election. The Trustee Board is responsible for setting the organisation's strategy, assessing risk and reviewing and adopting the Charity's annual budget and quarterly financial reports. The Trustee Board meets four times per year, including an annual strategy day with senior staff.

Except as stated in note 7 to the Financial Statements, Trustees have no beneficial interest in the activities of the Charity. All Trustees are members of the company and guarantee to contribute £10 in the event of a winding up.

Day to day management and oversight of the Charity is vested in a Senior Management Team comprising its UK based Chief Executive and Head of Business Development, and Beyond Water's Malawi based Managing Director. Staff salaries are benchmarked against similar roles in similar sized organisations and the salaries of the Senior Management Team are set by the Board with reference to market data for each individual role.

APPOINTMENT AND TRAINING OF TRUSTEES

The Board conducts a biennial skills audit and, if necessary, new trustees are sought to ensure the Board maintains a mix of skills and expertise appropriate to the needs of the organisation. New Trustees are provided with information on the purposes of Pump Aid, its financial position and the key issues it faces. They are also given copies of policies and procedures on issues such

as delegated authority, recruitment, equal opportunities, and guidance on conflicts of interest. Additional training is provided in line with the identified needs of the Board.

The Trustees, who are also directors for the purposes of company law, who served during the year and up to the date of this report, are set out on page 3.

APPROACH TO FUNDRAISING

Pump Aid raises a very small amount of its income from the general public in the UK (2024: 4.8%, 2023: 4.6%), with the majority of its income coming from governments, corporates and charitable trusts and foundations. All fundraising activities are delivered by directly employed staff, whose working practices fully comply with the Fundraising Regulator's Code of Fundraising Practice and our use and storage of fundraising data is in full accordance with the GDPR. Pump Aid does not share its supporter details with other parties and we do not purchase cold contact lists. Supporters on Pump Aid's fundraising database are contacted in the manner they prefer and we encourage them to contact us with any feedback. The Charity received no complaints with regard to its fundraising activities in the year under review (2023: none).

GOING CONCERN

Trustees have reviewed income projections for 2024/25 and 2025/26, have assessed the economic climate and its potential impact on the Charity and have considered a report on the financial sustainability of the organisation prepared by the Senior Management Team. Because Beyond Water Malawi is presently wholly dependent on the income raised by Pump Aid UK and Pump Aid Malawi is ultimately liable for all expenditure incurred by Beyond Water Malawi, for the purposes of their going concern assessment, Pump Aid's trustees have considered these separate entities as if they were one.

Though the global impact of Covid19 has started to recede, it is still affecting the lives of many people in the developing world. Throughout the pandemic, Pump Aid's staff showed themselves to be incredibly flexible and trustees have noted that Pump Aid's response to Covid19, and the manner in which it supported Malawi's fight against the pandemic, has significantly increased its profile in Malawi, which has increased as it has used the experience it gained during the pandemic to refine and improve its waterpoint maintenance offer.

Though the recent past has been undoubtedly challenging for all international aid organisations, trustees believe Pump Aid's long-term sustainability is not in doubt and that the repositioning of the Charity as a social impact business has both raised its profile and increased its revenue generation potential and means it will have no difficulty in generating the resources it needs to meet the requirements of a going concern.

FINANCIAL REVIEW OF 2023/24

Income

As Pump Aid (through Beyond Water) has steadily repositioned itself away from a traditional INGO towards a more customer focussed, social impact business, it has also been refining its approach to funders. This has inevitably led it away from funders who had been generous in the past, most notably the UK government, and towards funders that see sustainability as more important than

activity. The process of attracting new funders is an understandably protracted one and trustees were aware that the move from one group of funders to another might cause a slight hiatus in the receipt of funds and that has indeed been the case this year, with Pump Aid's income in 2023/24 of £861,863 being slightly down on the £959,605 it raised in 2022/23 and both being lower than the £1,012,198 it raised in 2021/22. New funding streams are looking increasingly promising and trustees are confident that Pump Aid's total income in 2024/25 will once again exceed £1 million.

The fall in income would have been greater without the support of Pump Aid's most loyal funders and we are extremely grateful for the continued significant support of the Medicor and Waterloo Foundations. The recruitment of an experienced Head of Business Development in 2022 has helped us better engage with our major corporate donors this year, with Thirsty Planet, Waiakea Springs, Urenco, and Rotork, collectively increasing their donations by almost 40%.

Our changed approach to water improvement is further evidenced in the breakdown of income in the table below, which shows how we have steadily moved away from the simple installation of water pumps towards securing the ongoing viability of community water networks and how funding for our enterprise activities has risen from less than 5% of our total income, when this journey started, to more than 80% of total income now.

	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Community water, hygiene and sanitation	64.3%	41.6%	38.2%	31.9%	18.0%	12.1%	9.3%	12.8%
WASH for vulnerable populations	16.3%	14.3%	18.3%	13.8%	9.8%	18.2%	5.1%	5.1%
Urban WASH and entrepreneurship	15.1%	4.6%	0.5%	-	-	-	-	-
Enterprise for WASH and agriculture	4.3%	39.5%	43.0%	54.3%	49.9%	26.4%	18.5%	9.2%
Enterprise for repair and maintenance	-	-	-	-	22.3%	43.3%	67.1%	73.0%
TOTAL INCOME	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Expenditure

Expenditure on charitable activities in the year was £679,024, down on the £805,158 we spent in 2022/23, but this was entirely due to the ceasing of our manufacturing activities and we actually spent more on our repair and maintenance programme than we had in the previous year. As we become increasingly funded by funders who are more interested in sustainable impact than with simple beneficiary numbers, we have also needed to invest in data capture, pump certification and performance monitoring and more than £25,000 was spent in 2023/24 on this vital investment in our future.

We also recruited a dedicated IT specialist in Malawi, who has already developed a database of the waterpoints under contract, an online dashboard that funders will soon be able to access, and an online system to record repairs and service visits, that field teams can access and update through their mobile phones, and which will deliver waterpoint performance and functionality data in real time. Having established ourselves as the market leader in professionalised repair and maintenance in Malawi, improved data collection and communication will help us access other income streams based on waterpoint performance and results-based service payments.

RESERVES POLICY

Trustees believe unrestricted reserves are necessary for three reasons:

- To support new and innovative projects, which need a period of testing and development before we can approach funders with funding bids

- To support the strategic direction of the charity and, if necessary, to underwrite the costs of strategic change
- To cover committed or unexpected expenditures in periods when these are not covered by grants and donations.

Trustees acknowledge that Covid19 had an impact on the Charity, but they believe the way the Charity adapted more than demonstrated its ability to cope and thrive. This notwithstanding trustees believe it was appropriate to increase their minimum unrestricted reserves target from £250,000 to £300,000 or the equivalent of three months unrestricted operating expenses.

Current Reserves

The Group Charitable Company's free and unrestricted reserves figure of £701,527 at March 2024 is more than double Trustees' target and free reserves now stand at their highest level since 2010. While many actions have contributed to this, the two most significant were the restructuring Pump Aid undertook at the start of 2020, which significantly reduced its cost base; and the decision the Board took three years ago to focus on enterprise, which enabled Pump Aid to ride out the Covid storm and grow its operations with more ease than many much larger charities.

The effect of Covid19 on the aid sector in general and on countries like Malawi in particular is likely to be long lasting and Trustees have given management permission to spend some of the Charity's surplus reserves on increasing Malawi's resilience to this and future global events.

DISCLOSURE OF INFORMATION TO AUDITORS

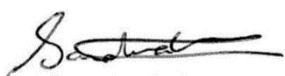
Each of the Directors has confirmed there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed they have taken appropriate steps to identify such relevant information and to establish that the auditors are aware of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

Audit Consult, a Malawi based independent auditor, were reappointed in 2023 to provide independent oversight of Pump Aid's Malawi operations. They have conducted a local audit of Pump Aid Malawi and have provided information and assistance to the Charity's auditor in the UK.

AUDITORS

Following a merger of Harmer Slater Limited with Shaw Gibbs (Audit) Limited in November 2023, Harmer Slater Limited resigned as the charitable company's auditors and Shaw Gibbs (Audit) Limited were appointed to act as the charitable company's auditors. A resolution appointing Shaw Gibbs (Audit) Limited as the Charity's UK auditor for the ensuing year will be put to the AGM.

For and on behalf of the board of Trustees



Sandra Welch

Chair

23rd July 2024

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Charity's trustees (who are also the directors of Pump Aid for the purposes of company law) are responsible for preparing a Trustees' Report and Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law requires Trustees to prepare financial statements for each financial period, which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, including the income and expenditure of the Charity for that period.

In preparing these financial statements, Trustees are required to:

- Select suitable accounting policies and 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
- Prepare the Financial Statements on a going concern basis, unless it is inappropriate to presume that the Charity will continue in operation.

Trustees are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time, the financial position of the Charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charity and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT

To the Members of Pump Aid

OPINION

We have audited the financial statements of Pump Aid ('the charitable company') and its subsidiaries (together the "group") for the year ended 31st March 2024, which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, The Charitable Company Balance Sheet, the Consolidated Cash Flow Statement 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 group's and the charitable company's affairs as at 31st March 2024 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

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 directors with respect to going concern are described in the relevant sections of this report.

OTHER INFORMATION

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other

information. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the Trustees' Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

RESPONSIBILITIES OF THE TRUSTEES

As explained more fully in the Statement of Trustees' Responsibilities (set out on page 9), 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 145 of the Charities Act 2011 and report in accordance with the Act 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- we identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We considered the nature of the charitable company's sector and its control environment, and reviewed the charitable company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also identified the laws and regulations applicable to the charitable company through discussions with the Trustees and other management, and from our cumulative audit, knowledge and experience of the charitable company.

We obtained an understanding of the legal and regulatory framework that the Charitable company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included the Companies Act 2006, the Charities Act 2011, the Charities SORP, and UK financial reporting standards as issued by the Financial Reporting Council; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the Charitable company's ability to operate or to avoid a material penalty. These included the Charitable company's regulatory requirements, employment and taxation legislations.

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls and policies in place to mitigate risks of fraud and non-compliance with laws and regulations.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;

- enquiring of the Trustee concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of Trustee meetings, reviewing internal audit reports and reviewing correspondence with the Charities Commission.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the Trustees and other management and the inspection of regulatory and legal correspondence, if any.

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.

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

USE OF OUR REPORT

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Records) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

A handwritten signature in black ink that reads 'Shaw Gibbs'.

Shaw Gibbs (Audit) Limited
Statutory Auditors
Sutton

Date: 23rd July 2024

Shaw Gibbs (Audit) Limited is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES for the year ended 31st March 2024

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2024 £	Total 2023 £
INCOME					
Donations and voluntary income	2	158,326	486,403	644,729	819,865
Income from charitable activities	3	200,279	8,168	208,447	138,042
Net profit on disposal of assets		-	-	-	101
Bank interest		8,687	-	8,687	1,597
TOTAL INCOME		367,292	494,571	861,863	959,605
EXPENDITURE					
Costs of raising funds					
Costs of generating voluntary income and income from charitable activities		49,238	66,459	115,697	104,446
Charitable activities					
Delivering water, sanitation and hygiene improvement in Malawi		232,447	446,577	679,024	805,158
TOTAL EXPENDITURE	4	281,685	513,036	794,721	909,604
Net income and net movements in funds	15	85,607	(18,465)	67,142	50,001
Reconciliation of funds					
Total funds brought forward		615,920	70,550	686,470	636,469
TOTAL FUNDS CARRIED FORWARD	16	701,527	52,085	753,612	686,470

All income and expenditure is derived from continuing activities.

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES for the year ended 31st March 2023

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
INCOME					
Donations and voluntary income	2	373,845	446,020	819,865	619,759
Income from charitable activities	3	138,042	-	138,042	389,911
Net profit on disposal of assets		101	-	101	2,509
Bank interest		1,597	-	1,597	19
TOTAL INCOME		513,585	446,020	959,605	1,012,198
EXPENDITURE					
Costs of raising funds					
Costs of generating voluntary income and income from charitable activities		54,570	49,876	104,446	72,566
Charitable activities					
Delivering water, sanitation and hygiene improvement in Malawi		420,670	384,488	805,158	918,528
TOTAL EXPENDITURE	4	475,240	434,364	909,604	991,094
Net income and net movements in funds	15	38,345	11,656	50,001	21,104
Reconciliation of funds					
Total funds brought forward		577,575	58,894	636,469	615,365
TOTAL FUNDS CARRIED FORWARD	16	615,920	70,550	686,470	636,469

All income and expenditure is derived from continuing activities.

CONSOLIDATED BALANCE SHEET AT 31st March 2024

REGISTERED COMPANY NUMBER: 03661446 (England & Wales)

	Notes	2024 £	2023 £
FIXED ASSETS			
Tangible assets	9	4,342	10,695
		<u>4,342</u>	<u>10,695</u>
CURRENT ASSETS			
Stocks	11	46,256	53,215
Debtors	12	35,038	46,805
Cash at bank and in hand		699,208	642,135
		<u>780,502</u>	<u>742,155</u>
Less: CURRENT LIABILITIES			
Creditors: Amounts falling due within one year	13	(31,232)	(66,380)
NET CURRENT ASSETS		<u>749,270</u>	<u>675,775</u>
NET ASSETS			
Total assets less total liabilities		<u>753,612</u>	<u>686,470</u>
Represented by:			
Restricted funds		52,085	70,550
Unrestricted funds		701,527	615,920
TOTAL FUNDS CARRIED FORWARD	16	<u>753,612</u>	<u>686,470</u>

CHARITABLE COMPANY BALANCE SHEET AT 31st March 2024

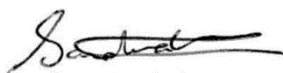
REGISTERED COMPANY NUMBER: 03661446 (England & Wales)

	Notes	2024 £	2023 £
FIXED ASSETS			
Tangible assets	9	3,860	9,888
Investments	10	1	1
		<u>3,861</u>	<u>9,889</u>
CURRENT ASSETS			
Stocks	11	19,043	52,369
Debtors	12	33,872	37,525
Cash at bank and in hand		698,856	622,521
		<u>751,771</u>	<u>712,415</u>
Less: CURRENT LIABILITIES			
Creditors: Amounts falling due within one year	13	(21,677)	(54,674)
NET CURRENT ASSETS		<u>730,094</u>	<u>657,741</u>
NET ASSETS			
Total assets less total liabilities		<u>733,955</u>	<u>667,630</u>
Represented by:			
Restricted funds		52,085	70,550
Unrestricted funds		681,870	597,080
TOTAL FUNDS CARRIED FORWARD	16	<u>733,955</u>	<u>667,630</u>

As permitted by Section 408 Companies Act 2006, the charitable company has not presented a Statement of Financial Activities (also known as The Profit & Loss Account under Company Law).

The charitable company made a surplus for the financial year of £66,325 (2023: £31,161)

The Financial Statements were approved for issue by the Trustees on 23rd July 2024 and signed on their behalf by:



Sandra Welch
Chair

CONSOLIDATED CASH FLOW STATEMENT for the year ended 31st March 2024

	2024 £	2023 £
Reconciliation of net movement in funds to net cash flow from operating activities		
Net movement in funds	67,142	50,001
Bank interest	(8,687)	(1,597)
Depreciation	6,353	15,047
(Profit) / Loss on the disposal of fixed assets	-	(101)
Decrease / (Increase) in stock	6,959	38,074
Decrease / (Increase) in debtors	11,767	76,023
Increase / (Decrease) in creditors	(35,148)	28,737
Net cash (used in) / provided by operating activities	48,386	206,184
Cash flows from investing activities		
Bank interest received	8,687	1,597
Proceeds from the disposal of fixed assets	-	4,644
Payments to acquire fixed assets	-	(4,580)
Net cash (used in) investing	8,687	1,661
Change in cash and cash equivalents in the reporting period	57,073	204,523
Cash and cash equivalents at the beginning of the year	642,135	437,612
Cash and cash equivalents at the end of the year	699,208	642,135
Cash balances are held in the following locations		
United Kingdom	629,834	591,548
Overseas	69,374	50,587
CASH BALANCES at 31st MARCH 2024	699,208	642,135

Analysis of changes in net debt

The charity had no net debt during the year

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31st March 2024

1. ACCOUNTING POLICIES

Legal status of the Charity

Pump Aid is a company limited by guarantee incorporated on 4th November 1998. Its registered office is at 3rd Floor, 86-90 Paul Street, London, EC2A 4NE.

Basis of accounting

The Consolidated Financial Statements have been prepared in accordance with the Charity's Memorandum & Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1st January 2019)".

As stated in note 18, in previous years the Charity has delivered all of its activities in Malawi through a Malawi registered branch, Pump Aid Malawi. Since April 2022, some of its activities have been delivered by Beyond Water Malawi, a Malawi registered company of which the Charity is the ultimate sole beneficial owner. The Consolidated Financial Statements of the Charity include all of the funds it raised during the year and all of the activities it delivered, regardless of which company raised the funds or delivered the activity.

The Company meets the definition of a public benefit entity under FRS 102.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

Save as noted above, the accounting policies of the Charity have not changed during the period.

Preparation of the financial statements on a going concern basis

As stated on page 10 of the Trustees' Report, Trustees believe there are no material uncertainties that call into doubt the Charity's ability to continue as a going concern and the financial statements have therefore been prepared on the basis that the Charity is a going concern.

In reaching this conclusion, Trustees have considered the enduring effect of Covid19 on the Charity which has been largely positive, due in part to Pump Aid's reputation for flexibility which has enabled the Charity to redeploy staff from activities the pandemic made impossible onto programmes that were both deliverable and fundable.

The Charity has continued to employ all its staff on a full-time basis and believes it can continue to fund its existing and future programme commitments. The pandemic has given its staff the opportunity to demonstrate their willingness to adapt, which has enabled the Charity to adapt its delivery models and, over time, it believes all of its current programmes can be realigned to operate in a post Covid19 world. The way its field teams have adopted new health and safety measures has also contributed to a greater awareness of hygiene and sanitation within the communities with which the Charity works.

While the pandemic has undoubtedly caused some disruption to the Charity's fundraising and delivery, Trustees are confident that Pump Aid can continue as a going concern for the foreseeable future.

Functional currency

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

Income

Income is recognised when the Charity is entitled to the funds, any requirements attached to the income have been met, it is probable the income will be received and the amount can be measured reliably.

The following specific policies are applied to particular categories of income:

- Grants and donations are included on a receivable basis
- Income from charitable activities (which includes trading activities and contract income) is included on a receivable basis, except where the funder specifies that the income must be used in a particular year or imposes conditions which have to be fulfilled before the charity becomes entitled to it.

- Bank interest comprises income on cash deposits and is included when received.

Expenditure

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all the costs related to a category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of the resources.

Expenditure is recognised once there is an obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure is classified under the following activity headings:

- Costs of generating funds comprise the costs of attracting voluntary income, meeting any donor imposed reporting requirements and the costs of fundraising
- Expenditure on charitable activities includes the direct and indirect costs of activities and services delivered for the Charity's beneficiaries
- Governance costs are those associated with the governance of the Charity, compliance with statutory obligations and costs relating to the Charity's strategic management.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Almost all costs are directly attributable to programmes and are recovered either by direct recharge or by apportionment. Unlike larger charities with substantial UK and overseas offices, Pump Aid has a very small central team which both develops and delivers programmes and, aside from the proportion charged to fundraising and governance, the payroll and occupancy costs of the central team are charged to the programmes they deliver.

Critical accounting judgements and estimation uncertainty

In the application of the Charity's accounting policies, trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods. Trustees do not consider there to be any critical accounting estimates or judgements in preparing these financial statements.

Pension costs

In Malawi, the Charity contributes to a defined contribution pension scheme and, in the UK, the Charity contributes to any personal scheme which meets its obligations under auto enrolment. The amounts charged in the financial statements are the employer's contributions payable in the financial year.

Operating leases

Rentals payable under operating leases are charged in the Statement of Financial Activities on a straight-line basis over the life of the lease.

Tangible fixed assets

Fixed assets are stated at cost less depreciation. They are depreciated at rates intended to reduce their cost to their residual value over their estimated useful life (currently 33.3% on a straight-line basis). Any asset costing less than £500 is fully depreciated in the year of acquisition. All assets are inspected regularly for any impairment and any defects fixed to maintain their value and usefulness.

Investments

Investments in subsidiary undertakings are stated at cost less provisions. Any provisions made against these investments are charged in the Statement of Financial Activities.

Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. All financial instruments are initially recognised at transaction value and subsequently measured at their settlement value. The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Stock

Stocks are stated at lower of cost or net realisable value.

Debtors and prepayments

Trade and other debtors are recognised at the settlement amount after any provision for bad and doubtful debts. Prepayments are valued at the amount prepaid.

Cash at bank and in hand

Cash at bank and cash in hand includes cash and short-term, highly liquid investments with a maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Creditors and provisions

Creditors and provisions are recognised where the Charity has a present obligation that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are recognised at their settlement amount.

Foreign currency translation

Transactions in foreign currencies are translated into sterling at the average rate of exchange pertaining to the relevant accounting period. At each reporting date, monetary assets and liabilities denominated in foreign currencies are retranslated at the rates prevailing at the reporting date. Exchange differences are recognised through the Statement of Financial Activities.

Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the Charity.

Restricted funds are donations which the donor has specified are to be used solely for specific projects or for specific aspects of the Charity's work to be delivered in specific locations.

2. DONATIONS AND VOLUNTARY INCOME

	Unrestricted Funds £	Restricted Funds £	Total 2024 £	Unrestricted Funds £	Restricted Funds £	Total 2023 £
Donations						
Medicor Foundation	-	140,000	140,000	-	140,000	140,000
Waterloo Foundation	12,500	121,400	133,900	13,000	121,000	134,000
Rotork PLC	-	72,000	72,000	-	50,000	50,000
Urenco Ltd	-	25,000	25,000	-	50,000	50,000
One Days Wages	-	23,729	23,729	-	-	-
Charles Hayward Foundation	-	15,000	15,000	-	-	-
Roland Fox and Colette Flanagan	14,334	-	14,334	15,388	-	15,388
Peter Stebbings Memorial Charity	-	10,000	10,000	-	-	-
Aspect Capital	5,000	-	5,000	100,000	-	100,000
Michael Pugh	-	-	-	120,000	-	120,000
Allan & Nesta Ferguson Trust	-	-	-	-	50,000	50,000
James Percy Charitable Trust	-	-	-	-	39,068	39,068
Gift Aid	11,105	-	11,105	11,611	-	11,611
Donations of less than £10,000 or Anonymous	115,387	61,000	176,387	113,846	6,000	119,846
	158,326	468,129	626,455	373,845	456,068	829,913
Government grants						
State of Guernsey	-	18,274	18,274	-	14,952	14,952
	158,326	468,403	644,729	-	14,952	14,952
Deferred donations						
Donations deferred to the following year	-	-	-	-	(25,000)	(25,000)
Total Donations and Voluntary Income	158,326	486,403	644,729	373,845	446,020	819,865

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	Total 2024 £	Unrestricted Funds £	Restricted Funds £	Total 2023 £
Waiakea Springs	65,107	-	65,107	4,139	-	4,139
Thirsty Planet	104,036	-	104,036	77,735	-	77,735
Income from sales of pumps	14,852	-	14,852	55,191	-	55,191
Income from waterpoint repairs	8,158	-	8,158	-	-	-
Purple Field Productions	3,720	8,168	11,888	-	-	-
Other income	4,406	-	4,406	2,070	-	2,070
Income received in the year	200,279	8,168	208,447	139,135	-	139,135
Income deferred into following year	-	-	-	(1,093)	-	(1,093)
Total Income from Charitable Activities	200,279	8,168	208,447	138,042	-	138,042

4. EXPENDITURE ANALYSIS

	Staff costs £	Operational costs £	Total 2024 £	Staff costs £	Operational costs £	Total 2023 £
Costs of generating voluntary income	94,642	21,055	115,697	90,702	13,744	104,446
Charitable expenditure						
Delivering water, sanitation and hygiene improvement in Malawi	346,631	293,227	639,858	402,500	363,818	766,318
Governance costs	20,910	18,256	39,166	20,626	18,214	38,840
Total Expenditure	462,183	332,538	794,721	513,828	395,776	909,604

Costs of generating voluntary income include staffing, office and publicity costs related to fundraising.

5. STAFF COSTS

	Total 2024 £	Total 2023 £
Gross emoluments	395,902	438,042
Employer's social security costs	17,908	13,426
Pension contributions	35,201	42,311
Health insurance for staff in Malawi	13,172	20,049
Total Staff Costs	462,183	513,828

Key management personnel (KMP) of the Charity comprise the Trustees, the UK based Chief Executive and Head of Business Development, and Beyond Water's Malawi based Managing Director. Remuneration of KMP (including employer's social costs) was £152,792 (2023: £85,848 UK CEO only).

In Malawi, the Charity operates a defined contribution pension scheme, whose assets are held in an independently administered fund and in the UK it makes contributions to any personal pension scheme which meets its obligations under auto enrolment. Pension contributions payable by the Charity in the year amounted to £35,201 (2023: £42,311), including contributions of £10,154 (2023: £7,000) payable by the Charity on behalf of higher paid staff.

	Total 2024	Total 2023
Average number of staff excluding trustees		
Based in Malawi	14.5	14.7
Based in the United Kingdom	5.2	4.9
Total Staff	19.7	19.6

6. GOVERNANCE COSTS

	Total 2024 £	Total 2023 £
Governance costs comprise		
Staff costs	20,910	20,626
Statutory auditor's remuneration	7,325	11,552
Local auditors' remuneration	7,795	3,568
Premises, office costs and travel	3,136	3,094
Total Governance Costs	39,166	38,840

Governance costs comprise the costs of external audits, the costs of trustees' meetings, the costs of statutory compliance and other costs incurred in the strategic oversight of the Charity.

7. TRUSTEES' EMOLUMENTS AND REIMBURSED EXPENSES

No payments were made to any of the Charity's Trustees in respect of their role as trustees during the financial year (2023: £nil) and no Trustees were reimbursed expenses (2023: £nil).

8. CORPORATION TAX

As a charity, Pump Aid is exempt from UK tax on income and gains to the extent that these are applied to its charitable objects. No UK tax charges have arisen during the year or in the previous year.

9. FIXED ASSETS

GROUP	Land £	Fixtures and Equipment £	Motor Vehicles £	Total 2024 £
Cost at 1 st April 2023	1,232	21,709	121,660	144,601
Additions during period	-	-	-	-
Disposals during period	-	(1,174)	-	(1,174)
Cost at 31st March 2024	1,232	20,535	121,660	143,427
Accumulated depreciation at 1 st April 2023	-	16,137	117,769	133,906
Charge for the year	-	3,146	3,207	6,353
Depreciation on disposals	-	(1,174)	-	(1,174)
Accumulated depreciation at 31st March 2024	-	18,109	120,976	139,085
Net book value at 31st March 2024	1,232	2,426	684	4,342
Net book value at 31st March 2023	1,232	5,572	3,891	10,695

CHARITABLE COMPANY	Land £	Fixtures and Equipment £	Motor Vehicles £	Total 2023 £
Cost at 1 st April 2023	1,232	20,732	121,660	143,624
Additions during period	-	-	-	-
Disposals during period	-	(1,174)	-	(1,174)
Cost at 31st March 2024	1,232	19,558	121,660	142,450
Accumulated depreciation at 1 st April 2023	-	15,967	117,769	133,736
Charge for the year	-	2,821	3,207	6,028
Depreciation on disposals	-	(1,174)	-	(1,174)
Accumulated depreciation at 31st March 2024	-	17,614	120,976	138,590
Net book value at 31st March 2024	1,232	1,944	684	3,860
Net book value at 31st March 2023	1,232	4,766	3,891	9,889

10. INVESTMENTS

CHARITABLE COMPANY	Total 2024 £	Total 2023 £
Wholly owned subsidiary - Beyond Water Limited	1	1
Total Investments	1	1

The Charity has a registered branch in Malawi, Pump Aid Malawi, which used to deliver all its activities in that country. Since April 2022, some of its activities have been delivered by Beyond Water Malawi (Company Number: 01756706. Registered Office: 14/211, off Presidential Way, PO Box 2712, Lilongwe), which is a wholly owned subsidiary of Beyond Water Limited (Company Number: 7387428. Registered Office: 86-90 Paul Street, London, EC2A 4NE), which itself is a wholly owned subsidiary of the Charity.

11. STOCKS

	GROUP		CHARITABLE COMPANY	
	Total 2024 £	Total 2023 £	Total 2024 £	Total 2023 £
Stocks including small tools, fuel and materials for building pumps				
Stocks of finished pumps	14,591	40,424	14,591	40,424
Materials for making and repairing pumps	30,885	11,019	3,985	11,019
Other stock items	780	1,772	467	926
Total Stocks	46,256	53,215	19,043	52,369

12. DEBTORS

	GROUP		CHARITABLE COMPANY	
	Total 2024 £	Total 2023 £	Total 2024 £	Total 2023 £
Trade debtors	31,234	33,588	31,234	33,588
Amount owed by group undertaking	-	-	1,000	1,078
Other debtors	5,070	13,217	1,638	2,859
Provision for doubtful debts	(1,266)	-	-	-
Total Debtors	35,038	46,805	33,872	37,525

13. CREDITORS (amounts falling due within one year)

	GROUP		CHARITABLE COMPANY	
	Total 2024 £	Total 2023 £	Total 2024 £	Total 2023 £
Trade creditors	13,641	19,360	7,888	11,978
Taxes and social security costs	3,560	5,380	3,560	5,380
Accrued audit fees	14,031	15,547	10,229	12,316
Deferred income	-	26,093	-	25,000
Total Creditors	31,232	66,380	21,677	54,674

14. MOVEMENT IN DEFERRED INCOME

	GROUP		CHARITABLE COMPANY	
	Total 2024 £	Total 2023 £	Total 2024 £	Total 2023 £
Deferred income at 1 st April 2023	26,093	7,187	25,000	7,187
Amounts released from previous years	(26,093)	(7,187)	(25,000)	(7,187)
Incoming resources deferred in the year	-	26,093	-	25,000
Deferred income at 31st March 2024	-	26,093	-	25,000

15. MOVEMENT IN FUNDS

2024 GROUP	Balance at 1 st April 2023 £	Income £	Expenditure £	Net movement in funds £	Balance at 31 st March 2024 £
RESTRICTED FUNDS					
WASH for vulnerable populations	30,550	43,729	(22,194)	21,535	52,085
Enterprise for WASH and agriculture	-	62,512	(62,512)	-	-
Enterprise for repair and maintenance	40,000	388,330	(428,330)	(40,000)	-
Movement in Restricted Funds	70,550	494,571	(513,036)	(18,465)	52,085
UNRESTRICTED FUNDS	615,920	367,292	(281,685)	85,607	701,527
Movement in Total Funds	686,470	861,863	(794,721)	67,142	753,612

2024 CHARITABLE COMPANY	Balance at 1 st April 2023 £	Income £	Expenditure £	Net movement in funds £	Balance at 31 st March 2024 £
RESTRICTED FUNDS					
WASH for vulnerable populations	30,550	43,729	(22,194)	21,535	52,085
Enterprise for WASH and agriculture	-	62,512	(62,512)	-	-
Enterprise for repair and maintenance	40,000	388,330	(428,330)	(40,000)	-
Movement in Restricted Funds	70,550	494,571	(513,036)	(18,465)	52,085
UNRESTRICTED FUNDS	597,080	343,753	(258,963)	84,790	681,870
Movement in Total Funds	667,630	838,324	(771,999)	66,325	733,955

2023 GROUP	Balance at 1 st April 2022 £	Income £	Expenditure £	Net movement in funds £	Balance at 31 st March 2023 £
RESTRICTED FUNDS					
WASH for vulnerable populations	58,894	49,068	(77,412)	(28,344)	30,550
Enterprise for WASH and agriculture	-	77,000	(77,000)	-	-
Enterprise for repair and maintenance	-	319,952	(279,952)	40,000	40,000
Movement in Restricted Funds	58,894	446,020	(434,364)	11,656	70,550
UNRESTRICTED FUNDS	577,575	513,585	(475,240)	38,345	615,920
Movement in Total Funds	636,469	959,605	(909,604)	50,001	686,470

2023 CHARITABLE COMPANY	Balance at 1 st April 2022 £	Income £	Expenditure £	Net movement in funds £	Balance at 31 st March 2023 £
RESTRICTED FUNDS					
WASH for vulnerable populations	58,894	49,068	(77,412)	(28,344)	30,550
Enterprise for WASH and agriculture	-	77,000	(77,000)	-	-
Enterprise for repair and maintenance	-	319,952	(279,952)	40,000	40,000
Movement in Restricted Funds	58,894	446,020	(434,364)	11,656	70,550
UNRESTRICTED FUNDS	577,575	456,696	(437,191)	19,505	597,080
Movement in Total Funds	636,469	902,716	(871,555)	31,161	667,630

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

GROUP	Unrestricted Funds £	Restricted Funds £	Total 2024 £	Unrestricted Funds £	Restricted Funds £	Total 2023 £
Fund balances at 31 st March represented by:						
Tangible fixed assets	4,342	-	4,342	10,695	-	10,695
Current assets	728,417	52,085	780,502	671,605	70,550	742,155
Current liabilities	(31,232)	-	(31,232)	(66,380)	-	(66,380)
Fund balances at 31st March	701,527	52,085	753,612	615,920	70,550	686,470

CHARITABLE COMPANY	Unrestricted Funds £	Restricted Funds £	Total 2024 £	Unrestricted Funds £	Restricted Funds £	Total 2023 £
Fund balances at 31 st March represented by:						
Tangible fixed assets	3,861	-	3,861	9,889	-	9,889
Current assets	699,686	52,085	751,771	641,865	70,550	742,155
Current liabilities	(21,677)	-	(21,677)	(54,674)	-	(54,674)
Fund balances at 31st March	681,870	52,085	733,955	597,080	70,550	667,630

17. COMMITMENTS UNDER OPERATING LEASES

	Total 2024 £	Total 2023 £
Within one year	-	6,034
Between two and five years	-	-
Total Commitments	-	6,034

18. RELATED PARTY TRANSACTIONS

The Charity received funding in the year from Urenco Limited, a company that employs Gerard Tyler, one of the Charity's trustees. Charitable donations made by Urenco are overseen by a grant making committee and are subject to a vetting and due diligence process in which Gerard Tyler takes no part. There were no conditions attached to Urenco's donation that would not have accompanied any other donation to any other charity.

19. EVENTS AFTER THE REPORTING PERIOD

There were no significant events after the reporting period that would require disclosure in these group consolidated financial statements.

GLOSSARY OF TERMS AND ABBREVIATIONS

AM	A self-employed area mechanic
BWM	Beyond Water Malawi
CBCCs	Community Based Childcare Centres (rural nurseries for the under-5s)
CLTS	Community Led Total Sanitation
CWP(s)	Community Waterpoint(s)
CWPC(s)	Community Waterpoint Committee(s)
DFID	The UK Department for International Development
DWO	District Water Office
ENTREPRENEUR	A self-employed artisan or trader
FCDO	The UK Foreign, Commonwealth & Development Office (formed by the merger of DFID and the Foreign and Commonwealth Office)
GDPR	General Data Protection Regulations
JMP	Joint Monitoring programme of the WHO and UNICEF
MOU	Memorandum of Understanding
MVAC	Malawi Vulnerability Assessment Committee
NGOs	Non-Governmental Organisations
PAM	Pump Aid Malawi
SDGs	The United Nations' Sustainable Development Goals
SELF-SUPPLY	The delivery of incremental improvements to water for consumption and irrigation, financed by the users themselves
UKAID	Funds received from DFID or FCDO
UNICEF	The United Nations International Children's Emergency Fund
WASH	The collective term for Water, Sanitation and Hygiene interventions
WHO	World Health Organisation
WPC	Waterpoint Committee

PUMP AID

England & Wales - Charity number 1077889

Accounts



A Company Limited by Guarantee and not having a Share Capital

**Trustees' Report
and Consolidated Financial Statements**

For the year ended 31st March 2023



REGISTERED CHARITY NUMBER: 1077889

REGISTERED COMPANY NUMBER: 03661446 (England & Wales)



www.pumpaid.org



@PumpAid



Pump Aid

CONTENTS	PAGE
Harnessing Enterprise - Ending Dependency	2
Legal and Administrative Information	3
Acting Chair's Introduction	4
Trustees' Report	
Vision, mission and values	5
Charitable purpose	5
Achievements in 2022/23	6
Objectives for 2023/24	7
Basis of accounting	8
Criteria for measuring success	8
Risk management	8
Structure, governance and management	9
Appointment and training of trustees	9
Approach to fundraising	9
Going concern	10
Financial review of 2022/23	10
Reserves policy	11
Auditors and disclosure of information to auditors	12
Statement of Trustees' Responsibilities	13
Independent Auditor's Report	14
Financial Statements	
Statement of Financial Activities	18
Balance Sheets	20
Cash Flow Statement	22
Notes to the Financial Statements	23
Glossary of terms and abbreviations	30

HARNESSING ENTERPRISE - ENDING DEPENDENCY



"The effectiveness of Pump Aid's approach is in its commitment to a sustainable market model, as well as in its advocacy to challenge the traditional model of aid."

Sarah Donachie - Deputy Fund Director, UK Aid Direct



The Water Point Management Committee of Kayira village in Dowa

"It no longer takes a week, two weeks or a month for our borehole to be repaired, now it only takes a day or two!"

Catherine Chuma - Vice Chair of Water Point Committee



"I have 25 active contracts and, from this money, I have bought fertilizer and a plough to use at my farm. I am helping my community access clean and safe water and, at the same time, I am providing a reliable source of income for myself and my family."

Jailos Phiri - Area Mechanic in Mchinji

"A mindset that women cannot do a type of work which was previously seen as 'men's work' is now realised as wrong and I therefore hope more women will follow my lead."

Selina Phiri - Area Mechanic in Kasungu



"We are very grateful for the decision we made, even though it was hard to convince our community members. But, when it comes to the end of our service contract, I know we will enter into an agreement again, because we have seen the benefit."

Elina Yelemani - WPC Member, Lipenga village in Dowa

"My extra and regular income has not only helped me buy my children school uniforms and text books, it has also eased the pressure on my husband, as I am now able to help him support our wider family too."

Jinesi Masanjala Dyson - Area Mechanic in Mchinji



"Pump Aid's approach is commercially sustainable with good engagement at different levels of local governance and a degree of local ownership far more than we often see from INGOs."

Ruth Davison - Judge, UK Charity Awards



LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Prof Stefan Allesch-Taylor CBE (Former Chair) - Appointed February 2011, resigned November 2022
Sandra Welch - Appointed July 2023
Megan Bingham-Walker - Appointed May 2003
Ashley Lopez - Appointed January 2016, resigned November 2022
Spencer Mahony - Appointed July 2016
Ben Nealon OBE - Appointed November 1998
Gerard Tyler - Appointed July 2016
Pramodrai Unia - Appointed May 2023
Dave Waller - Appointed July 2016, Acting Chair from November 2022 to July 2023

Company Secretary

Matthew Gill

Charity Number

1077889

Company Number

03661446

Registered office and principal address

3rd Floor, 86-90 Paul Street, London, EC2A 4NE

Bankers

Barclays Bank	Standard Bank
1-7 King Street	Capital City
London, EC2V 8AU	Lilongwe, Malawi

UK Auditors

Harmer Slater
Salatin House, 19 Cedar Road, Sutton, SM2 5DA, United Kingdom

Malawi Auditors

Audit Consult
Vanguard Life Insurance House, Mandala Road, Lilongwe 3, Malawi

ACTING CHAIR'S INTRODUCTION

In last year's report, Stefan Allesch-Taylor (our outgoing Chair) reflected on his twelve years on the Board and how much Pump Aid had changed. Every trustee and every staff member has been part of this change, but Stefan's contribution has been indispensable and, without his leadership, Pump Aid would not be in the strong position it is now. Because of our willingness to challenge traditional models of aid, Pump Aid is now at the forefront of moves in Malawi to professionalise the repair and maintenance of community water points and is starting to influence organisations many times its size. Increasingly we are being seen as not just contesting the status quo, but as offering sustainable solutions to problems that have beset the water sector in Malawi for decades and the opportunity for us to make significant and lasting change is now tantalisingly close.

I have been overseeing the process to recruit a new Chair and I am delighted to report that Sandra Welch will be appointed Chair at our forthcoming AGM, at which point I will stand down as Acting Chair and return to my trustee role. Sandra was born and brought up in Africa. She is currently chief executive of another major charity and, without doubt, has all the skills and experiences we need to take our strategy forward. I am sincerely grateful for the way my fellow trustees have supported me in my temporary role and I am extremely pleased to be able to report that Pump Aid has continued to grow and innovate under my leadership over the year just past.

Pump Aid's network of owner-managed pump mechanic small businesses has now grown to more than 100 and, since this programme started, they have cumulatively repaired almost 3,000 poorly functioning community water points. We have also continued to manufacture and sell our easy to use, easy to maintain domestic and irrigation pumps and, by March 2023, our cumulative sales of water pumps had topped 2,400. Collectively these two programmes will have brought clean, safe and reliable water within easy reach of more than 800,000 people.

Pump Aid has further increased its impact this year by using Beyond Water (its Malawi based social enterprise) to forge links with other organisations working in Malawi; including those seeking to invest in social impact businesses, those seeking to incentivise improved pump functionality and those seeking to use a reduction in wood burning to trade in carbon credits. Each of these potential partners opens up an income stream we have not previously enjoyed and, in combination with the grants and donations provided by the trusts, corporates and individuals who already fund us, will in time turn Beyond Water into a fully funded and self-sustaining Malawi based organisation.

Key to all of this has been our commitment to sustainability and the development of an approach to water improvement that enables all parties to benefit and, in many cases, to generate income. While many businesses set up by NGOs and other well-meaning funders struggle to survive once their aid funding ceases, our small businesses have flourished and, even in the wake of a global pandemic, have continued to do so. Each new business we create and support and each community water point we sign up for our professionalised maintenance service brings our goal of eradicating water poverty in rural Malawi by 2030 ever closer and in the pages of the report that follows we demonstrate just how much closer that vision has come.

On behalf of the Board, I would like to thank everyone who has supported Pump Aid over the past year and I would also like to express my personal thanks to all of Pump Aid's staff. It is their performance that has driven Pump Aid's success and their commitment that will secure its future.



Dave Waller
Acting Chair
27th July 2023

TRUSTEES' REPORT

The Board of Trustees are pleased to present their Trustees' Report and Financial Statements for the year ending 31st March 2023.

The Trustees' Report contains a Directors' Report as required by company law. The Financial Statements comply with the requirements of the Companies Act 2006 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their Financial Statements in accordance with FRS102 (effective 1st January 2019).

VISION, MISSION AND VALUES

Vision

Pump Aid is committed to the delivery of the UN's Sustainable Development Goals and the total eradication of water poverty by 2030. But our ultimate goal is to transform the lives and life chances of poor and disadvantaged communities, so that they reach a point of resilience and self-reliance where they no longer need the support of us or anyone else.

Mission

Pump Aid's mission is to achieve lasting positive change in poor and disadvantaged communities by improving the quality, availability and use of water and sanitation, by harnessing the power of the community, local businesses and partners in other sectors, and providing access to affordable, innovative and sustainable water solutions.

Values

At the heart of everything we do is the central belief that fulfilling the basic human right to safe water and sanitation is the vital first step to better life expectancy, improved educational attainment and increased social and economic independence.

CHARITABLE PURPOSE

The Charity Commission's guidance on public benefit, as required by section 17 of the Charities Act, 2011, sets out two key principles: the organisation must have an identifiable benefit and the benefit must be to the public or to a section of the public.

Trustees have reviewed the vision and mission of the Charity in the light of this guidance and have been mindful of it when setting the objectives for the current year. They have also noted the emphasis on water and sanitation in the UN Sustainable Development Goals of which SDG6 requires the achievement of universal and equitable access to safe and affordable drinking water, access to adequate and equitable sanitation and an ending of open defecation. SDG6 also requires action to improve water quality by reducing pollution, increased water-use efficiency, the elimination of water poverty, the protection of water-related ecosystems and support to strengthen the participation of local communities in improving water and sanitation management.

Pump Aid is engaged in activities that support all of these objectives and Trustees believe the activities of Pump Aid, as detailed in this report, demonstrate that the Charity fully meets both of the Charity Commission's public benefit requirements.

ACHIEVEMENTS IN 2022/23

Pump Aid's charitable activities are delivered wholly in Malawi, where widespread access to water is seriously hampered by the poor functionality of rural water points. In the most recent study, 55% of Malawi's community water points were classified as non-functional (UpGro/DFID) depriving almost 9m Malawians of access to improved water. And, while 85% of Malawi's rural population is reliant on subsistence farming, only 11% of small-scale farmers use any form of irrigation, which both severely limits farm yields and increases the vulnerability of farm livelihoods.

Since 2014, Pump Aid has been creating and supporting a network of pump mechanic businesses, by encouraging them to sell small-scale domestic and irrigation pumps and repair non-functioning community water points. Our network of small businesses has now grown to 108 and, by March 2023, our area mechanics had repaired a total of 2,879 poorly functioning community water points and our sales team had sold over 2,400 individual pumps, together bringing clean, safe and reliable water within reach of more than 800,000 people.

At the same time as we have been developing innovative approaches to improving access to water in Malawi, the water sector itself has started to recognise the impact of poor pump functionality - not just on water point users - but on investors and funders, who increasingly see low levels of functionality as a poor return on their investments. A report into pump functionality, published by UNICEF in 2020, concluded that *"Improved levels of pump functionality can only be sustained if they are supported by affordable preventative maintenance delivered by highly trained, professionally organised and properly motivated contractors."* (UNICEF, Reach) and this is precisely what our small-business approach was intended to achieve.

In April 2021, we relaunched our small business programme as a professionalised preventative maintenance service, using our social enterprise (Beyond Water), and created incentives for our pump mechanics to seek and secure maintenance contracts from Water Point Committees where, for a fixed fee, they would regularly visit and correct minor issues before they turned into major repairs. We supported this programme by offering Beyond Water service level agreements to District Water Offices, giving them the power to deliver regulation and control and to hold us accountable if we failed to deliver the improvements in functionality we promised. Together these two approaches have begun to deliver the 'professionalised' service that the UNICEF study had said was essential and this has also coincided with a shift in Malawi government policy towards the approaches we have been advocating.

We are clearly ahead of the game in Malawi and, over the past 12 months, our focus has shifted firmly towards professionalised repair and maintenance and we have transferred resources from our manufacturing and sales programme in order to secure our early adopter status and capitalise on repair and maintenance's new found popularity. We now have more than 500 community water points under service level agreements and, in the near term, we think repair and maintenance will probably make up around 80% of our activities in the field. But, more important than the impact on us, we are currently achieving levels of pump functionality in excess of 90% in the communities whose water points are subject to service level agreements and the impact of this on the health and long term resilience of the 125,000 people who depend on those water points is immeasurable.

In addition to the programmes delivered by our social enterprise, our charitable arm has continued to support vulnerable young children who depend on the services provided by Malawi's network of rural Community Based Childcare Centres (CBCCs). The total number of CBCCs to whom we have given access to improved water and sanitation now stands at 91 and, in comparison with CBCCs we are not supporting, monitoring data indicates a 42% increase in attendance, a 60% drop

in diarrhoea rates and an improvement in handwashing at crucial times from 27% to 63%, all of which will massively improve the lives and life chances of the 13,000 children that attend them.

We have also taken every opportunity to use our network of small businesses and our highly trained field teams to support Malawi's rural population more generally and in, 2022/23, this included working with the communities hardest hit by Tropical Storm Freddy; restoring access to safe water to those CBCC's whose water source had been damaged by two separate bouts of major flooding; distributing chlorine and hygiene materials in communities experiencing the greatest rise in Cholera; and providing starter packs of seeds and fertilisers to encourage the creation of kitchen gardens in communities whose access to fresh fruit and vegetables has been hindered by three years of poor harvests.

With the impact of Covid finally receding, 2022/23 contained fewer surprises than in the previous two years, but it did give us the opportunity to look afresh at how we were delivering resilience and sustainability and how we might better meet the current and emerging needs of the remote and rural communities with whom we work and our objectives for 2023/24 have been informed by everything we have learned.

OBJECTIVES FOR 2023/24

Since the arrival of the current management team in 2014, Pump Aid has been slowly repositioning itself away from that of a traditional INGO towards a more customer focussed, social impact business and, in April 2022, this objective took a significant step forward when Beyond Water (Pump Aid's social enterprise) began trading in its own right.

From 1st April 2022, Pump Aid Malawi has been subcontracting much of its delivery work to Beyond Water Malawi, which is a wholly owned subsidiary of Beyond Water UK, itself a wholly owned subsidiary of Pump Aid UK.

- **Beyond Water Sales** - has been selling the easy to use and easy to maintain domestic and irrigation pumps that Pump Aid makes to individual and bulk purchasers, and
- **Beyond Water Repair & Maintenance** - has been repairing and servicing community water pumps, using and supporting Pump Aid's network of local entrepreneurs.

Pump Aid Malawi itself has been delivering:

- **WASH for vulnerable populations** - by installing latrines, water points and hand-washing stations at children's nurseries (CBCCs) in rural Malawi;
- **Community water, hygiene and sanitation** - by improving hygiene and sanitation practices in the communities around its CBCCs and promoting kitchen gardens, conservation farming and improved nutrition; and
- **Support to Beyond Water** - by providing finance, administration, working capital and R&D services to the whole Pump Aid group.

By the end of 2023/24, Beyond Water plans to have added another 500 community water points to its professionalised repair and maintenance service, leveraging the increased concern around the sustainability of the sector's historic approach and developing additional income streams, including micro insurance (for spare parts and repairs), carbon credits (to subsidise major repairs and refurbishments), and the use of District Development Funds (Malawi government grants to local authorities to increase access to water).

In addition we are working with national and local government in Malawi and other NGOs working in Malawi to improve the evidence base for professionalised maintenance; including hosting a national round table in partnership with the Ministry of Water, working with Madza Alipo (a Malawi based database developer) on the development of a performance monitoring and service recording App that can be updated by our area mechanics on the ground and used by our central teams to create an online database of the community water points we have under contract. This will help improve our monitoring, contract management and impact measurement and enable us to access other income streams based on pump performance and results based service payments.

Over the next three years (2023-2026) Beyond Water aims to become the leading professionalised repair and maintenance organisation in Malawi, ensuring at least 1,250,000 people have access to functional water points providing improved access to safe water on a sustainable basis, to move into the management of piped water systems, to include health centres and schools in our repair and maintenance model, and to attract inward investment to support our growth to scale from a more diverse range of investors. Over the same period, Pump Aid will continue to deliver its philanthropic community programmes and seek ways in which it could seed Beyond Water type activities in other countries of Sub-Saharan Africa.

BASIS OF ACCOUNTING

As stated in note 18, in previous years the Charity delivered all its activities in Malawi through a Malawi registered branch, Pump Aid Malawi. Since April 2022, some of its activities in Malawi have been delivered by Beyond Water Malawi, a Malawi registered company of which the Charity is the ultimate sole beneficial owner. The Consolidated Financial Statements of the Charity include all of the funds it raised during the year and all of the activities it delivered, regardless of which company raised the funds or delivered the activity.

CRITERIA FOR MEASURING SUCCESS

Pump Aid has developed a detailed framework for measuring its impact using an activity based framework. Qualitative and quantitative indicators are collected from beneficiaries, installations are independently tested and verified and case studies and questionnaires are used to determine the effectiveness and appropriateness of all of Pump Aid's interventions. Pump Aid uses this data for the compilation of its reports to funders and its restricted programmes are often subject to additional external and independent evaluations as and when required by funders.

RISK MANAGEMENT

All significant activities are subject to a risk review as part of the initial activity assessment and implementation. The Senior Management Team ranks all risks in terms of their potential impact and likelihood and, where possible, puts in place appropriate mitigation.

Major risks for this purpose, are those that may have a significant impact on:

- Operational performance, including risks to personnel and programme beneficiaries;
- Financial sustainability, including predictability and security of income; and
- Meeting the expectations of beneficiaries, funders and supporters.

Trustees annually assess the major risks, both positive and negative, to which the Charity is

exposed, particularly those related to its finances, operations and reputation, and ensure that adequate systems are in place to:

- Provide early warning of opportunities and risks;
- Ensure that any significant opportunities are not overlooked; and
- As far as possible, ensure that any foreseeable risks are adequately mitigated.

A risk review forms part of the Board's annual planning process.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Pump Aid is a company limited by guarantee incorporated on 4th November 1998. The Company was registered as a Charity with the Charity Commission on 21st October 1999. The Company's governing document, its Memorandum and Articles of Association, was revised and approved at the Annual General Meeting held on 13th October 2014.

Pump Aid's Trustees are responsible for the general control and management of the Charity and serve for an initial period of three years, after which they may offer themselves for re-election. The Trustee Board is responsible for setting the organisation's strategy, assessing risk and reviewing and adopting the Charity's annual budget and quarterly financial reports. The Trustee Board meets four times per year, including an annual strategy day with senior staff.

Except as stated in note 7 to the Financial Statements, Trustees have no beneficial interest in the activities of the Charity. All Trustees are members of the company and guarantee to contribute £10 in the event of a winding up.

Day to day management and oversight of the Charity is vested in a Senior Management Team comprising its UK based Chief Executive and Head of Business Development and Engagement, and its Malawi based Country Director. Staff salaries are benchmarked against similar roles in similar sized organisations and the salaries of the Senior Management Team are set by the Board with reference to market data for each individual role.

APPOINTMENT AND TRAINING OF TRUSTEES

The Board conducts a biennial skills audit and, if necessary, new trustees are sought to ensure the Board maintains a mix of skills and expertise appropriate to the needs of the organisation. New Trustees are provided with information on the purposes of Pump Aid, its financial position and the key issues it faces. They are also given copies of policies and procedures on issues such as delegated authority, recruitment, equal opportunities, and guidance on conflicts of interest. Additional training is provided in line with the identified needs of the Board.

The Trustees, who are also directors for the purposes of company law, who served during the year and up to the date of this report, are set out on page 3.

APPROACH TO FUNDRAISING

Pump Aid raises a very small amount of its income from the UK public (2023: 4.6%, 2022: 4.9%), with the majority of its income coming from governments, corporates and charitable trusts and foundations. All fundraising activities are delivered by directly employed staff, whose working

practices fully comply with the Fundraising Regulator's Code of Fundraising Practice and our use and storage of fundraising data is in full accordance with the GDPR. Pump Aid does not share its supporter details with other parties and we do not purchase cold contact lists. Supporters on Pump Aid's fundraising database are contacted in the manner they prefer and we encourage them to contact us with any feedback. The Charity received no complaints with regard to its fundraising activities in the year under review (2022: none).

GOING CONCERN

Trustees have reviewed income projections for 2023/24 and 2024/25, have assessed the economic climate and its potential impact on the Charity and have considered a report on the financial sustainability of the organisation prepared by the Senior Management Team. Because Beyond Water Malawi is wholly dependent on the income raised by Pump Aid UK and Pump Aid Malawi is ultimately liable for all expenditure incurred by Beyond Water Malawi, for the purposes of their going concern assessment, Pump Aid's trustees have considered these separate entities as if they were one.

Though the global impact of Covid19 has started to recede, it is still affecting the lives of many people in the developing world. Throughout the pandemic, Pump Aid's staff showed themselves to be incredibly flexible and continued to deliver all of the Charity's field activities (albeit with enhanced hygiene measures). Trustees have noted that Pump Aid's response to Covid19, and the manner in which it supported Malawi's fight against the pandemic, has significantly increased its profile in Malawi and, overall, Covid19 has had an unexpectedly positive influence.

Though the past three years have undoubtedly been very challenging, trustees believe Pump Aid's long-term sustainability is not in doubt and that the repositioning of the Charity as a social impact business has increased its revenue generation potential and means it will have no difficulty in generating the resources it needs to meet the requirements of a going concern.

FINANCIAL REVIEW OF 2022/23

Income

As Pump Aid (through Beyond Water) has steadily repositioned itself away from a traditional INGO towards a more customer focussed, social impact business, it has also been refining its approach to funders. This has inevitably led it away from some organisations who had been generous funders in the past, most notably the UK government, and towards organisations that see sustainability as more important than simple numeric beneficiaries. Trustees were aware that the move from one group of funders to another might cause a slight hiatus in the receipt of funds and that has been the case in 2022/23, with Pump Aid's total income being slightly down on the £1,012,198 it raised in 2021/22.

Key fundraising successes in the year include securing three year funding of £420,000 from the Medicor Foundation towards our professionalised repair and maintenance service and follow on funding for the same purpose from Urenco UK and Rotork plc. The recruitment of an experienced Head of Business Development and Engagement has also helped us to better engage with previous donors, which has led to the receipt of £100,000 from a corporate who, in the previous two years, had given £13,000 and £20,000; and £50,000 from a foundation who last funded us in 2016. We also received our largest ever single donation (£120,000) from an individual who first gave us £50 in the Times Christmas Appeal of 2008 and has been a regular donor ever since. The ability of our

fundraising team to use our new approaches to both attract new donors as well as re-engage with previous ones gives us great confidence for the future.

Our changed approach to water improvement is further evidenced in the breakdown of income in the table below, which shows how we have steadily moved away from the simple installation of water pumps towards the creation of sustainable water networks and how funding for this has risen from 10% of our total income, when our journey started, to more than 85% now.

	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Community water, hygiene and sanitation	81.3%	64.3%	41.6%	38.2%	31.9%	18.0%	12.1%	9.3%
WASH for vulnerable populations	1.8%	16.3%	14.3%	18.3%	13.8%	9.8%	18.2%	5.1%
Urban WASH and entrepreneurship	6.9%	15.1%	4.6%	0.5%	-	-	-	-
Enterprise for WASH and agriculture	10.0%	4.3%	39.5%	43.0%	54.3%	49.9%	26.4%	18.5%
Enterprise for repair and maintenance	-	-	-	-	-	22.3%	43.3%	67.1%
TOTAL INCOME	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Expenditure

Expenditure on charitable activities in the year was £805,158 and, reflecting our move towards a more enterprise led approach, the bulk of this was spent on our repair and maintenance service (£351,300) and on manufacturing and sales (£286,853). As we become increasingly funded by funders who are more interested in sustainable impact than with simple beneficiary numbers, we have also needed to invest in data capture, pump certification and performance monitoring and almost £50,000 was spent in 2022/23 on this vital investment in our future. We also commenced work on a database of all the community water points we have under contract and an online dashboard that funders will be able to access and see, in real time, the impact their funding is having. Having already established ourselves as the market leader in professionalised repair and maintenance in Malawi, improved data collection and better data communication will ensure we stay ahead of the game.

Despite the recent investment the Charity has made in increasing its fundraising capacity, Pump Aid continues to operate with an extremely small UK team (just 4.9 FTEs) and we are pleased to note that direct programme expenditure in 2022/23 constituted 85 pence of every pound we spent. An astonishing achievement for a charity of our size, particularly when compared to the 70 pence in the pound and less achieved by some of the larger charities in the UK water sector.

RESERVES POLICY

Trustees believe unrestricted reserves are necessary for three reasons:

- To support new and innovative projects, which need a period of testing and development before we can approach funders with funding bids
- To support the strategic direction of the charity and, if necessary, to underwrite the costs of strategic change
- To cover committed or unexpected expenditures in periods when these are not covered by grants and donations.

Trustees acknowledge that Covid19 has had an impact on the Charity's income and expenditure, but they believe that the way the Charity has adapted over the past three years has more than demonstrated its ability to cope and thrive. Trustees have previously set a minimum unrestricted

reserve target of £150,000 and an optimum target of £250,000 or the equivalent of three months unrestricted operating expenses but, at last year's annual review, they decided to increase the Charity's minimum unrestricted reserves target to £250,000.

Current Reserves

The Charity's free and unrestricted reserves figure of £615,921 at March 2023 is more than double Trustees' minimum target and free reserves now stand at their highest level since 2010. While many actions have contributed to this, the two most significant were the restructuring Pump Aid undertook at the start of 2020, which significantly reduced its cost base; and the decision the Board took three years ago to focus on enterprise, which has enabled Pump Aid to ride out the Covid storm with more ease than many much larger charities.

The effect of Covid19 on the aid sector in general and on countries like Malawi in particular is likely to be long lasting and Trustees have given management permission to spend some of the surplus reserves on increasing Malawi's resilience to this and future global events.

DISCLOSURE OF INFORMATION TO AUDITORS

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

Audit Consult, a Malawi based independent auditor, were appointed in 2020 and reappointed in 2022 to provide independent oversight of Pump Aid's Malawi operations. They have conducted a local audit of Pump Aid Malawi and have provided information and assistance to the Charity's auditor in the UK.

AUDITORS

HW Fisher had been the Charity's UK auditor since 2007 and, in accordance with good practice, the Charity put its audit out for tender at the conclusion of its 2022 AGM. Following a competitive tendering process Harmer Slater were appointed UK auditors for the current financial year.

For and on behalf of the board of Trustees



Dave Waller

Acting Chair

27th July 2023

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Charity's trustees (who are also the directors of Pump Aid for the purposes of company law) are responsible for preparing a Trustees' Report and Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law requires Trustees to prepare financial statements for each financial period, which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, including the income and expenditure of the Charity for that period.

In preparing these financial statements, Trustees are required to:

- Select suitable accounting policies and 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
- Prepare the Financial Statements on a going concern basis, unless it is inappropriate to presume that the Charity will continue in operation.

Trustees are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time, the financial position of the Charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charity and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT

To the Members of Pump Aid

OPINION

We have audited the financial statements of Pump Aid ('the charitable company') for the year ended 31st March 2023, which comprise the Consolidated Statement of Financial Activities, the Consolidated and Company Balance Sheet, the Consolidated Cash Flow Statement 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 31st March 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

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 directors with respect to going concern are described in the relevant sections of this report.

OTHER INFORMATION

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other

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

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

We have nothing to report in this regard.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the Trustees' Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

RESPONSIBILITIES OF THE TRUSTEES

As explained more fully in the Statement of Trustees' Responsibilities (set out on page 9), 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 145 of the Charities Act 2011 and report in accordance with the Act 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- we identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We considered the nature of the charitable company's sector and its control environment, and reviewed the charitable company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also identified the laws and regulations applicable to the charitable company through discussions with the Trustees and other management, and from our cumulative audit, knowledge and experience of the charitable company.

We obtained an understanding of the legal and regulatory framework that the Charitable company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included the Companies Act 2006, the Charities Act 2011, the Charities SORP, and UK financial reporting standards as issued by the Financial Reporting Council; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the Charitable company's ability to operate or to avoid a material penalty. These included the Charitable company's regulatory requirements, employment and taxation legislations.

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls and policies in place to mitigate risks of fraud and non-compliance with laws and regulations.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;

- enquiring of the Trustee concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of Trustee meetings, reviewing internal audit reports and reviewing correspondence with the Charities Commission.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the Trustees and other management and the inspection of regulatory and legal correspondence, if any.

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.

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

USE OF OUR REPORT

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Records) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Harmer Slater Limited

Chartered Accountants and Statutory Auditors
Salatin House, 19 Cedar Road, Sutton, Surrey, SM2 5DA

Date: 29th September 2023

Harmer Slater Limited is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES incorporating an Income and Expenditure Account for the year ended 31st March 2023

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
INCOME					
Donations and voluntary income	2	373,845	446,020	819,865	619,759
Income from charitable activities	3	138,042	-	138,042	389,911
Net profit on disposal of assets		101	-	101	2,509
Bank interest		1,597	-	1,597	19
TOTAL INCOME		513,585	446,020	959,605	1,012,198
EXPENDITURE					
Costs of raising funds					
Costs of generating voluntary income and income from charitable activities		54,570	49,876	104,446	72,566
Charitable activities					
Delivering water, sanitation and hygiene improvement in Malawi		420,670	384,488	805,158	918,528
TOTAL EXPENDITURE	4	475,240	434,364	909,604	991,094
Net income and net movements in funds	14	38,345	11,656	50,001	21,104
Reconciliation of funds					
Total funds brought forward		577,575	58,894	636,469	615,365
TOTAL FUNDS CARRIED FORWARD	15	615,920	70,550	686,470	636,469

All income and expenditure is derived from continuing activities.

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES incorporating an Income and Expenditure Account for the year ended 31st March 2022

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
INCOME					
Donations and voluntary income	2	180,505	439,254	619,759	1,121,630
Income from charitable activities	3	389,911	-	389,911	144,233
Net profit on disposal of assets		2,509	-	2,509	224
Bank interest		19	-	19	8
TOTAL INCOME		572,944	439,254	1,012,198	1,266,095
EXPENDITURE					
Costs of raising funds					
Costs of generating voluntary income and income from charitable activities		50,796	21,770	72,566	69,960
Charitable activities					
Delivering water, sanitation and hygiene improvement in Malawi		519,144	399,384	918,528	893,224
TOTAL EXPENDITURE	4	569,940	421,154	991,094	963,184
Net income and net movements in funds	14	3,004	18,100	21,104	302,911
Reconciliation of funds					
Total funds brought forward		574,571	40,794	615,365	312,454
TOTAL FUNDS CARRIED FORWARD	15	577,575	58,894	636,469	615,365

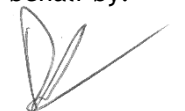
All income and expenditure is derived from continuing activities.

CONSOLIDATED BALANCE SHEET AT 31st March 2023

REGISTERED COMPANY NUMBER: 03661446 (England & Wales)

	Notes	2023 £	2022 £
FIXED ASSETS			
Tangible assets	9	10,695	22,382
		<u>10,695</u>	<u>22,382</u>
CURRENT ASSETS			
Stocks	10	53,215	91,289
Debtors	11	46,805	122,828
Cash at bank and in hand		642,135	437,612
		<u>742,155</u>	<u>651,729</u>
Less: CURRENT LIABILITIES			
Creditors: Amounts falling due within one year	12	(66,380)	(37,642)
NET CURRENT ASSETS		<u>675,775</u>	<u>614,087</u>
NET ASSETS			
Total assets less total liabilities		<u>686,470</u>	<u>636,469</u>
Represented by:			
Restricted funds		70,550	58,894
Unrestricted funds		615,920	577,575
TOTAL FUNDS CARRIED FORWARD	15	<u>686,470</u>	<u>636,469</u>

The Financial Statements were approved for issue by the Trustees on 27th July 2023 and signed on their behalf by:



Dave Waller
Acting Chair

CHARITABLE COMPANY BALANCE SHEET AT 31st March 2023

REGISTERED COMPANY NUMBER: 03661446 (England & Wales)

	Notes	2023 £	2022 £
FIXED ASSETS			
Tangible assets		9,889	22,382
		<u>9,889</u>	<u>22,382</u>
CURRENT ASSETS			
Stocks		52,369	91,289
Debtors		37,525	122,828
Cash at bank and in hand		622,521	437,612
		<u>712,415</u>	<u>651,729</u>
Less: CURRENT LIABILITIES			
Creditors: Amounts falling due within one year		(54,674)	(37,642)
NET CURRENT ASSETS		<u>657,741</u>	<u>614,087</u>
NET ASSETS			
Total assets less total liabilities		<u>667,630</u>	<u>636,469</u>
Represented by:			
Restricted funds		70,550	58,894
Unrestricted funds		597,080	577,575
TOTAL FUNDS CARRIED FORWARD		<u>667,630</u>	<u>636,469</u>

CONSOLIDATED CASH FLOW STATEMENT for the year ended 31st March 2023

	2023 £	2022 £
Reconciliation of net movement in funds to net cash flow from operating activities		
Net movement in funds	50,001	21,104
Bank interest	(1,597)	(19)
Depreciation	15,047	17,423
(Profit) / Loss on the disposal of fixed assets	(101)	(2,509)
Decrease / (Increase) in stock	38,074	(39,854)
Decrease / (Increase) in debtors	76,023	(96,966)
Increase / (Decrease) in creditors	28,737	(22,712)
Net cash (used in) / provided by operating activities	206,184	(123,533)
Cash flows from investing activities		
Bank interest received	1,597	19
Proceeds from the disposal of fixed assets	4,644	2,509
Payments to acquire fixed assets	(4,580)	(19,791)
Net cash (used in) investing	1,661	(17,263)
Change in cash and cash equivalents in the reporting period	204,523	(140,796)
Cash and cash equivalents at the beginning of the year	437,612	578,408
Cash and cash equivalents at the end of the year	642,135	437,612
Cash balances are held in the following locations		
United Kingdom	591,548	409,098
Overseas	50,587	28,514
CASH BALANCES at 31st MARCH 2023	642,135	437,612

Analysis of changes in net debt

The charity had no net debt during the year

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31st March 2023

1. ACCOUNTING POLICIES

Legal status of the Charity

Pump Aid is a company limited by guarantee incorporated on 4th November 1998. Its registered office is at 3rd Floor, 86-90 Paul Street, London, EC2A 4NE.

Basis of accounting

The Consolidated Financial Statements have been prepared in accordance with the Charity's Memorandum & Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1st January 2019)".

As stated in note 18, in previous years the Charity has delivered all of its activities in Malawi through a Malawi registered branch, Pump Aid Malawi. Since April 2022, some of its activities have been delivered by Beyond Water Malawi, a Malawi registered company of which the Charity is the ultimate sole beneficial owner. The Consolidated Financial Statements of the Charity include all of the funds it raised during the year and all of the activities it delivered, regardless of which company raised the funds or delivered the activity.

The Company meets the definition of a public benefit entity under FRS 102.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

Save as noted above, the accounting policies of the Charity have not changed during the period.

Preparation of the financial statements on a going concern basis

As stated on page 10 of the Trustees' Report, Trustees believe there are no material uncertainties that call into doubt the Charity's ability to continue as a going concern and the financial statements have therefore been prepared on the basis that the Charity is a going concern.

In reaching this conclusion, Trustees have considered the enduring effect of Covid19 on the Charity which has been largely positive, due in part to Pump Aid's reputation for flexibility which has enabled the Charity to redeploy staff from activities the pandemic made impossible onto programmes that were both deliverable and fundable.

The Charity has continued to employ all its staff on a full-time basis and believes it can continue to fund its existing and future programme commitments. The pandemic has given its staff the opportunity to demonstrate their willingness to adapt, which has enabled the Charity to adapt its delivery models and, over time, it believes all of its current programmes can be realigned to operate in a post Covid19 world. The way its field teams have adopted new health and safety measures has also contributed to a greater awareness of hygiene and sanitation within the communities with which the Charity works.

While the pandemic has undoubtedly caused some disruption to the Charity's fundraising and delivery, Trustees are confident that Pump Aid can continue as a going concern for the foreseeable future.

Functional currency

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

Income

Income is recognised when the Charity is entitled to the funds, any requirements attached to the income have been met, it is probable the income will be received and the amount can be measured reliably.

The following specific policies are applied to particular categories of income:

- Grants and donations are included on a receivable basis
- Income from charitable activities (which includes trading activities and contract income) is included on a receivable basis, except where the funder specifies that the income must be used in a particular year or imposes conditions which have to be fulfilled before the charity becomes entitled to it.

- Bank interest comprises income on cash deposits and is included when received.

Expenditure

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all the costs related to a category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of the resources.

Expenditure is recognised once there is an obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure is classified under the following activity headings:

- Costs of generating funds comprise the costs of attracting voluntary income, meeting any donor imposed reporting requirements and the costs of fundraising
- Expenditure on charitable activities includes the direct and indirect costs of activities and services delivered for the Charity's beneficiaries
- Governance costs are those associated with the governance of the Charity, compliance with statutory obligations and costs relating to the Charity's strategic management.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Almost all costs are directly attributable to programmes and are recovered either by direct recharge or by apportionment. Unlike larger charities with substantial UK and overseas offices, Pump Aid has a very small central team which both develops and delivers programmes and, aside from the proportion charged to fundraising and governance, the payroll and occupancy costs of the central team are charged to the programmes they deliver.

Critical accounting judgements and estimation uncertainty

In the application of the Charity's accounting policies, trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods. Trustees do not consider there to be any critical accounting estimates or judgements in preparing these financial statements.

Pension costs

In Malawi, the Charity contributes to a defined contribution pension scheme and, in the UK, the Charity contributes to any personal scheme which meets its obligations under auto enrolment. The amounts charged in the financial statements are the employer's contributions payable in the financial year.

Operating leases

Rentals payable under operating leases are charged in the Statement of Financial Activities on a straight-line basis over the life of the lease.

Tangible fixed assets

Fixed assets are stated at cost less depreciation. They are depreciated at rates intended to reduce their cost to their residual value over their estimated useful life (currently 33.3% on a straight-line basis). Any asset costing less than £500 is fully depreciated in the year of acquisition. All assets are inspected regularly for any impairment and any defects fixed to maintain their value and usefulness.

Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. All financial instruments are initially recognised at transaction value and subsequently measured at their settlement value. The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Stock

Stocks are stated at lower of cost or net realisable value.

Debtors and prepayments

Trade and other debtors are recognised at the settlement amount after any provision for bad and doubtful debts. Prepayments are valued at the amount prepaid.

Cash at bank and in hand

Cash at bank and cash in hand includes cash and short-term, highly liquid investments with a maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Creditors and provisions

Creditors and provisions are recognised where the Charity has a present obligation that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are recognised at their settlement amount.

Foreign currency translation

Transactions in foreign currencies are translated into sterling at the average rate of exchange pertaining to the relevant accounting period. At each reporting date, monetary assets and liabilities denominated in foreign currencies are retranslated at the rates prevailing at the reporting date. Exchange differences are recognised through the Statement of Financial Activities.

Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the Charity.

Restricted funds are donations which the donor has specified are to be used solely for specific projects or for specific aspects of the Charity's work to be delivered in specific locations.

2. DONATIONS AND VOLUNTARY INCOME

	Unrestricted Funds	Restricted Funds	Total 2023	Unrestricted Funds	Restricted Funds	Total 2022
	£	£	£	£	£	£
Donations						
Medicor Foundation	-	140,000	140,000	-	-	-
Waterloo Foundation	13,000	121,000	134,000	10,000	111,000	121,000
Michael Pugh	120,000	-	120,000	-	-	-
Aspect Capital	100,000	-	100,000	20,000	-	20,000
Urenco Ltd	-	50,000	50,000	-	81,000	81,000
Allan & Nesta Ferguson Trust	-	50,000	50,000	-	-	-
Rotork PLC	-	50,000	50,000	-	45,000	45,000
James Percy Charitable Trust	-	39,068	39,068	-	123,916	123,916
Roland Fox and Colette Flanagan	15,388	-	15,388	10,000	-	10,000
Estate of Diane Burton	-	-	-	12,922	-	12,922
Gift Aid	11,611	-	11,611	11,755	-	11,755
Donations of less than £10,000 or Anonymous	113,846	6,000	119,846	87,478	35,950	123,428
	373,845	456,068	829,913	152,155	396,866	549,021
Government grants						
State of Guernsey	-	14,952	14,952	-	-	-
Innovate UK	-	-	-	-	24,472	24,472
UK FCDO	-	-	-	-	11,674	11,674
Concern Worldwide	-	-	-	-	6,242	6,242
	-	14,952	14,952	-	42,388	42,388
Deferred donations						
Donations deferred to the following year	-	(25,000)	(25,000)	28,350	-	28,350
Total Donations and Voluntary Income	373,845	446,020	819,865	180,505	439,254	619,759

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted Funds	Restricted Funds	Total 2023	Unrestricted Funds	Restricted Funds	Total 2022
	£	£	£	£	£	£
Waiakea Springs	4,139	-	4,139	166,900	-	166,900
Thirsty Planet	77,735	-	77,735	131,862	-	131,862
Sales of pumps in Malawi	55,191	-	55,191	96,903	-	96,903
Other income	2,070	-	2,070	1,433	-	1,433
Income received in the year	139,135	-	139,135	397,098	-	397,098
Income deferred into following year	(1,093)	-	(1,093)	(7,187)	-	(7,187)
Total Income from Charitable Activities	138,042	-	138,042	389,911	-	389,911

4. EXPENDITURE ANALYSIS

	Staff costs	Operational costs	Total 2023	Staff costs	Operational costs	Total 2022
	£	£	£	£	£	£
Costs of generating voluntary income	90,702	13,744	104,446	62,306	10,260	72,566
Charitable expenditure						
Delivering water, sanitation and hygiene improvement in Malawi	402,500	363,818	766,318	426,915	458,256	885,171
Governance costs	20,626	18,214	38,840	14,420	18,937	33,357
Total Expenditure	513,828	395,776	909,604	503,641	487,453	991,094

Costs of generating voluntary income include staffing, office and publicity costs related to fundraising.

5. STAFF COSTS

	Total 2023	Total 2022
	£	£
Gross emoluments	438,042	431,662
Employer's social security costs	13,426	7,098
Pension contributions	42,311	42,646
Health insurance for staff in Malawi	20,049	22,235
Total Staff Costs	513,828	503,641

Key management personnel (KMP) of the Charity comprise the Trustees and the Chief Executive. Remuneration of KMP (including employer's social costs) was £85,848 (2022: £84,242).

In Malawi, the Charity operates a defined contribution pension scheme, whose assets are held in an independently administered fund and in the UK it makes contributions to any personal pension scheme which meets its obligations under auto enrolment. Contributions payable by the Charity in the year amounted to £42,311 (2022: £42,646), these included contributions of £7,000 (2022: £7,000) payable by the Charity on behalf of higher paid staff.

	Total 2023	Total 2022
Average number of staff excluding trustees		
Based in Malawi	14.7	23.3
Based in the United Kingdom	4.9	4.2
Total Staff	19.6	27.5

6. GOVERNANCE COSTS

	Total 2023	Total 2022
	£	£
Governance costs comprise		
Staff costs	20,626	14,420
Auditors' remuneration	15,120	16,774
Premises, office costs and travel	3,094	2,163
Total Governance Costs	38,840	33,357

Governance costs comprise the costs of external audits, the costs of trustees' meetings, the costs of statutory compliance and other costs incurred in the strategic oversight of the Charity.

7. TRUSTEES' EMOLUMENTS AND REIMBURSED EXPENSES

No payments were made to any of the Charity's Trustees in respect of their role as trustees during the financial year (2022: £nil) and no Trustees were reimbursed expenses (2022: £nil).

8. CORPORATION TAX

As a charity, Pump Aid is exempt from UK tax on income and gains to the extent that these are applied to its charitable objects. No UK tax charges have arisen during the year or in the previous year.

9. FIXED ASSETS

	Land	Fixtures and Equipment	Motor Vehicles	Total 2023
	£	£	£	£
Cost or valuation at 1 st April 2022	1,232	18,665	141,495	161,392
Additions during period	-	4,580	-	4,580
Disposals during period	-	(1,536)	(19,835)	(21,371)
Cost or valuation at 31st March 2023	1,232	21,709	121,660	144,601
Accumulated depreciation at 1 st April 2022	-	13,825	125,185	139,010
Charge for the year	-	3,848	6,095	9,943
Depreciation on disposals	-	(1,536)	(13,511)	(15,047)
Accumulated depreciation at 31st March 2023	-	16,137	117,769	133,906
Net book value at 31st March 2023	1,232	5,572	3,891	10,695
Net book value at 31st March 2022	1,232	4,840	16,310	22,382

10. STOCKS

	Total 2023	Total 2022
	£	£
Stocks include small tools, fuel and materials used for building pumps		
Stocks of finished pumps	40,424	66,644
Stocks of pump building materials	11,019	21,622
Other stock items	1,772	3,023
Total Stocks	53,215	91,289

11. DEBTORS

	Total 2023	Total 2022
	£	£
Trade debtors	33,588	70,982
Other debtors	13,217	3,298
Prepayments	-	520
Accrued income	-	48,028
Total Debtors	46,805	122,828

12. CREDITORS (amounts falling due within one year)

	Total 2023	Total 2022
	£	£
Trade creditors	19,360	8,365
Taxes and social security costs	5,380	5,366
Accrued audit fees	15,547	16,724
Deferred income	26,093	7,187
Total Creditors	66,380	37,642

13. MOVEMENT IN DEFERRED INCOME

	Total 2023	Total 2022
	£	£
Deferred income at 1 st April 2022	7,187	28,350
Amounts released from previous years	(7,187)	(28,350)
Incoming resources deferred in the year	26,093	7,187
Deferred income at 31st March 2023	26,093	7,187

14. MOVEMENT IN FUNDS

2023	Balance at 1 st April 2022	Income	Expenditure	Net movement in funds	Balance at 31 st March 2023
	£	£	£	£	£
RESTRICTED FUNDS					
WASH for vulnerable populations	58,894	49,068	(77,412)	(28,344)	30,550
Enterprise for WASH and agriculture	-	77,000	(77,000)	-	-
Enterprise for repair and maintenance	-	319,952	(279,952)	40,000	40,000
Movement in Restricted Funds	58,894	446,020	(434,364)	11,656	70,550
UNRESTRICTED FUNDS	577,575	513,585	(475,240)	38,345	615,920
Movement in Total Funds	636,469	959,605	(909,604)	50,001	686,470

14. MOVEMENT IN FUNDS (comparative)

2022	Balance at 1 st April 2021	Income	Expenditure	Net movement in funds	Balance at 31 st March 2022
	£	£	£	£	£
RESTRICTED FUNDS					
WASH for vulnerable populations	40,794	184,188	(166,088)	18,100	58,894
Enterprise for WASH and agriculture					
Restricted FCDO/UKAID funds	-	11,674	(11,674)	-	-
Other restricted funds	-	30,714	(30,714)	-	-
Enterprise for repair and maintenance	-	212,678	(212,678)	-	-
Movement in Restricted Funds	40,794	439,254	(421,154)	18,100	58,894
UNRESTRICTED FUNDS	574,571	572,944	(569,940)	3,044	577,575
Movement in Total Funds	615,365	1,012,198	(991,094)	21,104	636,469

15. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds	Restricted Funds	Total 2023	Unrestricted Funds	Restricted Funds	Total 2022
	£	£	£	£	£	£
Fund balances at 31 st March represented by:						
Tangible fixed assets	10,695	-	10,695	22,382	-	22,382
Current assets	671,605	70,550	742,155	592,835	58,894	651,729
Current liabilities	(66,380)	-	(66,380)	(37,642)	-	(37,642)
Fund balances at 31st March	615,920	70,550	686,470	577,575	58,894	636,469

16. COMMITMENTS UNDER OPERATING LEASES

	Total 2023	Total 2022
	£	£
Within one year	6,034	6,034
Between two and five years	-	-
Total Commitments	6,034	6,034

17. RELATED PARTY TRANSACTIONS

The Charity received funding in the year from Urenco Limited, a company that employs Gerard Tyler, one of the Charity's trustees. Charitable donations made by Urenco are overseen by a grant making committee and are subject to a vetting and due diligence process in which Gerard Tyler takes no part. There were no conditions attached to Urenco's donation that would not have accompanied any other donation to any other charity.

18. SUBSIDIARY COMPANIES

The Charity has a Malawi registered branch, Pump Aid Malawi, which used to deliver all its activities in that country. Since April 2022, some of its activities have been delivered by a wholly owned subsidiary, Beyond Water Malawi. Beyond Water Malawi (Company Number: 01756706. Registered Office: 14/211, off Presidential Way, PO Box 2712, Lilongwe), is a wholly owned subsidiary of Beyond Water Limited. Beyond Water Limited (Company Number: 7387428. Registered Office: 86-90 Paul Street, London, EC2A 4NE), is a wholly owned subsidiary of the Charity.

GLOSSARY OF TERMS AND ABBREVIATIONS

AM	A self-employed area mechanic
BWM	Beyond Water Malawi
CBCCs	Community Based Childcare Centres (rural nurseries for the under-5s)
CLTS	Community Led Total Sanitation
CWP(s)	Community Water Point(s)
CWPC(s)	Community Water Point Committee(s)
DFID	The UK Department for International Development
DWO	District Water Office
ENTREPRENEUR	A self-employed artisan or trader
FCDO	The UK Foreign, Commonwealth & Development Office (formed by the merger of DFID and the Foreign and Commonwealth Office)
GDPR	General Data Protection Regulations
JMP	Joint Monitoring programme of the WHO and UNICEF
MVAC	Malawi Vulnerability Assessment Committee
NGOs	Non-Governmental Organisations
PAM	Pump Aid Malawi
SDGs	The United Nations' Sustainable Development Goals
SELF-SUPPLY	The delivery of incremental improvements to water for consumption and irrigation, financed by the users themselves See http://www.pumpaid.org/our-work/programmes/water
UKAID	Funds received from DFID or FCDO
UNICEF	The United Nations International Children's Emergency Fund
WASH	The collective term for Water, Sanitation and Hygiene interventions
WHO	World Health Organisation
WPC	Water Point Committee

PUMP AID

England & Wales - Charity number 1077889

Accounts



A Company Limited by Guarantee and not having a Share Capital

Trustees' Report and Financial Statements

For the year ended 31st March 2022



REGISTERED CHARITY NUMBER: 1077889

REGISTERED COMPANY NUMBER: 03661446 (England & Wales)



www.pumpaid.org



@PumpAid



Pump Aid

CONTENTS	PAGE
Harnessing Enterprise - Ending Dependency	2
Legal and Administrative Information	3
Chairman's Introduction	4
Trustees' Report	
Vision, mission and values	5
Charitable purpose	5
Achievements in 2021/22	6
Objectives for 2022/23	7
Criteria for measuring success	8
Risk management	8
Structure, governance and management	9
Appointment and training of trustees	9
Approach to fundraising	9
Going concern	10
Financial review of 2021/22	10
Reserves policy	11
Auditors and disclosure of information to auditors	12
Statement of Trustees' Responsibilities	13
Independent Auditor's Report	14
Financial Statements	
Statement of Financial Activities	18
Balance Sheet	20
Cash Flow Statement	21
Notes to the Financial Statements	22
Glossary of terms and abbreviations	30

HARNESSING ENTERPRISE - ENDING DEPENDENCY



"The effectiveness of Pump Aid's approach is in its commitment to a more sustainable local market model, as well as in its advocacy to challenge the traditional model of aid."

Sarah Donachie, Deputy Fund Director, UK Aid Direct



"Low cost farmer led irrigation is the only way to move away from rural poverty and we must include this technology in our irrigation plans."

Hon Lobin Lowe MP, Malawi Minister of Agriculture



"We are now able to make use of the whole land, as we can water plants throughout without any problems, and my husband and I no longer complain when it comes to irrigating."

Violet Uladi of Machedemba village, irrigation pump purchaser



"A mindset that women can't do a type of work which was rated as 'men's work' is now realised as wrong and I therefore wish more women could follow my lead."

Selina Phiri, an area mechanic in Kasungu



"We would sometimes go to open streams in search of water for our daily activities such as drinking and cooking. Now we are dancing to a new song and drinking safe and clean water unlike before"

Florence Joe, resident of Totomoyo village, after their broken pump was fully repaired



"The good thing was that we were allowed to pay for the pump in instalments, on top of the price being affordable as well. We don't regret buying because this pump has changed our lives."

Odetta Mwale of Katchumba village, household pump purchaser



"We used to draw water from a communal borehole 700 metres away from the CBCC, but now we have readily available water for washing hands, cleaning and more. It couldn't be any better!"

Loveness Kayison, vice-chair of the Chipapasa CBCC committee



"Pump Aid's approach is commercially sustainable with good engagement at different levels of local governance and a degree of local ownership far more than we often see from INGOs."

Ruth Davison, Judge, UK Charity Awards



LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Prof Stefan Allesch-Taylor CBE (Chairman) - Appointed February 2011
Megan Bingham-Walker - Appointed May 2003
Ashley Lopez - Appointed January 2016
Spencer Mahony - Appointed July 2016
Ben Nealon OBE - Appointed November 1998
Gerard Tyler - Appointed July 2016
Dave Waller - Appointed July 2016

Company Secretary

Matthew Gill

Charity Number

1077889

Company Number

03661446

Registered office and principal address

3rd Floor, 86-90 Paul Street, London, EC2A 4NE

Bankers

Barclays Bank	Standard Bank
1-7 King Street	Capital City
London, EC2V 8AU	Lilongwe, Malawi

UK Auditors

HW Fisher LLP
Acre House, 11-15 William Road, London, NW1 3ER, United Kingdom

Malawi Auditors

Audit Consult
Vanguard Life Insurance House, Mandala Road, Lilongwe 3, Malawi

CHAIRMAN'S INTRODUCTION

When I joined the Board in 2011, Pump Aid had set itself three strategic goals:

- To transform the lives of the rural poor by giving them the tools, technologies, and skills to manage sustainable water solutions for themselves;
- To maximise our impact and sustainability by working in partnership with communities, local government and other agencies in the Malawi WASH sector; and
- To transform Pump Aid from an organisation that built pumps, into one that leveraged change by informing and influencing others about sustainable water solutions.

As I reach the end of my tenure, I am pleased to report Pump Aid has delivered on all of these.

Since 2018, the 92 locally owned water services businesses we have created have sold more than 2,150 of our easy-to-use, easy-to-maintain rope and washer pumps, and our network of trained and incentivised mechanics has repaired more than 2,250 poorly functioning or totally broken community water points, together giving or restoring access to safe water to more than 600,000 people. Pump Aid's pumps are all manufactured in Malawi - creating employment; the sustainable businesses we have created are generating income; and the mechanics we train live in their communities, so the skills they learn will be available for generations to come. **Giving Malawi's rural poor the tools and skills they need to manage water solutions for themselves.**

Pump Aid has further increased its impact by sharing its knowledge and working with other Malawi based NGOs, including UNICEF, Comic Relief, Care International and Concern Worldwide and is now working with the Malawi Ministry of Agriculture, Irrigation and Water Development to develop a licenced approach to community water point management that is increasing rural water point functionality from barely 50% to more than 90%. Having seen our irrigation pump in action, Malawi Minister of Agriculture, Hon Lobin Lowe MP said, *"Low cost farmer led irrigation is the only way to move away from rural poverty and we must include this technology in our irrigation plans"*. We are now in discussion with other Malawi based NGOs to see how our approach could improve their outcomes. **Maximising our impact by working in partnership.**

And there can be no better demonstration of Pump Aid's determination to leverage change by influencing others than in its achievement of a second shortlisting for the International Aid and Development Award at the UK Charity Awards. Key to our success has been the development of an approach that, once fully established, enables our small businesses to charge a price that both covers the cost of a pump or a repair and makes them a profit. While many businesses set up by NGOs and well-meaning funders in Malawi have struggled when their aid funding ceased, our entrepreneurs have flourished, even in a global pandemic, and continue to do so, as we **leverage change by creating sustainable water solutions.**

Now, as I take my leave, I look back on my time at Pump Aid with immense pride, not for what I have achieved, but for what our staff, our funders and our Malawian entrepreneurs have achieved. Pump Aid is unrecognisable from the charity I joined and is more dynamic and innovative than I could ever have imagined and I am confident my successor will drive it to even greater success. I thank everyone who has supported Pump Aid in any way over the past ten years. It is your support that has driven Pump Aid's success and it is your commitment that will secure its future.

Stefan Allesch-Taylor

Prof Stefan Allesch-Taylor CBE

Chairman

11th November 2022

TRUSTEES' REPORT

The Board of Trustees are pleased to present their Trustees' Report and Financial Statements for the year ending 31st March 2022.

The Trustees' Report contains a Directors' Report as required by company law. The Financial Statements comply with the requirements of the Companies Act 2006 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their Financial Statements in accordance with FRS102 (effective 1st January 2019).

VISION, MISSION AND VALUES

Vision

Pump Aid is committed to the delivery of the UN's Sustainable Development Goals and the total eradication of water poverty by 2030. But our ultimate goal is to transform the lives and life chances of poor and disadvantaged communities, so that they reach a point of resilience and self-reliance where they no longer need the support of us or anyone else.

Mission

Pump Aid's mission is to achieve lasting positive change in poor and disadvantaged communities by improving the quality, availability and use of water and sanitation, by harnessing the power of the community, local businesses and partners in other sectors, and providing access to affordable, innovative and sustainable water solutions.

Values

At the heart of everything we do is the central belief that fulfilling the basic human right to safe water and sanitation is the vital first step to better life expectancy, improved educational attainment and increased social and economic independence.

CHARITABLE PURPOSE

The Charity Commission's guidance on public benefit, as required by section 17 of the Charities Act, 2011, sets out two key principles: the organisation must have an identifiable benefit and the benefit must be to the public or to a section of the public.

Trustees have reviewed the vision and mission of the Charity in the light of this guidance and have been mindful of it when setting the objectives for the current year. They have also noted the emphasis on water and sanitation in the UN Sustainable Development Goals of which SDG6 requires the achievement of universal and equitable access to safe and affordable drinking water, access to adequate and equitable sanitation and an ending of open defecation. SDG6 also requires action to improve water quality by reducing pollution, increased water-use efficiency, the elimination of water poverty, the protection of water-related ecosystems and support to strengthen the participation of local communities in improving water and sanitation management.

Pump Aid is engaged in activities that support all of these objectives and Trustees believe the activities of Pump Aid, as detailed in this report, demonstrate that the Charity fully meets both of the Charity Commission's public benefit requirements.

ACHIEVEMENTS IN 2021/22

Pump Aid's charitable activities are delivered wholly in Malawi, where access to water is seriously hampered by the 55% of Malawi's rural water points classified as non-functional (UpGro/DFID 2020). At least 9m Malawians lack access to improved water and, while 85% of the population is almost totally reliant on subsistence farming, only 11% of small-scale farmers use any form of effective irrigation, which severely limits farm yields and increases the vulnerability of farm livelihoods.

Since 2014, Pump Aid has been creating and supporting a network of pump mechanic businesses, which sell small-scale domestic and irrigation pumps and repair non-functioning community water points. By 2020, our network of small businesses had grown to 75 and, by April 2020, they had collectively sold over 870 individual pumps and repaired 665 poorly functioning community water points. The arrival of Covid19 changed everything as campaigns urging people to wash their hands are ineffective if the local water point is not working. Our response was to refocus our efforts on the sale of domestic pumps and community water point repairs and the result was game-changing.

Within 12 months, our mechanics had sold over 400 domestic pumps and repaired a total of 1,434 community water points, giving and restoring life-saving water to almost 375,000 people. This not only massively improved the resilience of these communities to Covid19, it meant our mechanics had sold more pumps and repaired more community water points in a single year than ever before and this prompted us to ask why. We found there were four reasons:

1. **Trust:** There are a lot of pump mechanics in Malawi and their work is of varying quality. Our mechanics are trained to a high standard, but a community would have to take this on trust until they had seen for themselves. Because we work in partnership with District Water Offices, this has given communities a greater level of confidence in our mechanics.
2. **Affordability:** Community water points (CWPs) are managed by Water Point Committees (WPCs), which are composed entirely of volunteers who often struggle to raise money from water point users to pay for maintenance. Buying a domestic water pump frees individual households from having to reach a collective decision with others in their community.
3. **Risk:** The cost of a CWP repair ranges widely and often cannot be ascertained until the repair has started. Around 60% of problems can be solved for less than \$20, 30% will cost around \$50, and 10% could be \$200 or more. We were told the fear that a repair may cost \$200 or more deters many WPCs from even asking a mechanic to come to see them.
4. **Coordination:** We had originally thought that Pump Aid's role in this process would be to create a network of small businesses and stand back. We now saw there was a need for some form of coordination between pump mechanics, DWOs, and WPCs and that this was a crucial element for sustainability.

Our own findings were confirmed by an earlier UNICEF report into pump functionality, which had concluded that *"Improved levels of pump functionality can only be sustained if they are supported by affordable preventative maintenance delivered by professional, highly trained and properly organised and motivated contractors, so that per capita costs reduce through economies of scale."* (UNICEF, Reach 2020) and this has spurred us to completely reappraise our role.

In 2021/22, we have used what we have learned to create a more resilient community water point management system for when Malawi returns to normal. We have developed:

- **a preventative maintenance approach;** which incentivises our pump mechanics to seek and secure maintenance contracts from Water Point Committees where, for a fixed fee, they regularly visit and correct minor issues before they turn into major repairs

- **a licencing model;** to introduce an effective system of regulation and control, where the District Water Officer grants an exclusive licence for the repair and servicing of a group of community water pumps and then holds the licensee accountable for their functionality
- **a support programme for Water Point Committees;** to increase their capacity to raise funds, to make them aware of their rights under the licence and to give them the confidence and ability to pay our mechanics for the work they do
- **a pooling arrangement;** where we charge a set price for every repair, regardless of the actual cost, charging more for a cheap repair and less for an expensive one, so our actual costs are fully recovered, but at a price that all communities can afford.
- **a coordinating body;** which negotiates the licence agreement with the DWO, contracts with our mechanics for delivery of the repairs, and provides oversight and quality control.

Since April 2021, our network of pump mechanics has increased to 92, we have signed a MOU with Dowa District for the maintenance of 200 community water pumps, with another 241 pumps scheduled for inclusion in the current year, and have agreed 'pre-licencing' agreements for 420 pumps in the Districts of Mchinji and Kasungu. As a result, almost 250,000 people will soon be benefiting from reliable access to water, the wider impact of which cannot be understated.

Our experience in the pandemic also encouraged us to reappraise and redesign the manufacturing and sales operation of the easy-to-use, easy-to-maintain, rope and washer pumps we sell to small communities and to farmers. Improved marketing and an increased focus on bulk sales through District Development Funds and MPs saw our pump sales in 2021/22 reach 624, the highest annual sales figure we have ever achieved.

Our focus on sales and repairs has not diluted our commitment to the communities that can afford neither and, in 2021/22, we continued to support vulnerable young children by providing a further 6 CBCCs with access to safe water, hygienic toilets and handwashing facilities. The total number of CBCCs we have given access to water and sanitation to now stands at 91 and our monitoring data indicates a 42% increase in attendance, a drop in diarrhoea rates from 15% to 6% and an improvement in handwashing at crucial times from 27% to 63%, all of which will massively improve the lives and life chances of the almost 13,000 children that will attend them.

While 2021/22 contained fewer surprises than 2020/21, it did require us to look afresh at how we deliver resilience and sustainability and better meet the new and emerging needs of remote and rural communities in Malawi. Our objectives for 2022/23 are built on everything we have learned.

OBJECTIVES FOR 2022/23

Since the arrival of the current management team in 2014, Pump Aid has been slowly repositioning itself away from that of a traditional INGO towards a more customer focussed, social impact business and, in April 2022, this objective took a significant step forward when Beyond Water (Pump Aid's social enterprise) began trading in its own right.

From 1st April 2022, Pump Aid Malawi has been subcontracting its fully commercial and partly commercial activities to Beyond Water Malawi, which is a wholly owned subsidiary of Beyond Water UK, itself a wholly owned subsidiary of Pump Aid UK. Going forward, Pump Aid's activities in Malawi will be delivered in the following manner:

- **Beyond Water Sales** - will be manufacturing and selling domestic and irrigation pumps to individual and bulk purchasers, and

- **Beyond Water Repair & Maintenance** - will be repairing and servicing community water pumps and training and supporting Pump Aid's network of local entrepreneurs.

Pump Aid Malawi will directly deliver:

- **WASH for vulnerable populations** - by installing latrines, water points and hand-washing stations at children's nurseries (CBCCs) in rural Malawi;
- **Community water, hygiene and sanitation** - by improving hygiene and sanitation practices in the communities around its CBCCs and promoting kitchen gardens, conservation farming and improved nutrition; and
- **Support to Beyond Water** - by providing finance, administration, working capital and R&D services to the whole Pump Aid group.

These activities will be funded, as now, by a combination of generated income and restricted and unrestricted grants.

Each operating unit is headed by a manager, who is a member of the Malawi Senior Management Team, and we have additionally appointed a Malawi based advisory board to help Beyond Water Malawi develop into a locally led and locally managed business. This will enable BWM to secure commercial contracts and to access funding unavailable to charities, which it will use to take its entrepreneurs and area mechanics closer to a point of resilience and self-reliance, where they no longer need the support of the Charity or anyone else.

Over the next three years (2022-2025) BWM aims to grow its sales business to at least 6,000 pump sales per annum and its repair and maintenance business to at least 2,000 community water points under licence agreement, at which point it will become profitable, self-sustaining and able to finance all its own trading and working capital needs. Over the same period, Pump Aid will continue to deliver its philanthropic community programmes and seek ways in which it could seed Beyond Water type activities in other countries of Sub-Saharan Africa.

CRITERIA FOR MEASURING SUCCESS

Pump Aid has developed a detailed framework for measuring its impact using an activity based framework. Qualitative and quantitative indicators are collected from beneficiaries, installations are independently tested and verified and case studies and questionnaires are used to determine the effectiveness and appropriateness of all of Pump Aid's interventions. Pump Aid uses this data for the compilation of its reports to funders and its restricted programmes are often subject to additional external and independent evaluations as and when required by funders.

RISK MANAGEMENT

All significant activities are subject to a risk review as part of the initial activity assessment and implementation. The Senior Management Team ranks all risks in terms of their potential impact and likelihood and, where possible, puts in place appropriate mitigation.

Major risks for this purpose, are those that may have a significant impact on:

- Operational performance, including risks to personnel and programme beneficiaries;
- Financial sustainability, including predictability and security of income; and
- Meeting the expectations of beneficiaries, funders and supporters.

Trustees annually assess the major risks, both positive and negative, to which the Charity is exposed, particularly those related to its finances, operations and reputation, and ensure that adequate systems are in place to:

- Provide early warning of opportunities and risks;
- Ensure that any significant opportunities are not overlooked; and
- As far as possible, ensure that any foreseeable risks are adequately mitigated.

A risk review forms part of the Board's annual planning process.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Pump Aid is a company limited by guarantee incorporated on 4th November 1998. The Company was registered as a Charity with the Charity Commission on 21st October 1999. The Company's governing document, its Memorandum and Articles of Association, was revised and approved at the Annual General Meeting held on 13th October 2014.

Pump Aid's Trustees are responsible for the general control and management of the Charity and serve for an initial period of three years, after which they may offer themselves for re-election. The Trustee Board is responsible for setting the organisation's strategy, assessing risk and reviewing and adopting the Charity's annual budget and quarterly financial reports. The Trustee Board meets four times per year, including an annual strategy day with senior staff.

Except as stated in note 7 to the Financial Statements, Trustees have no beneficial interest in the activities of the Charity. All Trustees are members of the company and guarantee to contribute £10 in the event of a winding up.

Day to day management of the Charity is vested in a Senior Management Team comprised of its Joint Chief Executives, Michael Chuter and Duncan Marsh. All staff salaries are benchmarked against similar roles in similar sized organisations. The salaries of the Joint Chief Executives are set by the Board with reference to market data for each individual role.

APPOINTMENT AND TRAINING OF TRUSTEES

The Board conducts a biennial skills audit and, if necessary, new trustees are sought to ensure the Board maintains a mix of skills and expertise appropriate to the needs of the organisation. New Trustees are provided with information on the purposes of Pump Aid, its financial position and the key issues it faces. They are also given copies of policies and procedures on issues such as delegated authority, recruitment, equal opportunities, and guidance on conflicts of interest. Additional training is provided in line with the identified needs of the Board.

The Trustees, who are also directors for the purposes of company law, who served during the year and up to the date of this report, are set out on page 3.

APPROACH TO FUNDRAISING

Pump Aid raises a very small amount of its income from the UK public (2022: 4.9%, 2021: 4.7%), with the majority of its income coming from governments, corporates and charitable trusts and foundations. All fundraising activities are delivered by directly employed staff, whose working

practices fully comply with the Fundraising Regulator's Code of Fundraising Practice and our use and storage of fundraising data is in full accordance with the GDPR. Pump Aid does not share its supporter details with other parties and we do not purchase cold contact lists. Supporters on Pump Aid's fundraising database are contacted in the manner they prefer and we encourage them to contact us with any feedback. The Charity received no complaints with regard to its fundraising activities in the year under review (2021: none).

GOING CONCERN

Trustees have reviewed income projections for 2022/23 and 2023/24, have assessed the economic climate and its potential impact on the Charity and have considered a report on the financial sustainability of the organisation prepared by the Senior Management Team. Because Beyond Water Malawi is wholly dependent on the income raised by Pump Aid UK and Pump Aid Malawi is ultimately liable for all expenditure incurred by Beyond Water Malawi, for the purposes of their going concern assessment, Pump Aid's trustees have considered these separate entities as if they were one. They have also taken specific account of the impact Covid19 has had on the finances of the Charity and its working practices.

Throughout the pandemic, Pump Aid's staff have shown themselves to be incredibly flexible; all UK based staff have been working from home since March 2020 and Malawi staff continue to deliver all the Charity's field activities (albeit with enhanced hygiene measures). Trustees have noted that Pump Aid's response to the pandemic and the manner in which it focussed its efforts on supporting Malawi's fight against Covid19 has significantly increased its profile in Malawi. Its approach has been endorsed by a number of MPs and Cabinet Ministers and its network of trained mechanics is also leading potential funders and other NGOs working in Malawi to approach the charity with a view to becoming part of the ground-breaking work it is pioneering.

Taking all this into account, Trustees believe it is reasonable to expect that Pump Aid will generate sufficient resources to finance its operations for the foreseeable future and there are no material uncertainties that call into doubt the Charity's ability to continue. Accordingly, the financial statements continue to be prepared on the basis that the Charity is a going concern.

FINANCIAL REVIEW OF 2021/22

Income

Throughout 2021/22, Covid19 continued to have an impact on both the Charity's activities and its ability to fund them. Yet, despite this, Pump Aid's income once again exceeded £1m (for the 8th consecutive year) and the ending of UK Aid funding was more than made up for by increased donations from some of Pump Aid's most loyal individual supporters and a significant increase in donations from corporates. Key fundraising successes included securing funding from the Waterloo Foundation for extending our Repair and Maintenance Programme into the District of Dowa and a first time major award from Urenco plc for this and for our work in CBBCs. The recruitment of two new fundraisers gave us the resources to engage more proactively with some of our past donors and, as a consequence, we generated almost £70,000 from this group versus the £3,500 we generated from them in the previous year.

The breakdown of income in the table below shows how Pump Aid has steadily moved away from the installation of community water pumps towards the creation of sustainable water networks

and how funding for enterprise has risen from 10% of our total income, when this journey started, to almost 70% now.

	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Community water, hygiene and sanitation	81.3%	64.3%	41.6%	38.2%	31.9%	18.0%	12.1%
WASH for vulnerable populations	1.8%	16.3%	14.3%	18.3%	13.8%	9.8%	18.2%
Urban WASH and entrepreneurship	6.9%	15.1%	4.6%	0.5%	-	-	-
Enterprise for WASH and agriculture	10.0%	4.3%	39.5%	43.0%	54.3%	49.9%	26.4%
Enterprise for repair and maintenance	-	-	-	-	-	22.3%	43.3%
TOTAL INCOME	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

The popularity of our entrepreneurial approach among charitable, and corporate donors means we have been able to attract new funding for this work while continuing to enjoy the support of the Medicor and Austin Bailey Foundations, Thirsty Planet, Waiakea, Rotork plc and the staff of Aspect Capital among others, for which we are extremely grateful.

Expenditure

Expenditure on charitable activities in the year was £918,528 (a small increase on the previous year) as our field teams adapted their working practices and delivered all of our programme commitments despite necessary restrictions imposed by the Malawi government. The success of our Covid interventions, particularly the large number of community water points we repaired, brought us to the attention of both local and national government and led to us being approached by MPs and District Water Offices to extend our work into their areas. Because much of this work was delivered by our network of small water services businesses, which are all based in the communities that they serve, Covid movement restrictions had less impact on our ability to deliver than it had on other NGOs who deliver their work differently.

Pump Aid continues to operate with an extremely small UK central office (just 4.2 of its 27.5 FTEs are employed in the UK, with the rest employed in Malawi) and we are pleased to note that direct programme expenditure in 2021/22 constituted 89.3 pence of every pound we spent. This is an astonishing achievement for a charity of our size, particularly when compared to the 70 pence in the pound and less achieved by some of the larger charities in the UK water sector.

RESERVES POLICY

Trustees believe unrestricted reserves are necessary for three reasons:

- To support innovative projects which need a period of testing and development and whose outcome may support future funding bids
- To support the strategic direction of the charity and, where necessary, to underwrite the costs of strategic change
- To cover support costs and unplanned expenditure in periods when these are not covered by grants and donations.

Trustees acknowledge that Covid19 has had an impact on the Charity's income and expenditure, but believe that the way it has adapted over the past two years has more than demonstrated its ability to cope and thrive and they are confident that the Charity has the resources and operational flexibility to cope with whatever impacts can be reasonably expected. Trustees have previously set a minimum unrestricted reserve target of £150,000 and an optimum target of

£250,000 or the equivalent of three months unrestricted operating expenses and they believe this remains an adequate level of reserves for the Charity to maintain.

Current Reserves

The Charity's free unrestricted reserves figure of £577,575 at March 2022 is now more than double Trustees' optimum target and free reserves now stand at their highest level since 2010. While many actions have contributed to this, the two most significant were the restructuring Pump Aid undertook at the start of 2020, which significantly reduced its cost base; and the decision the Board took three years ago to focus on self-supply, which has enabled Pump Aid to secure large amounts of additional funding to help Malawi fight Covid19.

The effect of Covid19 on the aid sector in general and on countries like Malawi in particular is likely to be long lasting and Trustees have given management permission to spend some of the surplus reserves on increasing Malawi's resilience to this and future global events.

DISCLOSURE OF INFORMATION TO AUDITORS

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

Audit Consult, a Malawi based independent auditor, were appointed in 2020 and reappointed in 2021 to provide independent oversight of Pump Aid's Malawi operations. They have conducted a local audit of Pump Aid Malawi and have provided information and assistance to the Charity's auditor in the UK.

AUDITORS

HW Fisher LLP have been the Charity's UK auditor since 2007 and were reappointed in 2021. In accordance with good practice, the Charity will put its audit out for tender at the conclusion of this year's AGM.

For and on behalf of the board of Trustees

Stefan Allesch-Taylor

Prof Stefan Allesch-Taylor CBE

Chairman

11th November 2022

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Charity's trustees (who are also the directors of Pump Aid for the purposes of company law) are responsible for preparing a Trustees' Report and Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law requires Trustees to prepare financial statements for each financial period, which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, including the income and expenditure of the Charity for that period.

In preparing these financial statements, Trustees are required to:

- Select suitable accounting policies and 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
- Prepare the Financial Statements on a going concern basis, unless it is inappropriate to presume that the Charity will continue in operation.

Trustees are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time, the financial position of the Charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charity and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT

To the Members of Pump Aid

Opinion

We have audited the Financial Statements of Pump Aid (the 'charity') for the year ended 31st March 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the 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 31st March 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 Auditors' responsibilities for the audit of the Financial Statements section of our report. We are independent of the charity 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 charity'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 other information comprises the information included in the Trustees' Report, other than the Financial Statements and our auditors' report thereon. The Trustees are responsible for the other information contained within the annual report. 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 course of 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 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 Directors' Report included within the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in 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 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the Financial Statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the Financial Statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities, the Trustees, who are also the directors of the charity for the purpose 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 Charity'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

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 auditors' 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

As part of our planning process:

- We enquired of management the systems and controls the charity has in place, the areas of the Financial Statements that are most susceptible to the risk of irregularities and fraud, and whether there was any known, suspected or alleged fraud. The charity did not inform us of any known, suspected or alleged fraud.
- We obtained an understanding of the legal and regulatory frameworks applicable to the charity. We determined that the following were most relevant: the Charity SORP, FRS 102, Charities Act 2011, Companies Act 2006.
- We considered the incentives and opportunities that exist in the charity, including the extent of management bias, which present a potential for irregularities and fraud to be perpetuated, and tailored our risk assessment accordingly.
- Using our knowledge of the charity, together with the discussions held with the charity at the planning stage, we formed a conclusion on the risk of misstatement due to irregularities including fraud and tailored our procedures according to this risk assessment.

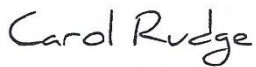
The key procedures we undertook to detect irregularities including fraud during the course of the audit included:

- Identifying and testing journal entries and the overall accounting records, in particular those that were significant and unusual.
- Reviewing the financial statement disclosures and determining whether accounting policies have been appropriately applied.
- Assessing the extent of compliance, or lack of, with the relevant laws and regulations.
- Assessing the validity of the classification of income, expenditure, assets and liabilities between unrestricted and restricted funds.
- Obtaining third-party confirmation of material bank balances.
- Reviewed the stocktake attendance work of the local auditors
- Documenting and verifying all significant related party balances and transactions.
- Reviewing documentation such as the charity board minutes for discussions of irregularities including fraud.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditors' report.

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. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

A handwritten signature in black ink that reads 'Carol Rudge'.

Carol Rudge (Senior Statutory Auditor)

For and behalf of **HW Fisher LLP**
Chartered Accountants
Statutory Auditor
Acre House
11-15 William Road
London, NW1 3ER

Date: 11th November 2022

STATEMENT OF FINANCIAL ACTIVITIES incorporating an Income and Expenditure Account for the year ended 31st March 2022

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
INCOME					
Donations and voluntary income	2	180,505	439,254	619,759	1,121,630
Income from charitable activities	3	389,911	-	389,911	144,233
Net profit on disposal of assets		2,509	-	2,509	224
Bank interest		19	-	19	8
TOTAL INCOME		572,944	439,254	1,012,198	1,266,095
EXPENDITURE					
Costs of raising funds					
Costs of generating voluntary income and income from charitable activities		50,796	21,770	72,566	69,960
Charitable activities					
Delivering water, sanitation and hygiene improvement in Malawi		519,144	399,384	918,528	893,224
TOTAL EXPENDITURE	4	569,940	421,154	991,094	963,184
Net income and net movements in funds	15	3,004	18,100	21,104	302,911
Reconciliation of funds					
Total funds brought forward		574,571	40,794	615,365	312,454
TOTAL FUNDS CARRIED FORWARD	16	577,575	58,894	636,469	615,365

All income and expenditure is derived from continuing activities.

STATEMENT OF FINANCIAL ACTIVITIES incorporating an Income and Expenditure Account for the year ended 31st March 2021

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
INCOME					
Donations and voluntary income	2	153,203	968,427	1,121,630	1,173,962
Income from charitable activities	3	144,233	-	144,233	195,808
Net profit on disposal of assets		224	-	224	-
Bank interest		8	-	8	551
TOTAL INCOME		297,668	968,427	1,266,095	1,370,321
EXPENDITURE					
Costs of raising funds					
Costs of generating voluntary income and income from charitable activities		48,972	20,988	69,960	85,734
Charitable activities					
Delivering water, sanitation and hygiene improvement in Malawi		70,965	822,259	893,224	1,270,260
TOTAL EXPENDITURE	4	119,937	843,247	963,184	1,355,994
Transfers between funds	14	128,794	(128,794)	-	-
Net income and net movements in funds	15	306,525	(3,614)	302,911	14,327
Reconciliation of funds					
Total funds brought forward		268,046	44,408	312,454	298,127
TOTAL FUNDS CARRIED FORWARD	16	574,571	40,794	615,365	312,454

All income and expenditure is derived from continuing activities.

BALANCE SHEET AT 31st March 2022

REGISTERED COMPANY NUMBER: 03661446 (England & Wales)

	Notes	2022 £	2021 £
FIXED ASSETS			
Tangible assets	9	22,382	20,014
		<u>22,382</u>	<u>20,014</u>
CURRENT ASSETS			
Stocks	10	91,289	51,435
Debtors	11	160,605	25,862
Cash at bank and in hand		399,835	578,408
		<u>651,729</u>	<u>655,705</u>
Less: CURRENT LIABILITIES			
Creditors: Amounts falling due within one year	12	(37,642)	(60,354)
NET CURRENT ASSETS		<u>614,087</u>	<u>595,351</u>
NET ASSETS			
Total assets less total liabilities		<u>636,469</u>	<u>615,365</u>
Represented by:			
Restricted funds		58,894	40,794
Unrestricted funds		577,575	574,571
TOTAL FUNDS CARRIED FORWARD	16	<u>636,469</u>	<u>615,365</u>

The Financial Statements were approved for issue by the Trustees on 11th November 2022 and signed on their behalf by:

Stefan Allesch-Taylor

Prof Stefan Allesch-Taylor CBE
Chairman

CASH FLOW STATEMENT for the year ended 31st March 2022

	2022 £	2021 £
Reconciliation of net movement in funds to net cash flow from operating activities		
Net movement in funds	21,104	302,911
Bank interest	(19)	(8)
Depreciation	17,423	15,143
(Profit) / Loss on the disposal of fixed assets	(2,509)	(224)
(Increase) in stock	(39,854)	(7,837)
(Increase) / Decrease in debtors	(134,743)	22,303
(Decrease) / Increase in creditors	(22,712)	35,405
Net cash (used in) / provided by operating activities	(161,310)	367,693
Cash flows from investing activities		
Bank interest received	19	8
Proceeds from the disposal of fixed assets	2,509	365
Payments to acquire fixed assets	(19,791)	(8,473)
Net cash (used in) investing	(17,263)	(8,100)
Change in cash and cash equivalents in the reporting period	(178,573)	359,593
Cash and cash equivalents at the beginning of the year	578,408	218,815
Cash and cash equivalents at the end of the year	399,835	578,408
Cash balances are held in the following locations		
United Kingdom	408,098	343,933
Overseas	(8,263)	234,475
CASH BALANCES at 31st MARCH 2022	399,835	578,408

Analysis of changes in net debt

The charity had no net debt during the year

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st March 2022

1. ACCOUNTING POLICIES

Legal status of the Charity

Pump Aid is a company limited by guarantee incorporated on 4th November 1998. Its registered office is at 3rd Floor, 86-90 Paul Street, London, EC2A 4NE.

Basis of accounting

The Financial Statements have been prepared in accordance with the company's Memorandum & Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1st January 2019)".

The Company meets the definition of a public benefit entity under FRS 102.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

Pump Aid operates in Malawi as a registered NGO under the name of Pump Aid Malawi. In Malawi some of Pump Aid's activities are delivered under the brand name of Beyond Water.

The accounting policies of the Charity have not changed during the period.

Preparation of the financial statements on a going concern basis

As stated on page 10 of the Trustees' Report, Trustees believe there are no material uncertainties that call into doubt the Charity's ability to continue as a going concern and the financial statements have therefore been prepared on the basis that the Charity is a going concern.

In reaching this conclusion, Trustees have considered the effect of Covid19 on the Charity which has been largely positive, due in part to Pump Aid's reputation for flexibility which has enabled the Charity to redeploy staff from activities the pandemic made impossible onto programmes that were deliverable and fundable. In fact the Charity has started to receive requests from funders to apply for funds, as its reputation spreads and more funders want to fund the innovative approaches it is pioneering.

The Charity has continued to employ all its staff on a full-time basis and believes it can comfortably continue to underwrite its existing and future programme commitments. The pandemic has given its staff the opportunity to demonstrate their willingness to adapt, which has enabled the Charity to adapt its delivery models and, over time, it believes all of its current programmes can be realigned to operate in a post Covid19 world. The way its field teams have adopted new health and safety measures has also contributed to a greater awareness of hygiene and sanitation within the communities with which the Charity works.

While the pandemic has undoubtedly caused some disruption to the Charity's fundraising and delivery, Trustees are confident that Pump Aid can continue as a going concern for the foreseeable future.

Functional currency

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

Income

Income is recognised when the Charity is entitled to the funds, any requirements attached to the income have been met, it is probable the income will be received and the amount can be measured reliably.

The following specific policies are applied to particular categories of income:

- Grants and donations are included on a receivable basis
- Income from charitable activities (which includes trading activities and contract income) is included on a receivable basis, except where the funder specifies that the income must be used in a particular year or imposes conditions which have to be fulfilled before the charity becomes entitled to it.
- Bank interest comprises income on cash deposits and is included when received.

Expenditure

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all the costs related to a category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of the resources.

Expenditure is recognised once there is an obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure is classified under the following activity headings:

- Costs of generating funds comprise the costs of attracting voluntary income, meeting any donor imposed reporting requirements and the costs of fundraising
- Expenditure on charitable activities includes the direct and indirect costs of activities and services delivered for the Charity's beneficiaries
- Governance costs are those associated with the governance of the Charity, compliance with statutory obligations and costs relating to the Charity's strategic management.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Almost all costs are directly attributable to programmes and are recovered either by direct recharge or by apportionment. Unlike larger charities with substantial UK and overseas offices, Pump Aid has a very small central team which both develops and delivers programmes and, aside from the proportion charged to fundraising and governance, the payroll and occupancy costs of the central team are charged to the programmes they deliver.

Critical accounting judgements and estimation uncertainty

In the application of the charity's accounting policies, trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods. Trustees do not consider there to be any critical accounting estimates or judgements in preparing these financial statements.

Pension costs

In Malawi, the Charity contributes to a defined contribution pension scheme and, in the UK, the Charity contributes to any personal scheme which meets its obligations under auto enrolment. The amounts charged in the financial statements are the employer's contributions payable in the financial year.

Operating leases

Rentals payable under operating leases are charged in the Statement of Financial Activities on a straight-line basis over the life of the lease.

Tangible fixed assets

Fixed assets are stated at cost less depreciation. They are depreciated at rates intended to reduce their cost to their residual value over their estimated useful life (currently 33.3% on a straight-line basis). Any asset costing less than £500 is fully depreciated in the year of acquisition. All assets are inspected regularly for any impairment and any defects fixed to maintain their value and usefulness.

Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. All financial instruments are initially recognised at transaction value and subsequently measured at their settlement value. The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Stock

Stocks are stated at lower of cost or net realisable value.

Debtors and prepayments

Trade and other debtors are recognised at the settlement amount after any provision for bad and doubtful debts. Prepayments are valued at the amount prepaid.

Cash at bank and in hand

Cash at bank and cash in hand includes cash and short-term, highly liquid investments with a maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Creditors and provisions

Creditors and provisions are recognised where the Charity has a present obligation that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are recognised at their settlement amount.

Foreign currency translation

Transactions in foreign currencies are translated into sterling at the average rate of exchange pertaining to the relevant accounting period. At each reporting date, monetary assets and liabilities denominated in foreign currencies are retranslated at the rates prevailing at the reporting date. Exchange differences are recognised through the Statement of Financial Activities.

Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the Charity.

Restricted funds are donations which the donor has specified are to be used solely for specific projects or for specific aspects of the Charity's work to be delivered in specific locations.

2. DONATIONS AND VOLUNTARY INCOME

	Unrestricted Funds	Restricted Funds	Total 2022	Unrestricted Funds	Restricted Funds	Total 2021
	£	£	£	£	£	£
Donations						
James Percy Charitable Foundation		123,916	123,916	-	105,702	105,702
Waterloo Foundation	10,000	111,000	121,000	-	22,500	22,500
Urenco Limited	-	81,000	81,000	5,250	*	5,250
Rotork PLC	-	45,000	45,000	-	40,000	40,000
Roland Fox and Colette Flanagan	10,000	-	10,000	16,600	-	16,600
Aspect Capital	20,000	-	20,000	13,000	-	13,000
Estate of Diane Burton	12,922	-	12,922	-	-	-
Medicor Foundation	-	-	-	-	100,000	100,000
Vibrant Village Foundation	-	-	-	-	79,314	79,314
The Funding Network	-	-	-	23,268	-	23,268
Charles Hayward Foundation	-	-	-	-	14,700	14,700
Gift Aid	11,755	-	11,755	7,812	-	7,812
Donations of less than £10,000 or Anonymous	87,478	35,950	123,428	115,623	68,679	184,302
	152,155	396,866	549,021	181,553	430,895	612,448
Government grants						
Innovate UK	-	24,472	24,472	-	35,264	35,264
UK FCDO	-	11,674	11,674	-	432,731	432,731
Concern Worldwide	-	6,242	6,242	-	69,537	69,537
	-	42,388	42,388	-	537,532	537,532
Deferred donations						
Donations deferred from the previous year	28,350	-	28,350	(28,350)	-	(28,350)
Total Donations and Voluntary Income	180,505	439,254	619,759	153,203	968,427	1,121,630

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted Funds	Restricted Funds	Total 2022	Unrestricted Funds	Restricted Funds	Total 2021
	£	£	£	£	£	£
Waiakea Springs	166,900	-	166,900	47,388	-	47,388
Thirsty Planet	131,862	-	131,862	35,183	-	35,183
Sales of pumps in Malawi	96,903	-	96,903	60,986	-	60,986
Other income	1,433	-	1,433	676	-	676
Income received in the year	397,098	-	397,098	144,233	-	144,233
Income deferred into following year	(7,187)	-	(7,187)	-	-	-
Total Income from Charitable Activities	389,911	-	389,911	144,233	-	144,233

4. EXPENDITURE ANALYSIS

	Staff costs	Operational costs	Total 2022	Staff costs	Operational costs	Total 2021
	£	£	£	£	£	£
Costs of generating voluntary income	62,306	10,260	72,566	59,645	10,315	69,960
Charitable expenditure						
Delivering water, sanitation and hygiene improvement in Malawi	426,915	458,256	885,171	393,805	469,109	862,914
Governance costs	14,420	18,937	33,357	16,872	13,438	30,310
Total Expenditure	503,641	487,453	991,094	470,322	492,862	963,184

Costs of generating voluntary income include staffing, office and publicity costs related to fundraising.

5. STAFF COSTS

	Total 2022	Total 2021
	£	£
Gross emoluments	431,662	392,898
Employer's social security costs	7,098	11,627
Pension contributions	42,646	37,792
Health insurance for staff in Malawi	22,235	28,005
Total Staff Costs	503,641	470,322

Key management personnel (KMP) of the Charity comprise the Trustees and the Joint Chief Executives. Remuneration of KMP (including employer's social costs) was £148,053 (2021: £152,507). One employee earned between £60,000 and £69,999 in the year (2021: one) and one employee earned between £70,000 and £79,999 in the year (2021: one).

In Malawi, the Charity operates a defined contribution pension scheme, whose assets are held in an independently administered fund and in the UK it makes contributions to any personal pension scheme which meets its obligations under auto enrolment. Contributions payable by the Charity in the year amounted to £27,141 (2021: £22,717), these included contributions of £4,037 (2021: £5,725) payable by the Charity on behalf of higher paid staff.

	Total 2022	Total 2021
Average number of staff excluding trustees		
Based in Malawi	23.3	23.5
Based in the United Kingdom	4.2	3.5
Total Staff	27.5	27.0

6. GOVERNANCE COSTS

	Total 2022 £	Total 2021 £
Governance costs comprise		
Staff costs	14,420	16,872
Auditors' remuneration	16,774	10,907
Premises, office costs and travel	2,163	2,531
Total Governance Costs	33,357	30,310

Governance costs comprise the costs of external audits, the costs of trustees' meetings, the costs of statutory compliance and other costs incurred in the strategic oversight of the Charity.

7. TRUSTEES' EMOLUMENTS AND REIMBURSED EXPENSES

No payments were made to any of the Charity's Trustees in respect of their role as trustees during the financial year (2021: £nil) and no Trustees were reimbursed expenses (2021: £nil).

One trustee (Dave Waller), who has previously worked for a major NGO in Malawi, has been supporting the development of the Charity's enterprise activities. Dave Waller was paid through the Charity's UK payroll system and his total remuneration (including employer's social costs) totalled to £4,370 (2021: £3,592). His employment complied with all aspects of UK charity regulation and he was excluded from any meetings at which his contract was discussed.

8. CORPORATION TAX

As a charity, Pump Aid is exempt from UK tax on income and gains to the extent that these are applied to its charitable objects. No UK tax charges have arisen during the year or in the previous year.

9. FIXED ASSETS

	Land £	Fixtures and Equipment £	Motor Vehicles £	Total 2022 £
Cost or valuation at 1 st April 2021	1,232	15,016	142,595	158,843
Additions during period	-	3,649	16,142	19,791
Disposals during period	-	-	(17,242)	(17,242)
Cost or valuation at 31st March 2022	1,232	18,665	141,495	161,392
Accumulated depreciation at 1 st April 2021	-	10,074	128,755	138,829
Charge for the year	-	3,751	13,672	17,423
Depreciation on disposals	-	-	(17,242)	(17,242)
Accumulated depreciation at 31st March 2022	-	13,825	125,185	139,010
Net book value at 31st March 2022	1,232	4,840	16,310	22,382
Net book value at 31st March 2021	1,232	4,942	13,840	20,014

10. STOCKS

	Total 2022	Total 2021
	£	£
Stocks include small tools, fuel and materials used for building pumps		
Stocks of finished pumps	66,644	41,209
Stocks of pump building materials	21,622	7,875
Other stock items	3,023	2,351
Total Stocks	91,289	51,435

11. DEBTORS

	Total 2022	Total 2021
	£	£
Trade debtors	70,982	9,343
Intercompany debtors	37,777	-
Other debtors	3,298	15,009
Prepayments	520	1,510
Accrued income	48,028	-
Total Debtors	160,605	25,862

Accrued income relates to funding for expenditure incurred in the year for which funding was received after it.

12. CREDITORS (amounts falling due within one year)

	Total 2022	Total 2021
	£	£
Trade creditors	8,365	9,415
Taxes and social security costs	5,366	1,525
Provision for redundancy and restructuring	-	9,889
Accrued audit fees	16,724	11,175
Deferred income	7,187	28,350
Total Creditors	37,642	60,354

13. MOVEMENT IN DEFERRED INCOME

	Total 2022	Total 2021
	£	£
Deferred income at 1 st April 2021	28,350	
Amounts released from previous years	(28,350)	-
Incoming resources deferred in the year	7,187	28,350
Deferred income at 31st March 2022	7,187	28,350

14. TRANSFERS BETWEEN FUNDS / PROGRAMMES

Most of the Charity's restricted funds are received in respect of its enterprise and rural nursery (CBCC) programmes, which are often the subject of multi-year grant agreements that specify the dates on which grant instalments will be paid. For operational reasons, grant-funded activities are sometimes delivered earlier than the grant agreements presumed and, when this happens, funds are transferred from unrestricted reserves in the year in which the activity takes place and returned to unrestricted reserves in the year in which the related grants are received.

15. MOVEMENT IN FUNDS

2022	Balance at 1 st April 2021 £	Income £	Transfers between programmes £	Expenditure £	Balance at 31 st March 2022 £
RESTRICTED FUNDS					
WASH for vulnerable populations	40,794	184,188	-	(166,088)	58,894
Enterprise for WASH and agriculture					
Restricted FCDO/UKAID funds	-	11,674	-	(11,674)	-
Other restricted funds	-	30,714	-	(30,714)	-
Enterprise for repair and maintenance	-	212,678	-	(212,678)	-
Movement in Restricted Funds	40,794	439,254	-	(421,154)	58,894
UNRESTRICTED FUNDS	574,571	572,944	-	(569,940)	577,575
Movement in Total Funds	615,365	1,012,198	-	(991,094)	636,469

2021	Balance at 1 st April 2020 £	Income £	Transfers between programmes £	Expenditure £	Balance at 31 st March 2021 £
RESTRICTED FUNDS					
WASH for vulnerable populations	-	123,902	-	(83,108)	40,794
Enterprise for WASH and agriculture					
Restricted FCDO/UKAID funds	-	215,218	-	(215,218)	-
Other restricted funds	44,408	347,169	(128,794)	(262,783)	-
Enterprise for repair and maintenance					
Restricted FCDO/UKAID funds	-	217,514	-	(217,514)	-
Other restricted funds	-	64,624	-	(64,624)	-
Movement in Restricted Funds	44,408	968,427	-	(843,247)	40,794
UNRESTRICTED FUNDS	268,046	297,668	128,794	(119,937)	574,571
Movement in Total Funds	312,454	1,266,095	-	(963,184)	615,365

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Unrestricted Funds £	Restricted Funds £	Total 2021 £
Fund balances at 31 st March represented by:						
Tangible fixed assets	22,382	-	22,382	20,014	-	20,014
Current assets	592,835	58,894	651,729	614,911	40,794	655,705
Current liabilities	(37,642)	-	(37,642)	(60,354)	-	(60,354)
Fund balances at 31st March	577,575	58,894	636,469	574,571	40,794	615,365

17. COMMITMENTS UNDER OPERATING LEASES

	Total 2022 £	Total 2021 £
Within one year	6,034	-
Between two and five years	-	-
Total Commitments	6,034	-

18. RELATED PARTY TRANSACTIONS

The Charity received funding in the year from Urenco Limited, a company that employs Gerard Tyler, one of the Charity's trustees. Charitable donations made by Urenco are overseen by a grant making committee and are subject to a vetting and due diligence process in which Gerard Tyler took no part. There were no conditions attached to Urenco's donation that would not have accompanied any other corporate donation.

19. SUBSIDIARY COMPANIES

The Charity has a wholly owned UK registered subsidiary, Beyond Water Limited (Company Number: 7387428. Registered Office: 86-90 Paul Street, London, EC2A 4NE), with an issued share capital of one share held by the Charity and Beyond Water Limited has a wholly owned Malawi registered subsidiary, Beyond Water Malawi (Company Number: 01756706. Registered Office: 14/211, off Presidential Way, PO Box 2712, Lilongwe), with an issued share capital of one share held by Beyond Water Limited.

20. POST BALANCE SHEET EVENTS

As stated on page 7, on 1st April 2022, Pump Aid Malawi began subcontracting some of partly commercial activities to Beyond Water Malawi, which (as stated above) is a wholly owned subsidiary of Beyond Water UK. Beyond Water UK and Beyond Water Malawi were dormant throughout 2021/22 and, as stated on page 10, Beyond Water Malawi is wholly dependent on income raised by Pump Aid UK and Pump Aid Malawi is ultimately liable for all expenditure incurred by Beyond Water Malawi. So the change to subcontracted delivery is not expected to have any impact on Pump Aid or its ability to raise funds.

GLOSSARY OF TERMS AND ABBREVIATIONS

BWM	Beyond Water Malawi
CBCCs	Community Based Childcare Centres (rural nurseries for the under-5s)
CLTS	Community Led Total Sanitation
CWP(s)	Community Water Point(s)
CWPC(s)	Community Water Point Committee(s)
DFID	The UK Department for International Development
DWO	District Water Office
ENTREPRENEUR	A self-employed artisan or trader
FCDO	The UK Foreign, Commonwealth & Development Office (formed by the merger of DFID and the Foreign and Commonwealth Office)
GDPR	General Data Protection Regulations
JMP	Joint Monitoring programme of the WHO and UNICEF
MVAC	Malawi Vulnerability Assessment Committee
NGOs	Non-Governmental Organisations
PAM	Pump Aid Malawi
SDGs	The United Nations' Sustainable Development Goals
SELF-SUPPLY	The delivery of incremental improvements to water for consumption and irrigation, financed by the users themselves See http://www.pumpaid.org/our-work/programmes/water
UKAID	Funds received from DFID or FCDO
UNICEF	The United Nations International Children's Emergency Fund
WASH	The collective term for Water, Sanitation and Hygiene interventions
WHO	World Health Organisation

PUMP AID

England & Wales - Charity number 1077889

Accounts



A Company Limited by Guarantee and not having a Share Capital

Trustees' Report and Financial Statements

For the year ended 31st March 2021

REGISTERED CHARITY NUMBER: 1077889

REGISTERED COMPANY NUMBER: 03661446 (England & Wales)



www.pumpaid.org



[@PumpAid](https://twitter.com/PumpAid)



[Pump Aid](https://www.facebook.com/PumpAid)

CONTENTS	PAGE
Harnessing Enterprise - Ending Dependency	2
Legal and Administrative Information	3
Chairman's Introduction	4
Trustees' Report	
Vision, mission and values	5
Charitable purpose	5
Risk management	6
Going concern	6
Achievements in 2020/21	7
Objectives for 2021/22	8
Structure, governance and management	9
Approach to fundraising	10
Financial review of 2020/21	10
Reserves policy	11
Auditors	12
Statement of Trustees' Responsibilities	13
Independent Auditor's Report	14
Financial Statements	
Statement of Financial Activities	18
Balance Sheet	20
Cash Flow Statement	21
Notes to the Financial Statements	22
Glossary of terms and abbreviations	30

HARNESSING ENTERPRISE - ENDING DEPENDENCY



"We would sometimes go to open streams in search of water for our daily activities such as drinking and cooking. Now we are dancing to a new song and drinking safe and clean water unlike before"

Florence Joe, resident of Totomoyo village, after their broken pump was fully repaired



"We are able to bath daily as such was not the case before, as well as washing clothes as often as possible. Before the repair it took 30 minutes or more to draw water from the borehole, but now it only takes 5 minutes"

Stella Banda, resident of Msiambili village, after their faulty pump was rehabilitated



"In the 5 months I have worked with Pump Aid I have managed to contract with 8 water point committees at MK15,000 each, making a total of MK120,000. Within months I have made more money than in the past years."

Solofina Wilfred from Kasungu, newly trained area mechanic



"The good thing of the pump buying process was that we were allowed to pay for the pump in instalments, on top of the price being affordable as well. We don't regret buying because this pump has changed our lives."

Odetta Mwale of Katchumba village, household pump purchaser



"We are now able to make use of the whole land as we can water plants throughout without any problems. The pump has simplified things, it is easy to use and operate and my husband and I no longer complain when it comes to irrigating."

Violet Uladi of Machedemba village, irrigation pump purchaser



"We used to draw water from a communal borehole 700 metres away from the CBCC. But now we have readily available water for all activities, washing hands, cleaning and many more. It couldn't be any better!"

Loveness Kayison, vice-chair of the Chipapasa CBCC committee



"The effectiveness of Pump Aid's approach is in its commitment to a more sustainable local market model, as well as in its advocacy to challenge the traditional model of aid."

Sarah Donachie, Deputy Fund Director, UK Aid Direct

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Prof Stefan Allesch-Taylor CBE (Chairman) - Appointed February 2011
Megan Bingham-Walker - Appointed May 2003
Ashley Lopez - Appointed January 2016
Spencer Mahony - Appointed July 2016
Ben Nealon OBE - Appointed November 1998
Gerard Tyler - Appointed July 2016
Dave Waller - Appointed July 2016

Company Secretary

Matthew Gill

Charity Number

1077889

Company Number

03661446

Registered office and principal address

3rd Floor, 86-90 Paul Street, London, EC2A 4NE

Bankers

Barclays Bank	Standard Bank
1-7 King Street	Capital City
London, EC2V 8AU	Lilongwe, Malawi

Statutory Auditors

HW Fisher LLP
Acre House, 11-15 William Road, London, NW1 3ER, United Kingdom

Local Auditors

Audit Consult
Vanguard Life Insurance House, Mandala Road, Lilongwe 3, Malawi

CHAIRMAN'S INTRODUCTION

2020 was the year that no-one could possibly have predicted. But, despite the devastating impact of Covid19 across the world, I am pleased to report that Pump Aid continued to deliver its award-winning work, providing hundreds of thousands of people in rural Malawi with life-changing access to clean water and helping communities across the country increase their resilience to disease.

I have described in previous reports how Pump Aid has been steadily repositioning itself away from a traditional water NGO towards a more customer-focussed, social impact business and it has now created small, locally based and locally owned water services businesses in four districts of Malawi, delivering and maintaining access to water in some of the country's most impoverished and underserved communities. Our business-led approach, endorsed and supported by UKAID and many others, has proved we can achieve radically increased rates of pump functionality and transform access to water for consumption and irrigation at a fraction of the cost of a traditional NGO and also in a fraction of the time.

Our small business approach helped us react quickly to the arrival of Covid19 and, within months, Pump Aid had launched an emergency response that mobilised its network of independent pump mechanic businesses to repair over 900 community pumps and give over 1,000 households the opportunity to invest in their own convenient access to water and over 2,000 farmers the chance to access year round irrigation. Crucially, this work was underpinned by our commitment to not just build back better, but build back sustainably, and I am extraordinarily grateful to all those funders who allowed their previously given grants to be repurposed to this vital work and to those new funders who rapidly agreed to come on board.

Building on this experience, we have developed a new 5-year strategy that will see us expand our pump sales and maintenance programmes across Malawi, through our social impact business 'Beyond Water', and we have begun to implement the next phase of our WASH and nutrition programme in pre-schools for children under 5. Covid19 has challenged every aspect of how we live and work and has compelled organisations to adapt at speeds few would have felt possible. Inevitably, some charities have struggled; some have coped; and a few have excelled and I am delighted to say that Pump Aid has demonstrated it is one of those few. But this would have been impossible without the support of our many friends and funders and I am grateful to every organisation and individual that has supported this year.

I would also like to put on record the gratitude of my Board for the service of Tiyese Zumu-Mwale, Pump Aid's Country Director in Malawi, who tragically and unexpectedly died in service last year. Tiyese was a powerful advocate for Pump Aid's entrepreneurial approach and his commitment and enthusiasm are missed by us all and I am grateful for the support our Malawi team was able to provide to his family at an extraordinarily difficult time. I would also like to express my personal thanks to all of Pump Aid's staff and its many volunteers. It is their achievements that have driven Pump Aid's success and it is their dedication that will secure its future.

Despite the obvious challenges, Pump Aid ended 2020/21 as a financially strong, more confident and focussed organisation, feeling both optimistic and enthusiastic for the year ahead, and secure in our knowledge that there is so much more we can and will do.



Prof Stefan Allesch-Taylor CBE

Chairman

13th July 2021

TRUSTEES' REPORT

The Board of Trustees are pleased to present their Trustees' Report and Financial Statements for the year ending 31st March 2021.

The Trustees' Report contains a Directors' Report as required by company law. The Financial Statements comply with the requirements of the Companies Act 2006 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with FRS102 (effective 1st January 2019).

VISION, MISSION AND VALUES

Vision

Pump Aid is committed to the delivery of the UN's Sustainable Development Goals and the total eradication of water poverty by 2030. But our ultimate goal is to transform the lives and life chances of poor and disadvantaged communities, so that they reach a point of resilience and self-reliance where they no longer need the support of us or anyone else.

Mission

Pump Aid's mission is to achieve lasting positive change in poor and disadvantaged communities by improving the quality, availability and use of water and sanitation and, by harnessing the power of the community, local businesses and partners in other sectors, provide access to affordable, innovative and sustainable solutions.

Values

At the heart of everything we do is the central belief that fulfilling the basic human right to safe water and sanitation is the vital first step to better life expectancy, improved educational attainment and increased social and economic independence.

CHARITABLE PURPOSE

The Charity Commission's guidance on public benefit, as required by section 17 of the Charities Act, 2011, sets out two key principles: the organisation must have an identifiable benefit and the benefit must be to the public or to a section of the public.

Trustees have reviewed the vision and mission of the Charity in the light of this guidance and have been mindful of it when setting the objectives for the current year. They have also noted the emphasis on water and sanitation in the UN Sustainable Development Goals of which SDG6 requires the achievement of universal and equitable access to safe and affordable drinking water, access to adequate and equitable sanitation and an ending of open defecation. SDG6 also requires action to improve water quality by reducing pollution, increased water-use efficiency, the elimination of water poverty, the protection of water-related ecosystems and support to strengthen the participation of local communities in improving water and sanitation management.

Pump Aid is engaged in activities that support all of these objectives and Trustees believe the activities of Pump Aid, as detailed in this report, demonstrate that the Charity fully meets both of the Charity Commission's public benefit requirements.

CRITERIA FOR MEASURING SUCCESS

Pump Aid has developed a detailed framework for measuring its impact. Using an activity based framework, qualitative and quantitative indicators are collected from beneficiaries, installations are independently tested and verified and case studies and questionnaires are used to determine the effectiveness and appropriateness of all of Pump Aid's interventions. Pump Aid uses this data for the compilation of its reports to funders and its restricted programmes are often subject to additional external and independent evaluations as and when required by funders.

RISK MANAGEMENT

All significant activities are subject to a risk review as part of the initial activity assessment and implementation. The Senior Management Team ranks all risks in terms of their potential impact and likelihood and, where possible, puts in place appropriate mitigation.

Major risks for this purpose, are those that may have a significant impact on:

- Operational performance, including risks to personnel and programme beneficiaries;
- Financial sustainability, including predictability and security of income; and
- Meeting the expectations of beneficiaries, funders and supporters.

Trustees annually assess the major risks, both positive and negative, to which the Charity is exposed, particularly those related to its finances, operations and reputation, and ensure that adequate systems are in place to:

- Provide early warning of opportunities and risks;
- Ensure that any significant opportunities are not overlooked; and
- As far as possible, ensure that any foreseeable risks are adequately mitigated.

A risk review forms part of the Board's annual planning process.

GOING CONCERN

As stated in note 1 to the Financial Statements, Trustees have reviewed the income projections for 2021/22 and 2022/23, have assessed the economic climate and its potential impact on the Charity and have considered a report on the financial sustainability of the organisation prepared by the Senior Management Team. They have also taken specific account of the impact Covid19 has had and could have on the finances of the Charity and its working practices. Pump Aid staff have shown themselves to be incredibly flexible in their response to the pandemic; all UK based staff have been working from home since March 2020 and Malawi staff continue to deliver all the Charity's field activities (albeit with social distancing and enhanced hygiene measures).

With access to water of critical importance in Malawi's fight against Covid19, Trustees have also noted a willingness of funders to allow previously given grants to be repurposed to the Charity's community water point repair and maintenance programmes and/or allocate additional funding towards this vital work. The reputation of the Charity's network of trained area mechanics is also leading potential funders and Malawi's district and national water offices to approach the charity with requests for applications and assistance as more and more people become aware of Pump Aid's interventions and want to be part of the innovative approaches that it is pioneering.

Taking this into account, Trustees believe it is reasonable to expect that Pump Aid will generate sufficient resources to finance its operations for the foreseeable future and there are no material uncertainties that call into doubt the Charity's ability to continue. In addition, if necessary, the Charity is able to access a secured overdraft facility guaranteed by its Chairman. Accordingly, the financial statements have been prepared on the basis that the Charity is a going concern.

ACHIEVEMENTS IN 2020/21

Pump Aid's charitable activities are presently delivered entirely in Malawi, one of the ten poorest countries in the world. Poor levels of community water point functionality have been an issue in Malawi for decades but, despite local government being responsible for monitoring and supporting local water point committees and circa 90% pump coverage (JMP 2018), over 55% of Malawi's rural water points are classified as non-functional (UpGro/DFID 2020) leading to serious health issues, with the burden falling especially on women and girls (UNICEF 2018). At least 9 million Malawians lack access to even 'basic' improved water and, while 85% of the population is almost totally reliant on subsistence farming, only 11% of small-scale farmers use any form of effective irrigation, which severely limits farm yields and increases the vulnerability of farm livelihoods.

In 2020/21 Pump Aid sought to address these issues through two separate workstreams:

1. Enterprise for WASH and agriculture
2. WASH for vulnerable populations

In 2017 we were successful in securing funding from FCDO for a three-year programme combining both these workstreams, which in turn allowed us to access a significant amount of match-funding. 2020/21 was the final year of this programme, which concluded in March 2021.

1. Enterprise for WASH and agriculture

Our FCDO programme was split into three main strands.

- Supporting the development of a network of self-supply entrepreneurs (SSEs) and stimulating local markets (community pump repair and maintenance, installations of individual pumps, well digging and other improvements).
- Selling low cost household and irrigation pumps to improve convenience and productivity for rural households and small scale farmers.
- WASH interventions at rural nurseries for the under-5s and in the surrounding areas.

And the results exceeded expectations at almost every level.

- The number of community managed water points (CMWPs) planned to be repaired by SSEs as part of this programme was 540, but they actually repaired **959 water points** and, as a result, **over 190,000 people** now have access to reliable improved water.
- The programme also supported the training of well diggers to dig and improve wells and install household pumps. This has led to **38,000 people** having more convenient access to safe household water.
- The sale of irrigation pumps to small-scale farmers and conservation farming training has led to **over 16,000 people** benefiting from improved irrigation practises.

2. WASH for vulnerable populations

This workstream gives rural nurseries (CBCCs) access to child-friendly latrines and a full range

of WASH facilities, as well as using improvements at the CBCC as a catalyst to drive improved hygiene and sanitation practices in the surrounding community.

In the course of 2020/21 a further **12 CBCCs** were provided with access to safe water, hygienic toilets and convenient handwashing facilities and the total number of CBCCs to which we have so far given improved access to water and sanitation now stands at 85, massively improving the lives and life chances of the more than **12,000 children** that will benefit from them.

As a result of community campaigns and the increased awareness of kitchen gardens at CBCCs, a total of **3,352 households** have additionally created kitchen gardens around their homes, which will increase the availability of nutritious food and, when surplus crops are sold, will also provide an additional source of income for some of Malawi's poorest households.

In addition, the hygiene and sanitation training we delivered in the communities surrounding the CBCCs saw **5,382 households** improve their access to safe sanitation (toilet with drop hole cover) and **3,475 households** create hand washing facilities with clean water and soap and demonstrated their use of improved handwashing techniques.

3. The impact of and our response to Covid19

The delivery of Pump Aid's core programmes acquired a new sense of urgency with the arrival in Malawi of COVID19 and predictions from the Ministry of Health that at least 50,000 people might die within the first 12 months. Thankfully that figure has yet to be reached, though the virus has claimed the lives of two Cabinet Ministers and was a contributory factor in the death of Pump Aid's Country Director. With a very weak healthcare system, Malawi had just 23 ICU beds at the start of the pandemic, prevention was Malawi's only hope, but a drive to increase hand-washing was hampered by poor levels of community water point functionality.

In June 2020, Pump Aid launched an emergency COVID19 response programme which identified and repaired almost 1,000 non-functioning community water points. Pump Aid is grateful to those funders who allowed their previously given grants to be repurposed to this programme and new funders who so rapidly agreed to provide new funds. While this alone will not stop the tide of the pandemic, it has increased the resilience of Malawi's rural population and helped to ease the pressure on other parts of the health system. It is also a very practical demonstration of the flexibility and adaptiveness of the entrepreneurial approach that Pump Aid champions.

OBJECTIVES FOR 2021/22

Since the arrival of the current management team in 2014, Pump Aid has been slowly repositioning itself away from that of a traditional NGO towards a more customer focussed, social impact business. From 2014 to 2016 (with money from UNICEF) we piloted a self-supply approach which demonstrated both a desire and an ability of poor communities in Malawi to invest in their own access to water. This led to a more significant grant from DFID to test this approach at scale.

Between 2018 and 2021 we expanded our approach into four Districts, three in the Central Region (Kasungu, Mchinji and Lilongwe Rural) and one in the Southern Region (Mangochi), testing our approach in a range of areas and hydrologic conditions, and with customers of various backgrounds and in varying financial circumstances. Across all districts we achieved significant results in both restoring community water point functionality and increasing access to household and irrigation water and proved that communities and households would and could invest in services they valued. This has given us the confidence to roll-out this approach across Malawi.

In the second half of 2020/21 we took part in a research programme, part-funded by Innovate UK, which produced a wealth of data on our target market and gave us a much clearer understanding of the practical and systemic issues we need to address. Without overstating the challenges that any commercial entity setting up in Malawi has to overcome, without a significant upswing in the Malawian economy, the sale of pumps and water point repairs on a commercial basis will be totally impractical. While some form of customer transaction remains central to our approach, for the time being, all of our 'commercial' activities will require some form of subsidy. While some of that subsidy may come from as yet untried sources, this approach will be very dependent on the philanthropy and traditional trust and foundation sectors for much of the foreseeable future.

The availability of significant unrestricted funds gives us the opportunity to make the investments we need, but not the freedom to squander what we have gained. So Trustees have set strict limits on what our surplus unrestricted funds can be spent on.

2021/22 will see Pump Aid divide its activities between:

- **Beyond Water Sales** - selling household and irrigation pumps, funded by the income generated from sales.
- **Beyond Water Repair & Maintenance** - repairing and servicing community water pumps and training and supporting a network of local entrepreneurs, funded partly by charges to the community and partly from philanthropic income.
- **Pump Aid** - manufacturing pumps for Beyond Water, delivering our CBCC programme and providing finance, administration, credit, stock holding and research and development services across the whole group. This activity will be funded, as it is now, by a combination of restricted and unrestricted philanthropic grants and donations.

Each operating unit will be headed by a local manager, who will be a member of the local Senior Management Team, and we are planning to appoint local and international advisors to an advisory board to strengthen our overall management. As stated in note 21 to the Financial Statements, to reinforce our business approach, we have registered two trading subsidiaries, one in the UK and one in Malawi. Trading under the name Beyond Water, these subsidiaries will enable Pump Aid to secure commercial contracts and to access funding unavailable to charities, which it will use to take its small business entrepreneurs and area mechanics closer to a point of resilience and self-reliance, where they no longer need the support of the Charity or anyone else.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Pump Aid is a company limited by guarantee incorporated on 4th November 1998. The Company was registered as a Charity with the Charity Commission on 21st October 1999. The Company's governing document, its Memorandum and Articles of Association, was revised and approved at the Annual General Meeting held on 13th October 2014.

Pump Aid's Trustees are responsible for the general control and management of the Charity and serve for a period of three years, after which they may offer themselves for re-election. The Trustee Board is responsible for setting the organisation's strategy, assessing risk and reviewing and adopting the Charity's annual budget and quarterly financial reports. The Trustee Board meets four times per year, including an annual strategy day with senior staff.

Except as stated in note 9 to the Financial Statements, Trustees have no beneficial interest in the activities of the Charity. All Trustees are members of the company and guarantee to contribute £10 in the event of a winding up.

Day to day management of the Charity is vested in a Senior Management Team comprised of its Joint Chief Executives, Michael Chuter and Duncan Marsh.

APPOINTMENT AND TRAINING OF TRUSTEES

The Board conducts a biennial skills audit and, if necessary, new trustees are sought to ensure the Board maintains a mix of skills and expertise appropriate to the current and developing needs of the organisation. New Trustees are provided with sufficient information to ensure that they understand the purposes of Pump Aid, its financial position and the key issues it faces. Trustees are also given copies of the Memorandum and Articles of Association, policies and procedures on issues such as delegated authority, recruitment, equal opportunities, and guidance on conflicts of interest. Additional training is provided in line with the identified needs of the Board.

The Trustees, who are also directors for the purposes of company law, who served during the year and up to the date of this report, are set out on page 3.

APPROACH TO FUNDRAISING

Pump Aid raises a very small amount of its income from the UK public (2021: 4.7%, 2020: 5.8%), with the majority of its income coming from governments, corporates and charitable trusts and foundations. All fundraising activities are delivered by directly employed staff, whose working practices fully comply with the Fundraising Regulator's Code of Fundraising Practice and our use and storage of fundraising data is in full accordance with the GDPR. Pump Aid does not share its supporter details with other parties and we do not purchase cold contact lists. Supporters on Pump Aid's fundraising database are contacted in the manner they prefer and we encourage them to contact us with any feedback. The Charity received no complaints with regard to its fundraising activities in the year under review (2020: nil).

FINANCIAL REVIEW OF 2020/21

INCOME

Despite many difficulties caused by the restrictions imposed as a result of Covid19, total income in 2020/21 was £1,266,095 (a mere 7% decrease on the previous year). The breakdown of income in the table below shows how Pump Aid has steadily moved away from the simple installation of community water pumps towards the creation of sustainable water networks and how funding for enterprise has risen from 10% of total income, when this journey started, to more than 66% now.

	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
Community water, hygiene and sanitation	81.3%	64.3%	41.6%	38.2%	31.9%	18.0%
WASH for vulnerable populations (CBCCs)	1.8%	16.3%	14.3%	18.3%	13.8%	9.8%
Urban WASH and entrepreneurship	6.9%	15.1%	4.6%	0.5%	-	-
Enterprise for WASH and agriculture	10.0%	4.3%	39.5%	43.0%	54.3%	49.9%
Enterprise for repair and maintenance	-	-	-	-	-	22.3%
TOTAL INCOME	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Key fundraising successes, in the year, included securing additional funds from FCDO's Covid19 Response Fund for community water point repairs in Mchinji and Kasungu and from FCDO's Malawi Fund for community water point repairs in Mangochi. These were combined with additional funds for water point repairs secured from the Vibrant Village Foundation (in addition to the repurposing of existing funds), the Funding Network and the Waterloo Foundation. These fundraising successes were complemented by first time funding from the James Percy Foundation and additional funding from the Charles Hayward Foundation for the launch of a new CBCC programme. We also enjoyed first time funding from Innovate UK, for a research project to improve the design of our household and irrigation pumps, and the results of our most successful Big Give Christmas Challenge ever.

The popularity of our entrepreneurial approach among statutory, charitable, and corporate donors means we have both been able to attract new funding for this work while continuing to enjoy the support of UKAid, the Medicor and Austin Bailey Foundations, Thirsty Planet, Waiakea, Rotork plc and the staff of Aspect Capital among many others, for which we are extremely grateful.

EXPENDITURE

Expenditure on charitable activities in the year was £893,224 (a 30% decrease on the previous year) largely due to the movement restrictions imposed in the UK and Malawi limiting the time we were able to spend with customers/beneficiaries in the field and prohibiting most kinds of local and international travel. This prevented us delivering activities with high levels of external costs, like entrepreneur training and large-scale marketing and promotion events, and led us to focus on activities which we could deliver internally (and, as it happened, more cheaply), like pump monitoring, repair supervision and community hygiene training. This switch was one of the principal drivers of this year's exceptionally high operating surplus.

Pump Aid continues to operate with an extremely small UK central office (just 3.5 FTEs including the Senior Management Team) and we are pleased to note that direct programme expenditure in 2020/21 constituted 90 pence of every pound we spent. This is an astonishing achievement for a charity of our size, particularly when compared to the 75 pence in the pound and less achieved by many of the larger charities in the UK water sector.

RESERVES POLICY

Trustees believe unrestricted reserves are necessary for three reasons:

- To support innovative projects which need a period of testing and development and whose outcome may support future funding bids
- To support the strategic direction of the charity and, where necessary, to underwrite the costs of strategic change
- To cover support costs and unplanned expenditure in periods when these are not covered by grants and donations.

Trustees acknowledge that Covid19 may have an impact on the Charity's income and expenditure in the coming years and they have considered how the Charity might react to that impact and what mitigating actions they might take. They are confident that the Charity has the resources and operational flexibility to cope with whatever impacts can be reasonably expected. Trustees have previously set a minimum unrestricted reserve target of £150,000 and an optimum target of £250,000 or the equivalent of three months direct operating expenses and they believe this remains an adequate level of reserves for the Charity to retain.

CURRENT RESERVES

The free unrestricted reserves figure of £554,557 at March 2021 is more than double Trustees' optimum target and free reserves now stand at their highest level since 2010. While many actions have contributed to this, the two most significant were the restructuring Pump Aid undertook at the start of 2020, which significantly reduced its cost base; and the decision the Board took three years ago to focus on self-supply, which has enabled Pump Aid to secure large amounts of additional funding to help Malawi fight Covid19.

The effect of Covid19 on the aid sector in general and on countries like Malawi in particular is likely to be long lasting and Trustees have given management permission to spend some of this year's exceptional surplus on increasing Malawi's resilience to this and future global events.

ASSET COVER FOR FUNDS

Note 16 sets out an analysis of the assets attributable to the various funds. These assets are sufficient to meet the Charity's obligations on a fund-by-fund basis.

DISCLOSURE OF INFORMATION TO AUDITORS

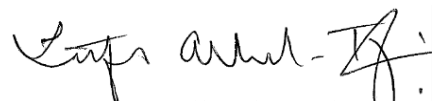
Each of the Directors has confirmed there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed they have taken appropriate steps to identify such relevant information and to establish that the auditors are aware of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

AUDITORS

Audit Consult, a Malawi based independent auditor, was appointed during the prior year to assist with oversight of Malawi operations. They have conducted an audit of the local operations of Pump Aid in Malawi and they will assist with other internal audit assignments in the future.

HW Fisher LLP (the Charity's statutory auditor) have indicated their willingness to continue as auditors to Pump Aid and, in accordance with section 485 of the Companies Act 2006, a resolution proposing they be re-appointed will be put to the Annual General Meeting.

For and on behalf of the board of Trustees



Prof Stefan Allesch-Taylor CBE

Chairman

13th July 2021

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Charity's trustees (who are also the directors of Pump Aid for the purposes of company law) are responsible for preparing a Trustees' Report and Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law requires Trustees to prepare financial statements for each financial period, which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, including the income and expenditure of the Charity for that period.

In preparing these financial statements, Trustees are required to:

- Select suitable accounting policies and 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
- Prepare the Financial Statements on a going concern basis, unless it is inappropriate to presume that the Charity will continue in operation.

Trustees are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time, the financial position of the Charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charity and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

INDEPENDENT AUDITOR'S REPORT

To the Members of Pump Aid

Opinion

We have audited the Financial Statements of Pump Aid (the 'charity') for the year ended 31st March 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the 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 31st March 2021 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 Auditors' responsibilities for the audit of the accounts section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of accounts 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 charity'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 other information comprises the information included in the Trustees' Report, other than the Financial Statements and our auditors' report thereon. The Trustees are responsible for the other information contained within the annual report. 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 course of 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 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 Directors' Report included within the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in 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 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the Financial Statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the Financial Statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities, the Trustees, who are also the directors of the charity for the purpose 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 Charity'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

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 auditors' 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

As part of our planning process:

- We enquired of management the systems and controls the charity has in place, the areas of the Financial Statements that are most susceptible to the risk of irregularities and fraud, and whether there was any known, suspected or alleged fraud. The charity did not inform us of any known, suspected or alleged fraud.
- We obtained an understanding of the legal and regulatory frameworks applicable to the charity. We determined that the following were most relevant: the Charity SORP, FRS 102, Charities Act 2011, Companies Act 2006.
- We considered the incentives and opportunities that exist in the charity, including the extent of management bias, which present a potential for irregularities and fraud to be perpetuated, and tailored our risk assessment accordingly.
- Using our knowledge of the charity, together with the discussions held with the charity at the planning stage, we formed a conclusion on the risk of misstatement due to irregularities including fraud and tailored our procedures according to this risk assessment.

The key procedures we undertook to detect irregularities including fraud during the course of the audit included:

- Identifying and testing journal entries and the overall accounting records, in particular those that were significant and unusual.
- Reviewing the Financial Statements disclosures and determining whether accounting policies have been appropriately applied.
- Assessing the extent of compliance, or lack of, with the relevant laws and regulations.
- Reviewing documentation such as the charity board minutes for discussions of irregularities including fraud.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditors' report.

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. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not

accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

HW Fisher LLP

Sailesh Mehta (Senior Statutory Auditor)

For and behalf of **HW Fisher LLP**
Chartered Accountants
Statutory Auditor
Acre House
11-15 William Road
London, NW1 3ER

Date: 10th August 2021

STATEMENT OF FINANCIAL ACTIVITIES

incorporating an Income and Expenditure Account

for the year ended 31st March 2021

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
INCOME					
Voluntary income					
Grants and donations	2	59,564	-	59,564	79,128
Gifts and services in kind	3	-	-	-	2,800
Charitable activities	4	167,974	968,427	1,136,401	1,287,842
Earned income		69,898	-	69,898	-
Net profit on disposal of assets		224	-	224	-
Bank interest receivable		8	-	8	551
TOTAL INCOME	5	297,668	968,427	1,266,095	1,370,321
EXPENDITURE					
Costs of raising funds					
Costs of generating voluntary income and income from charitable activities		48,972	20,988	69,960	85,734
Charitable activities					
Malawi programme		70,965	822,259	893,224	1,270,260
TOTAL EXPENDITURE	6	119,937	843,247	963,184	1,355,994
Transfers between funds	17	128,794	(128,794)	-	-
Net income/(expenditure) and net movement in funds		306,525	(3,614)	302,911	14,327
Reconciliation of funds					
Total funds brought forward		268,046	44,408	312,454	298,127
TOTAL FUNDS CARRIED FORWARD	18	574,571	40,794	615,365	312,454

All income and expenditure is derived from continuing activities.

PRIOR YEAR'S STATEMENT OF FINANCIAL ACTIVITIES incorporating an Income and Expenditure Account for the year ended 31st March 2020

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2020 £	Total 2019 £
INCOME					
Voluntary income					
Grants and donations	2	64,984	14,144	79,128	210,161
Gifts and services in kind	3	2,800	-	2,800	5,400
Charitable activities	4	309,003	978,839	1,287,842	999,384
Bank interest receivable		551	-	551	873
TOTAL INCOME	5	377,338	992,983	1,370,321	1,215,818
EXPENDITURE					
Costs of raising funds					
Costs of generating voluntary income and income from charitable activities		60,014	25,720	85,734	90,138
Charitable activities					
Malawi programme		184,946	1,085,314	1,270,260	1,106,365
TOTAL EXPENDITURE	6	244,960	1,111,034	1,355,994	1,196,503
Transfers between funds	17	(162,459)	162,459	-	-
Net income/(expenditure) and net movement in funds		(30,081)	44,408	14,327	19,315
Reconciliation of funds					
Total funds brought forward		298,127	-	298,127	278,812
TOTAL FUNDS CARRIED FORWARD	18	268,046	44,408	312,454	298,127

All income and expenditure is derived from continuing activities.

BALANCE SHEET AT 31st March 2021

REGISTERED COMPANY NUMBER: 03661446 (England & Wales)

	Notes	2021 £	2020 £
FIXED ASSETS			
Tangible assets	11	20,014	26,825
		<u>20,014</u>	<u>26,825</u>
CURRENT ASSETS			
Stocks	12	51,435	43,598
Debtors	13	25,862	48,165
Cash at bank and in hand		578,408	218,815
		<u>655,705</u>	<u>310,578</u>
Less: CURRENT LIABILITIES			
Creditors: Amounts falling due within one year	14	(60,354)	(24,949)
NET CURRENT ASSETS		<u>595,351</u>	<u>285,629</u>
NET ASSETS			
Total assets less total liabilities		<u>615,365</u>	<u>312,454</u>
Represented by:			
Restricted funds		40,794	44,408
Unrestricted funds		574,571	268,046
TOTAL FUNDS CARRIED FORWARD	18	<u>615,365</u>	<u>312,454</u>

The notes on pages 22 to 29 form part of these Financial Statements, which have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The Financial Statements were approved for issue by the Trustees on 13th July 2021 and signed on their behalf by:



Prof Stefan Allesch-Taylor CBE
Chairman

CASH FLOW STATEMENT for the year ended 31st March 2021

	2021 £	2020 £
Reconciliation of net movement in funds to net cash flow from operating activities		
Net movement in funds	302,911	14,327
Bank interest	(8)	(551)
Depreciation	15,143	15,028
(Profit) / Loss on the disposal of fixed assets	(224)	4,339
(Increase) in stock	(7,837)	(26,224)
Decrease in debtors	22,303	26,060
Increase / (Decrease) in creditors	35,405	(9,210)
Net cash provided by operating activities	367,693	23,769
Cash flows from investing activities		
Bank interest received	8	551
Proceeds from the disposal of fixed assets	365	-
Payments to acquire fixed assets	(8,473)	(32,994)
Net cash (used in) investing	(8,100)	(32,443)
Change in cash and cash equivalents in the reporting period	359,593	(8,674)
Cash and cash equivalents at the beginning of the year	218,815	227,489
Cash and cash equivalents at the end of the year	578,408	218,815
Cash balances are held in the following locations		
United Kingdom	343,933	77,267
Overseas	234,475	141,548
CASH BALANCES at 31st MARCH 2021	578,408	218,815

Analysis of changes in net debt

The charity had no net debt during the year

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st March 2021

1. ACCOUNTING POLICIES

Legal status of the Charity

Pump Aid is a company limited by guarantee incorporated on 4th November 1998. Its registered office is at 3rd Floor, 86-90 Paul Street, London, EC2A 4NE.

Basis of accounting

The accounts have been prepared in accordance with the company's Memorandum & Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1st January 2019)".

The Company meets the definition of a public benefit entity under FRS 102.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

Pump Aid operates in Malawi as a registered NGO under the name of Pump Aid Malawi. Results of this operation have been consolidated into Pump Aid's financial statements on a line by line basis.

The accounting policies of the Charity have not changed during the period.

Preparation of the financial statements on a going concern basis

As stated on page 7 of the Trustees' Report, Trustees believe there are no material uncertainties that call into doubt the Charity's ability to continue as a going concern and the financial statements have therefore been prepared on the basis that the Charity is a going concern.

In reaching this conclusion, Trustees have considered the effect of Covid19 on the Charity which, to date, has been largely positive. Pump Aid's reputation for flexibility and its ability to deliver whatever the circumstances has led FCDO in the UK and Malawi and a number of UK and US foundations to permit the Charity to repurpose previously given grants towards its community water point repair programmes and/or allocate additional funding towards this vital work. This has enabled the Charity to redeploy staff from activities the pandemic has made impossible onto programmes that are both deliverable and fundable. Because Pump Aid's future income is much less dependent on government funding than some of the larger NGOs, the outlook for 2021/22 is also better for Pump Aid than it is for many others. In fact the Charity has started to receive requests from funders to apply for funds, as its reputation spreads and more funders want to fund the innovative approaches it is pioneering.

The Charity has continued to employ all its staff on a full-time basis and believes it can comfortably continue to underwrite its existing and future programme commitments. The pandemic has given its staff the opportunity to demonstrate their flexibility and willingness to adapt, which has enabled the Charity to adapt its delivery models and, over time, it believes all of its current programmes can be realigned to operate in a post Covid19 world. Pump Aid considers the well-being of its staff an absolute priority and it is a key component of its Covid19 strategy. The way its field teams have adopted new health and safety measures has also contributed to a greater awareness of hygiene and sanitation within the communities with which the Charity works.

While the pandemic has undoubtedly caused some disruption to the Charity's fundraising and delivery, Trustees are confident that Pump Aid can continue as a going concern for a period of at least twelve months from the date of approval of these Financial Statements.

Functional currency

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

Income

Income is recognised when the Charity is entitled to the funds, any requirements attached to the income have been met, it is probable the income will be received and the amount can be measured reliably.

The following specific policies are applied to particular categories of income:

- Grants and donations are included on a receivable basis
- Income from charitable activities (which includes grants and contract income) is included on a receivable basis, except where the donor specifies that the income must be used in a particular year or imposes conditions which have to be fulfilled before the charity becomes entitled to it.
- Gifts of labour are valued at the cost of a comparable commercial service and gifts of materials are valued at the prevailing market rate.
- Investment income comprises income on short term deposits and is included when received.

Expenditure

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all the costs related to a category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of the resources.

Expenditure is recognised once there is an obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure is classified under the following activity headings:

- Costs of generating funds comprise the costs of attracting voluntary income, meeting any donor imposed reporting requirements and the costs of fundraising
- Expenditure on charitable activities includes the direct and indirect costs of activities and services delivered for the Charity's beneficiaries
- Governance costs are those associated with the governance of the Charity, compliance with statutory obligations and costs relating to the Charity's strategic management.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Almost all costs are directly attributable to programmes and are recovered either by direct recharge or by apportionment. Unlike larger charities with substantial UK and overseas offices, Pump Aid has a very small central team which both develops and delivers programmes and, aside from the proportion charged to fundraising and governance, the payroll and occupancy costs of the central team are charged to the programmes they deliver.

Critical accounting judgements and estimation uncertainty

In the application of the charity's accounting policies, trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods. Trustees do not consider there to be any critical accounting estimates of judgements in preparing these financial statements.

Pension costs

In Malawi, the Charity contributes to a defined contribution pension scheme and, in the UK, the Charity contributes to any personal scheme which meets its obligations under auto enrolment. The amounts charged in the financial statements are the employer's contributions payable in the financial year.

Operating leases

Rentals payable under operating leases are charged in the Statement of Financial Activities on a straight-line basis over the life of the lease.

Tangible fixed assets

Fixed assets are stated at cost less depreciation. They are depreciated at rates intended to reduce their cost to their residual value over their estimated useful life (currently 33.3% on a straight-line basis). Any asset costing less than £500 is fully depreciated in the year of acquisition. All assets are inspected regularly for any impairment and any defects fixed to maintain their value and usefulness.

Financial instruments

The Charity only 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 their settlement value. The charity has elected to apply the provisions of Section 11 'Basic

Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Stock

Stocks are stated at lower of cost or net realisable value.

Debtors and prepayments

Trade and other debtors are recognised at the settlement amount after any provision for bad and doubtful debts. Prepayments are valued at the amount prepaid.

Cash at bank and in hand

Cash at bank and cash in hand includes cash and short-term, highly liquid investments with a maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Creditors and provisions

Creditors and provisions are recognised where the Charity has a present obligation that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are recognised at their settlement amount.

Foreign currency translation

Transactions in foreign currencies are translated into sterling at the average rate of exchange pertaining to the relevant accounting period. At each reporting date, monetary assets and liabilities denominated in foreign currencies are retranslated at the rates prevailing at the reporting date. Exchange differences are recognised through the Statement of Financial Activities.

Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the Charity. Generic pump installation, repair or maintenance and CBCC sponsorship is included in unrestricted income because, in sponsoring a pump or a CBCC, a donor is neither buying a pump nor paying for a specific CBCC. Though the Charity may, at some future date, ascribe a specific pump or CBCC to a donor this is solely for the purposes of acknowledging their support and maintaining their interest and in no way conveys ownership or accountability.

Restricted funds are donations which the donor has specified are to be used solely for specific projects or for specific aspects of the Charity's work to be delivered in specific locations.

2. GRANTS AND DONATIONS

	Unrestricted Funds	Restricted Funds	Total 2021	Unrestricted Funds	Restricted Funds	Total 2020
	£	£	£	£	£	£
Roland Fox and Colette Flanagan	16,600	-	16,600	-	-	-
Grants and donations of less than £10,000	55,902	-	55,902	56,740	14,144	70,884
Gift Aid	7,812	-	7,812	8,244	-	8,244
Grants and Donations received in the year	80,314	-	80,314	64,984	14,144	79,128
Grants deferred into the following year	(20,750)	-	(20,750)	-	-	-
Total Grants and Donations	59,564	-	59,564	64,984	14,144	79,128

3. GIFTS AND SERVICES IN KIND

The Charity receives voluntary support both in the UK and overseas. Gifts of labour have been valued at the cost of a comparable commercial service and gifts of materials at the prevailing market rate.

	Total 2021	Total 2020
	£	£
International volunteers and interns		
Labour	-	2,800
Total Gifts and Services in Kind	-	2,800

4. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted Funds	Restricted Funds	Total 2021	Unrestricted Funds	Restricted Funds	Total 2020
	£	£	£	£	£	£
Government grants						
UK Foreign, Commonwealth & Development Office	-	432,731	432,731	-	454,888	454,888
Concern Worldwide	-	69,537	69,537	-	135,085	135,085
Innovate UK	-	35,264	35,264	-	-	-
Other income						
James Percy Charitable Foundation	-	105,702	105,702	-	-	-
Medicor Foundation	-	100,000	100,000	-	100,000	100,000
Vibrant Village Foundation	-	79,314	79,314	-	108,692	108,692
Rotork PLC	-	40,000	40,000	-	24,000	24,000
Waiakea Springs	47,388	-	47,388	52,203	-	52,203
Thirsty Planet	35,183	-	35,183	139,001	-	139,001
The Funding Network	23,268	-	23,268	-	-	-
Waterloo Foundation	-	22,500	22,500	-	20,000	20,000
Charles Hayward Foundation	-	14,700	14,700	-	-	-
Aspect Capital	13,000	-	13,000	60,400	-	60,400
Grants and donations of less than £10,000	56,735	68,679	125,414	57,399	136,174	193,573
Grants and Donations received in the year	175,574	968,427	1,144,001	309,003	978,839	1,287,842
Grants deferred into the following year	(7,600)	-	(7,600)	-	-	-
Total Income from Charitable Activities	167,974	968,427	1,136,401	309,003	978,839	1,287,842

5. TOTAL INCOME ANALYSIS

	Unrestricted Funds	Restricted Funds	Total 2021	Unrestricted Funds	Restricted Funds	Total 2020
	£	£	£	£	£	£
Strategic programme areas						
Community water, hygiene and sanitation	227,770	-	227,770	377,338	60,242	437,580
WASH for vulnerable populations	-	123,902	123,902	-	188,368	188,368
Enterprise for WASH and agriculture	69,898	562,387	632,285	-	744,373	744,373
Enterprise for repair and maintenance	-	282,138	282,138	-	-	-
Total Grants and Donations	297,668	968,427	1,266,095	377,338	992,983	1,370,321

6. EXPENDITURE (including Gifts and Services in Kind)

	Staff costs	Operational costs	Total 2021	Staff costs	Operational costs	Total 2020
	£	£	£	£	£	£
Costs of generating voluntary income	59,645	10,315	69,960	69,330	16,404	85,734
Charitable expenditure						
Malawi programme	393,805	469,109	862,914	547,131	685,066	1,232,197
Governance costs	16,872	13,438	30,310	24,608	13,455	38,063
Total Expenditure	470,322	492,862	963,184	641,069	714,925	1,355,994

Costs of generating voluntary income include staffing, office and publicity costs related to fundraising.

7. STAFF COSTS (excluding Gifts and Services in Kind)

	Total 2021	Total 2020
	£	£
Gross emoluments	392,898	537,712
Employer's social security costs	11,627	16,199
Pension contributions	37,792	51,647
Health insurance for staff in Malawi	28,005	35,511
Total Staff Costs	470,322	641,069

Key management personnel (KMP) of the Charity comprise the Trustees and the Joint Chief Executives. Remuneration of KMP (including employer's social costs) was £152,507 (2020: £155,422). One employee earned between £60,000 and £70,000 in the year (2020: one) and one employee earned between £70,000 and £80,000 in the year (2020: none).

All staff salaries are benchmarked against similar roles in similar sized organisations. The salaries of KMP are set by the Board with reference to market data for each individual role.

In Malawi, the Charity operates a defined contribution pension scheme, whose assets are held in an independently administered fund and in the UK it makes contributions to any personal pension scheme which meets its obligations under auto enrolment. Contributions payable by the Charity in the year amounted to £22,717 (2020: £35,544), these included contributions of £5,725 (2020: £7,000) payable by the Charity on behalf of higher paid staff.

	Total 2021	Total 2020
Average number of staff excluding trustees		
Based in Africa	23.5	26.5
Based in the United Kingdom	3.5	4.7
Total Staff	27.0	31.2

8. GOVERNANCE COSTS

	Total 2021 £	Total 2020 £
Governance costs comprise		
Staff costs	16,872	24,608
Statutory auditor's remuneration	8,250	8,000
Local auditor's remuneration	2,657	1,764
Premises, office costs and travel	2,531	3,691
Total Governance Costs	30,310	38,063

Governance costs comprise the costs of external audits, the costs of trustees' meetings, the costs of statutory compliance and other costs incurred in the strategic oversight of the Charity.

9. TRUSTEES' EMOLUMENTS AND REIMBURSED EXPENSES

No payments were made to any of the Charity's Trustees in respect of their role as trustees during the financial year (2020: £nil) and no Trustees were reimbursed expenses (2020: £nil).

One trustee (Dave Waller) who has previously worked for a major NGO in Malawi has been engaged to support the development of the Charity's enterprise activities. Dave Waller was paid through the Charity's UK payroll system and his total salary, NI and pension costs aggregated to £3,592. His employment complied with all aspects of UK charity regulation and he was excluded from any meetings at which his contract was discussed.

10. CORPORATION TAX

As a charity, Pump Aid is exempt from UK tax on income and gains to the extent that these are applied to its charitable objects. No UK tax charges have arisen during the year or in the previous year.

11. FIXED ASSETS

	Land £	Fixtures and Equipment £	Motor Vehicles £	Total 2021 £
Cost or valuation at 1 st April 2020	1,232	32,038	147,625	180,895
Additions during period	-	3,205	5,268	8,473
Disposals during period	-	(20,227)	(10,298)	(30,525)
Cost or valuation at 31st March 2021	1,232	15,016	142,595	158,843
Accumulated depreciation at 1 st April 2020	-	26,283	127,787	154,070
Charge for the year	-	3,877	11,266	15,143
Depreciation on disposals	-	(20,086)	(10,298)	(30,384)
Accumulated depreciation at 31st March 2021	-	10,074	128,755	138,829
Net book value at 31st March 2021	1,232	4,942	13,840	20,014
Net book value at 1st April 2020	1,232	5,755	19,838	26,825

12. STOCKS

	Total 2021 £	Total 2020 £
Stocks represent fuel and materials used for building pumps		
Pump building materials	49,084	36,930
Tools	21	27
Fuel	609	4,565
Well digging materials	1,721	2,076
Total Stocks	51,435	43,598

13. DEBTORS

	Total 2021 £	Total 2020 £
Trade debtors	9,343	38,948
Less: provision for doubtful debts	-	(18,202)
Staff debtors	6,893	9,448
Other debtors	8,116	1,799
Prepayments	1,510	7,393
Accrued income	-	8,779
Total Debtors	25,862	48,165

Accrued income relates to funding for expenditure incurred in the year for which funding was received after it.

14. CREDITORS (amounts falling due within one year)

	Total 2021 £	Total 2020 £
Trade creditors	9,415	4,170
Taxes and social security costs	1,525	4,238
Provision for redundancy and restructuring	9,889	7,254
Audit fees	11,175	9,287
Deferred income	28,350	-
Total Creditors	60,354	24,949

15. MOVEMENT IN DEFERRED INCOME

	Total 2021 £	Total 2020 £
Deferred income at 1 st April 2020		
Amounts released from previous years	-	-
Incoming resources deferred in the year	28,350	-
Deferred income at 31st March 2021	28,350	-

16. MOVEMENT IN FUNDS

2021	Balance at 1 st April 2020 £	Income £	Transfers between programmes £	Expenditure £	Balance at 31 st March 2021 £
PROGRAMME CATEGORY					
Community water, hygiene and sanitation					
Unrestricted funds	268,046	227,770	128,794	(50,039)	574,571
WASH for vulnerable populations					
Restricted funds	-	123,902	-	(83,108)	40,794
Enterprise for WASH and agriculture					
Restricted FCDO/UKAID funds	-	215,218	-	(215,218)	-
Other restricted funds	44,408	347,169	(128,794)	(262,783)	-
Unrestricted funds	-	69,898	-	(69,898)	-
Enterprise for repair and maintenance					
Restricted FCDO/UKAID funds	-	217,514	-	(217,514)	-
Other restricted funds	-	64,624	-	(64,624)	-
Total Movement in Funds	312,454	1,266,095	-	(963,184)	615,365
FUND CATEGORY					
Unrestricted funds	268,046	267,668	128,794	(119,937)	574,571
Restricted funds	44,408	968,427	(128,794)	(843,247)	40,794
Total Movement in Funds	312,454	1,266,095	-	(963,184)	615,365
2020	Balance at 1st April 2019 £	Income £	Transfers between programmes £	Expenditure £	Balance at 31st March 2020 £
PROGRAMME CATEGORY					
Community water, hygiene and sanitation					
Restricted FCDO/UKAID funds	-	60,243		(60,243)	-
Other unrestricted funds	298,127	377,338	(162,459)	(244,960)	268,046
WASH for vulnerable populations					
Restricted FCDO/UKAID funds	-	50,894		(50,894)	-
Other restricted funds	-	137,474		(137,474)	-
Enterprise for WASH and agriculture					
Restricted FCDO/UKAID funds	-	343,751		(343,751)	-
Other restricted funds	-	400,621	162,459	(518,672)	44,408
Total Movement in Funds	298,127	1,370,321	-	(1,355,994)	312,454
FUND CATEGORY					
Unrestricted funds	298,127	377,338	(162,459)	(244,960)	268,046
Restricted funds	-	992,983	162,459	(1,111,034)	44,408
Total Movement in Funds	298,127	1,370,321	-	(1,355,994)	312,454

17. TRANSFERS BETWEEN FUNDS / PROGRAMMES

Most of the Charity's restricted funds are received in respect of its enterprise and rural nursery (CBCC) programmes, which are often the subject of multi-year grant agreements that specify the dates on which grant instalments will be paid. For operational reasons, grant-funded activities are

sometimes delivered earlier than the grant agreements presumed and, when this happens, funds are transferred from unrestricted reserves in the year in which the activity takes place and returned to unrestricted reserves in the year in which the related grants are received.

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds	Restricted Funds	Total 2021	Unrestricted Funds	Restricted Funds	Total 2020
	£	£	£	£	£	£
Fund balances at 31 st March represented by:						
Tangible fixed assets	20,014	-	20,014	26,825	-	26,825
Current assets	614,911	40,794	655,705	266,170	44,408	310,578
Current liabilities	(60,354)	-	(60,354)	(24,949)	-	(24,949)
Fund balances at 31st March	574,571	40,794	615,365	268,046	44,408	312,454

19. COMMITMENTS UNDER OPERATING LEASES

	Total 2021	Total 2020
	£	£
The Charity has vacated its London office		
It has no other lease or contract commitments.		
Within one year	-	459
Between two and five years	-	-
Total Commitments	-	459

20. RELATED PARTY TRANSACTIONS

The Charity's Chairman has made an irrevocable commitment to the Charity's bankers to personally guarantee the Charity's overdraft facility of £125,000 (2020: £125,000). The Chairman receives no personal benefit from this arrangement and there are no other related party transactions, other than that disclosed in note 9.

21. SUBSIDIARY COMPANIES

The Charity has a wholly owned UK registered subsidiary, Beyond Water Limited (Company Number: 7387428), with an issued share capital of one share held by the Charity and Beyond Water Limited has a wholly owned Malawi registered subsidiary, Beyond Water Malawi (Company Number: 01756706), with an issued share capital of one share held by Beyond Water Limited. Both subsidiaries were dormant during 2020/21 and began trading during 2021/22.

GLOSSARY OF TERMS AND ABBREVIATIONS

CBCCs	Community Based Childcare Centres (rural nurseries for the under-5s)
CLTS	Community Led Total Sanitation
CMWP	Community Managed Water Point
DFID	The UK Department for International Development
FCDO	The UK Foreign, Commonwealth & Development Office (formed by the merger of DFID and the Foreign and Commonwealth Office)
ENTREPRENEUR	A self-employed artisan or trader
JMP	Joint Monitoring programme of the WHO and UNICEF
MVAC	Malawi Vulnerability Assessment Committee
NGOs	Non-Governmental Organisations
SDGs	The United Nations' Sustainable Development Goals
SELF-SUPPLY	The delivery of incremental improvements to water for consumption and irrigation, financed by the users themselves See http://www.pumpaid.org/our-work/programmes/water
UKAID	Funds received from DFID or FCDO
UNICEF	The United Nations International Children's Emergency Fund
WASH	The collective term for Water, Sanitation and Hygiene interventions
WHO	World Health Organisation