



2024 Annual Report
and
Financial Statements

Hand in Hand International
Charity No: 1113868
For the year ended 31 March 2024

Status	The organisation is a charity registered by trust deed in England on 18 th February 2006.
Charity Number	1113868
Registered office and operational address	5 th Floor, Caparo House, 101 – 103 Baker Street London W1U 6LN
Trustees	Bruce Grant (Chairman) John Barrett Madhvi Chanrai (resigned June 2023) Carsten Jorgenson Lars Josefsson Paola Ugglä Stephanie Whittier Iris Epple-Righi (appointed October 2023)
Senior officers	Dorothea Arndt – Chief Executive Officer Amalia Johnsson – Deputy Chief Executive Officer Stephanie Nicholson – Director of Finance Jen Glyn – Head of Communications and Marketing Anna Davies – Head of Philanthropy and Corporate Partnerships (appointed November 2023) Charlotte Strawa – Interim Head of Philanthropy (until November 2023)
Auditors	Buzzacott LLP Chartered Accountants Registered Auditors 130 Wood Street London EC2V 6DL

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The Trustees present their report and the audited financial statements for the year ended 31 March 2024.

The financial statements have been prepared in accordance with the accounting policies set out therein and comply with the charity's governing document, applicable laws 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 United Kingdom and the Republic of Ireland (FRS102).

Objectives and Activities

Vision

Our vision is a world where every woman has the power and the means to raise herself and her family out of poverty.

Mission

Our mission is to change lives by empowering women to beat the odds and succeed as entrepreneurs.

What we do

Women face barriers that men don't.

Right now, in communities across the developing world, roughly 400 million women and girls live below the poverty line of US \$2.15 a day, trapped by restrictive norms and attitudes that keep them from earning their own incomes, controlling their own assets, and making decisions for themselves.

To beat poverty for good, women must have an equal chance to earn and control their own incomes. Supporting women to run their own enterprises means more children in school, and more families with access to healthcare.

Through our unique, proven model, we support women to set up and run their own businesses on their own terms – lifting their families above the poverty line.

- First, we set up self-help groups where women support each other, save together, and learn together,
- Then we provide programme members with business and skills training.
- We make sure our members can access the loans and the tools they need to get started.
- Finally, we help women scale up their businesses, reaching bigger markets and stronger supply chains.

We also engage with whole communities to challenge restrictive norms and attitudes that hold women entrepreneurs back.

The Hand in Hand network spans regional operations in India, Afghanistan, Kenya, Tanzania and Zimbabwe. Three more offices in Sweden, the US and the UK provide programmes and governance support and fundraising.

How we measure success

Measurement is crucial because it allows us to assess the impact of our programmes, making data-driven decisions to improve their effectiveness – helping us achieve our mission of helping women entrepreneurs lift themselves and their families out of poverty.

Our Monitoring, Evaluation and Learning (MEL) team works closely with in-country colleagues across Hand in Hand's global network to collect accurate data from our project members

through routine project monitoring and periodic project evaluations. These valuable insights enable us to refine and improve our projects throughout their lifecycle.

We measure four key metrics:



Income uplift

Entrepreneurs increase revenue to make more money from their businesses. Current average income uplift is 115%.



Business survival rate

93% of enterprises that were set up during business training are still operational one year on from the end of their training in Hand in Hand project.



Financial resilience

53% of entrepreneurs can raise emergency funds, such as to pay an unexpected medical bill, with little or no difficulty.*



Women's decision-making power

82% of women can have their say about the things that matter to them, such as household purchases, healthcare and being able to leave the home to visit family and friends by the end of our projects.**

This data is drawn from seven projects that concluded in 2023-24, reaching over 33,200 participants.

*Known as financial resilience, or the ability to withstand a financial shock without having to borrow money or sell an asset. This compares to an average of 31.5% of people across Kenya and Tanzania who *would be able to withstand a financial shock without having to borrow money or sell an asset* (Source: World Bank). Four of the eight projects ending this year measured financial resilience.

**Compared to an average 40.3% of women in Kenya, Tanzania and Afghanistan who reported that they were able to participate in decisions that affect them, such as household purchases, family visits and healthcare. (Source: World Bank)

We also measure outputs and outcomes such as training graduation rates, adoption of target business practices such as record keeping, number of enterprises and jobs created, savings habits, access to credit, and market linkages.

To understand the broader impacts of our projects, we ask about changes to our members' quality of life as a result of participating in a Hand in Hand project, including improvements in housing, healthcare, nutrition, and children's education.

We ensure accountability to our members by asking about their satisfaction with the project and, following the principle of "do no harm", we check to see if they've experienced any negative effects from their participation. Lastly, for accountability to our donors, we track key metrics such as cost-per-member and project return-on-investment.

Significant activities

Hand in Hand International's significant activities as displayed on the Statement of Financial Activities are:

1. Raising funds
2. Supporting people in Afghanistan
3. Supporting people in Kenya
4. Supporting people in Tanzania

Supporting projects in Hand in Hand's operating countries involves providing technical assistance in strategy, governance, programme development and implementation, monitoring and evaluation, safeguarding, communications and marketing.

Achievements and Performance

Network-wide, Hand in Hand created and enhanced 2,457,011 jobs in 2023/24 (2022/23: 637,453). In April 2023, Hand in Hand India completed a study reviewing the previous 8 years of projects. As a result of this study, HiH India has changed their methodology for counting jobs created, and continue to add around 200,000 jobs per month. This has led to the high uptick in job creation in 2023/24.

Here in the UK, at Hand in Hand International, we set ourselves the following goals in last year's Trustees' Report:

Fundraising

Raise \$15.98M in-year, for FY23/24 and future years

We set out to secure \$15.98M total income, comprising funds banked in the financial year to 31 March 2024 and new multi-year grant income to be banked in future years. During the financial year we received \$9.39M (£7.44M) and secured an additional \$8.25M (£6.54M) in multi-year grant funding for future years, bringing the combined funds raised in the year to \$17.63M against our target of \$15.98M (110%).

Due to the international nature of our supporters, we record our fundraising activities in USD. However, the Financial Review on page 11 and the financial statements and notes to the financial statements are all presented in GBP.

Start raising funds for a fifth country

We decided to proceed with expansion into Uganda and conducted desk research into potential NGO partners operating in the country. A pilot project has been scoped and designed. Registration and trademarks are also being initiated locally.

Programmes

Increase bargaining power for women

We secured three multi-year lighthouse projects reaching 33,900 members collectively to cement the role of women as entrepreneurs in their community.

Accelerating past the poverty line

The financial year saw the completion of our Eco-farming 2.0 project, which saw median monthly incomes increase by KES 5,861.

Our flagship rural acceleration project encountered significant challenges at the start of the financial year linked to access to credit for the programme participants. Collaboration with East Africa's largest bank has significantly increased access to formal finance in Kenya, though there remains scope for further improvement, particularly in Tanzania.

The first 1,000 members of our urban accelerator have completed their coaching curriculum. The endline evaluation in August 2024 will reveal critical insights into the programme's impact on their businesses' profit and resilience.

Cultivating Regenerative Agriculture so farmers can thrive

We developed a lighthouse project concept to implement our new regenerative agriculture curriculum at scale and leverage regenerative demonstration farms in Kenya. We secured \$150K for further regenerative agriculture projects and as at the end of the financial year, there were pending proposals worth \$7.7M for scale-ups.

Best in class data

Design of an international data dashboard commenced in March 2024 with completion targeted in Q2 2024. Funding was secured from a new donor to cover 70% of the development costs. The data dashboard will reflect quarterly data for a consistent set of 10 indicators per project across all current and recent projects supported by Hand in Hand International.

Sector-beating team

At the end of the year to March 2024, we achieved our target of having a 23-strong team in place, with further recruitment taking place in the first quarter of FY2024/25. A planned office refurbishment has not taken place due to the growth in the team we are currently exploring options to move to a larger space.

Plans for Future Periods

Hand in Hand International's priorities for the coming financial year, set during our annual strategic review, are:

Fundraising

Raise \$20.2M in-year, for FY24/25 and future years

We will secure \$20.2M total income, comprising funds banked in the financial year to 31 March 2025 and new multi-year grant income to be banked in future years.

We will also deliver a step-by-step engagement strategy, including a two-page proposal, for each of our identified 6 key target funders.

Due to the international nature of our supporters, we record our fundraising activities in USD. However, the Financial Review on page 11 and the financial statements and notes to the financial statements are all presented in GBP.

Start raising funds for a fifth country

We will sign contracts for one project in Uganda and one in Zimbabwe.

Programmes

Increase bargaining power for women

All Breaking Barriers projects working with and for 33,900 individuals will meet or exceed their project goals for 24/25.

Accelerating past the poverty line

We will develop an evidence-based implementation model for Scaling Up for Success projects by September - to submit proposals from October.

We will complete a mapping of current entrepreneurs and the value chains they are connected to.

Cultivating Regenerative Agriculture so farmers can thrive

We will secure \$7M for projects training small-holder entrepreneurs in regenerative farming.

Best in class data

Demonstrating our commitment to transparency and accountability, we will publish our 'Magic 4' outcome data and summarised evaluations for every project (from 2021) on our website

Sector-beating team

We will have a team of 27 (headcount) in place, with 1/3 applicants from under-represented groups, and 80% of whom recommend us as employers.

Structure and Governance

Governing Document

The charity was registered by trust deed on 18 February 2006 and registered as a charity on that date.

Recruitment and Appointment of Trustees

As set out in the Trust Deed, the Board of Trustees nominates the Chair of the Trustees. The Board has powers to appoint additional Trustees as it considers in-line with skills required.

Induction and Training of New Trustees

New Trustees are considered on the basis of any gaps in the skills of the board. They are invited to meet the existing Trustees and senior members of staff and familiarise themselves with the work of Hand in Hand International. Further training is provided on an on-going basis in line with the identified needs of Trustees. Trustees sign a conflict of interest declaration each year and declare any conflicts of interest to the agenda at the start of each Board Meeting. Trustees receive safeguarding training and sign the safeguarding code of conduct.

Public Benefit statement

The Trustees confirm they have complied with Section 17 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit, "Charities and Public Benefit".

Serious Incidents

There were no serious incidents reported to the Charity Commission in FY23/24.

Risk Management

The Trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error. The Trustees have assessed the major risks to which the charity is exposed, relating to operational areas of the charity, its investments, and its finances.

A written risk register is in place and reviewed at every Board meeting, outlining key risks the Charity faces and mitigating controls. The Trustees believe that by monitoring reserve levels, ensuring strong financial controls, and examining regularly the operational and business risks faced by the charity, they have established effective systems to mitigate those risks.

Going Concern

The trustees have assessed the use of going concern and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern.

The trustees have made this assessment for a period of at least one year from the date of the approval of these financial statements. The cash flow to 31 March 2025 indicates that the charity will continue to be able to meet its financial commitments through the year and for a period of at least one year from the date of approval of these financial statements.

Remuneration of Staff

The governing principles of the Charity's remuneration policy are as follows:

- To ensure delivery of the Charity's objectives
- To attract and retain a motivated workforce with the skills and expertise necessary for organisational effectiveness
- That remuneration should be equitable and coherent across the organisation
- To take account of the purposes, aims and values of the Charity
- To ensure that pay levels and pay increases are appropriate in the contexts of the interest of our beneficiaries.

In relation to deciding remuneration of the charity's senior executives, the charity considers the potential impact of remuneration levels and structures of senior executives on the wider Charity workforce. The Charity takes into account the following additional principles:

- To ensure that the Charity can access the types of skills, experiences, and competencies that it needs in its senior staff.
- The nature of the wider employment offer made to senior employment, where pay is part of a package that includes personal development, personal fulfilment and association with the public benefit delivered.

Salaries for existing and new roles are benchmarked on an annual basis against multiple sector salary reports, to ensure that they are within acceptable ranges for the not-for-profit sector.

Investment Policy

Hand in Hand International receives income for ongoing projects over a three- to five-year time period and budgets to spend all anticipated income, except for retaining a prudent amount in reserves. It has no permanent endowment and provides for capital expenditure within its budget. Consequently, the Trustees do not consider it prudent to invest income for the longer term. Its policy is to retain funds as cash and place them on bank deposit at the best rates available.

Fundraising

We do not actively solicit funds via telephone, email, mail, or through third party fundraising organisations. Through general asks via our newsletter and social media, we offer the option for individuals to donate online via the Hand in Hand International website. There are a number of invite-only fundraising events held throughout the year at which individual donations are made.

We are committed to the highest standards of accountability and follow the Charity Commission's and the Institute of Fundraising's guidance on best practice in fundraising.

During the year there were no complaints about fundraising.

Sustainability

In recognition of the extensive consequences of climate change, our plans for the future period include a particular emphasis on regenerative agriculture in our programmes and increasing the energy efficiency of our London office. We will consider when international travel is necessary and limit this when possible, to minimise our carbon footprint.

Commitment to Diversity and Inclusion

Hand in Hand International has a Diversity and Inclusion working group that oversees initiatives to improve the Charity's inclusiveness. Areas of focus include staff training, recruitment processes, and workplace policies. The working group has implemented changes to recruitment processes, resulting in over a third of new staff and volunteers being recruited from groups that are historically underrepresented in the charity sector. Diversity and inclusion training for all staff was undertaken in March 2022 and in July 2023.

Safeguarding

Our detailed approach to safeguarding is set out in our Safeguarding Policy and Safeguarding Code of Conduct. The Charity is committed to:

- Upholding the integrity and reputation of Hand in Hand International by ensuring that professional and personal conduct is consistent with the Charity's values and standards.
- Ensuring the safety, health, and welfare of all Hand in Hand project participants, through their interaction with our organisation, as well as all Hand in Hand Staff and associated personnel (volunteers, partners, suppliers and contractors).

In accordance with the Charity's Safeguarding Code of Conduct and Whistleblowing Policy, all staff are obligated to bring to the attention of the relevant manager any potential incident,

abuse, or concern that they witness, suspect, or of which they are made aware, which appears to breach the standards of the Safeguarding Code of Conduct.

The Charity has two Safeguarding Focal Points on its board and two staff Safeguarding Leads. Hand in Hand International carries out basic Disclosure and Barring Service (DBS) checks on all employees and is a member of the Misconduct Disclosure Scheme, which aims to prevent perpetrators of sexual misconduct from moving between organisations undetected.

The staff Safeguarding Leads undertook a comprehensive safeguarding training course with Bond (the international development network) in April 2022. All new joiners complete an online safeguarding training course as part of their induction and a full team safeguarding training course was held in June 2024.

Reference and Administrative

Trustees

The Trustees in office during the year were:

Mr. Bruce Grant
Mr. John Barrett
Dr. Madhvi Chanrai (resigned June 2023)
Mr. Carsten Jorgensen
Mr. Lars G Josefsson
Mrs. Paola Ugglä
Ms. Iris Epplé-Righi (appointed November 2023)
Ms. Stephanie Whittier

Financial Review

Total income for the year was £7,439,550. This was an increase of £1,185,480 (19%) on the previous year. Additional fundraising and programmes staff were hired during the year and a number of funding applications that were pending at the end of the previous financial year were secured at the start of this year.

Donations from corporate foundations represented 50% of income during the financial year. The second highest income source in the year was governments and institutions (19%), followed by trusts and foundations (16%). This constitutes a good balance of funding from a range of income streams, with remaining income secured from events (9%), corporate partnerships (3%), and individual giving (3%).

Unrestricted income decreased by £120,069 (12%) compared to the previous financial year. The proportion of unrestricted income compared to total income received in the year was 11%, which is in line with the average for the previous three years.

Expenditure supporting projects decreased in Afghanistan by £326,080 (24%), in Kenya by £1,329,025 (30%), and in Tanzania by £218,121 (13%). This is following a higher level of restricted spend in our countries of operation in the financial year 2022/23 which included a balance of funds brought forward at the end of FY2021/22 (resulting from pandemic-connected delays).

Expenditure on raising funds in the financial year to 31 March 2024 was £504,349 (2023: £425,459). This increase of 19% is in line with Hand in Hand International's strategic aim to increase fundraising capacity and is in line with the increase in income during the year. The financial year resulted in a surplus of £1,202,657 (2023: planned deficit £1,416,346).

Reserves Policy

Total funds at 31 March 2024 are £6,342,714 (2023: £5,140,059). This is an overall increase of £1,202,655 on the prior year. The increase relates to an increase in new restricted grants secured in the year.

Unrestricted free reserves are £1,001,721 at 31 March 2024 (2023: £1,131,321). The reserves policy is to hold six months' core expenditure which is equal to £965,000 based on the budget for FY24/25. Unrestricted free reserves are equal to just over six months of core expenditure and therefore the required balance is held at the year end. The surplus will be spent on UK expenditure or used to support our network partners.

£290,138 has been transferred out of the designated fund for the EIF and strategic plan, being the reduction of the EIF loan debtor balance, through repayments to Hand in Hand International from its network partner Hand in Hand Eastern Africa, and funds spent on increasing headcount in line with our strategic plan. The balance on 31 March 2024 is £614,616 (2023: £904,754), and this will continue to be spent over the remainder of the current strategic plan period to March 2026.

A new designated fund was created in March 2023 for match funding future projects. This fund will enable Hand in Hand to unlock significant new funding partnerships requiring match funding in coming years, based on previous success using this approach. £429,898 has been added to this designated fund in the financial year 2023/24, being an allocation of funds raised through events during the year. The fund balance on 31 March 2024 is £1,238,363 (2023: £808,465).

The movements in restricted, unrestricted and designated funds is shown in Note 14 to the accounts.

Trustees' Responsibilities in relation to the Financial Statements

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Charity law requires trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charity and of its income and expenditure for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards, including FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- state whether a Statement of Recommended Practice (SORP) applies and has been followed, subject to any material departures which are explained in the financial statements;

- prepare the financial statements on the going concern basis, unless it is deemed inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that 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 Charities Act 2011. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.


The 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.

In so far as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditors are unaware; and
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Day to day management of the charity is delegated to Dorothea Arndt, CEO, and the senior management team.

Approved by the Trustees and signed on their behalf by:


Bruce Grant

Chairman of Hand in Hand International

Date: Sept 27, 2024

Independent auditor's report to the trustees of Hand in Hand International

Opinion

We have audited the accounts of Hand in Hand International (the 'charity') for the year ended 31 March 2024 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, principal accounting policies, and the notes to the accounts. 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 accounts:

- give a true and fair view of the state of the charity's affairs as at 31 March 2024 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the 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 accounts section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the 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 accounts, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the accounts 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 accounts 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 trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the accounts and our auditor's report thereon. Our opinion on the accounts does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the

accounts 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 accounts 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 Act 2011 requires us to report to you if, in our opinion:

- the information given in the trustees' annual report is inconsistent in any material respect with the accounts; or
- sufficient accounting records have not been kept; or
- the accounts are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the accounts 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 accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, 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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the accounts

Our objectives are to obtain reasonable assurance about whether the accounts 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 accounts.

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:

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 identified the laws and regulations applicable to the charity through discussions with management, and from our knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the Charity, including data protection legislation, anti-bribery, safeguarding, employment, health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- 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 assessed the susceptibility of the Charity'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 in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions; and
- assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policies were indicative of potential bias. In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:
 - agreeing financial statement disclosures to underlying supporting documentation;
 - reading the minutes of organisation meetings;
 - enquiring of management as to actual and potential litigation and claims; and
 - reviewing any available correspondence with HMRC (where relevant) and the Charity's legal advisors (although none was noted as being received by the Charity).

As a result of our procedures we did not identify any key audit matters relating to irregularities.

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.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the accounts is located 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 charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and with regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

A handwritten signature in dark ink that reads "Buzzacott LLP". The script is cursive and fluid, with the letters "B", "L", and "P" being particularly prominent.

Date: 01 October 2024

Buzzacott LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Statement of Financial Activities for the year ended 31 March 2024

		Restricted £	Unrestricted £	Total 2024	Restricted £	Unrestricted £	Total 2023
	Note						
Income from:							
Donations and Grants	2	6,592,143	831,524	7,423,667	5,286,594	964,660	6,251,254
Interest		-	15,883	15,883	-	2,816	2,816
Total Income		6,592,143	847,407	7,439,550	5,286,594	967,476	6,254,070
Expenditure on:							
Raising funds			504,349	504,349	-	425,459	425,459
Charitable expenditure							
Supporting people in Afghanistan		992,371	56,490	1,048,861	1,322,826	52,115	1,374,941
Supporting people in Kenya		2,935,044	121,210	3,056,254	4,251,397	133,882	4,385,279
Supporting people in Tanzania		1,432,725	47,754	1,480,479	1,658,213	40,387	1,698,600
Total Expenditure	3	5,360,140	729,803	6,089,943	7,232,436	651,843	7,884,279
Net income/(expenditure) before foreign exchange (losses)/gains		1,232,003	117,604	1,349,607	(1,945,842)	315,633	(1,630,209)
Foreign exchange (losses)/gains		-	(146,952)	(146,952)	-	213,863	213,863
Net income/(expenditure) for the year		1,232,003	(29,348)	1,202,655	(1,945,842)	529,496	(1,416,346)
Transfers between funds		(45,181)	45,181	-	(323,451)	323,451	-
Funds brought forward		2,271,967	2,868,092	5,140,059	4,541,260	2,015,145	6,556,405
Funds carried forward	14	3,458,789	2,883,925	6,342,714	2,271,967	2,868,092	5,140,059

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. The notes on pages 21 to 32 form part of these accounts.

Balance Sheet as at 31 March 2024

	Note	2024 £	2023 £
Fixed Assets			
Tangible Assets	7	29,225	23,552
Long term debtors	8	-	197,451
Current Assets			
Debtors	9	2,178,593	1,694,622
Cash at bank		4,478,440	3,743,483
		6,657,033	5,438,105
Creditors: Amounts due in one year	10	343,544	519,049
Net current assets		6,313,489	5,116,507
Net assets	11	6,342,714	5,140,059
Funds			
Restricted funds		3,458,789	2,271,967
Designated fund		1,852,979	1,713,219
Unrestricted funds		1,030,946	1,154,873
Total funds	14	6,342,714	5,140,059

The notes on pages 21 to 32 form part of these accounts.

Authorised for issue and approved by the Trustees on


Bruce Grant

Chairman

Sept 27, 2024

Charity Number: 1113868

Cash Flow Statement for the year ended 31 March 2024

	2024 £	2023 £
Cash flows from operating activities		
Net income/(expenditure) for the year	1,202,655	(1,416,346)
Adjustments for:		
Interest received	(15,883)	(2,816)
Depreciation of fixed assets	10,056	9,618
(Increase)/decrease in debtors	(286,520)	(13,214)
(Decrease)/increase in creditors	(175,505)	221,291
Net cash provided by/(used in) operating activities	734,803	(1,201,467)
Purchase of tangible fixed assets	(15,730)	(3,317)
Interest received	15,883	2,816
Net cash from investing activities	153	(501)
Change in cash and cash equivalents in the year	734,957	(1,201,968)
Cash and cash equivalents at beginning of year	3,743,483	4,945,451
Cash and cash equivalents at end of the year	4,478,440	3,743,483

No separate reconciliation of net debt has been prepared as there is no difference between the net cash (debt) of the Charity and the cash and cash equivalents.

Notes to the Financial Statements for the year ended 31 March 2024

1. Accounting policies

a) The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The charity is a public benefit entity for the purposes of FRS 102 and therefore has also prepared its financial statements in accordance with the 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 (The FRS 102 Charities SORP) and Charities Act 2011. The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest pound.

Going concern

The trustees have assessed whether the use of going concern is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of the approval of these financial statements. In particular, the trustees have considered the charity's forecasts and projections and have taken account of pressures on income streams. After making enquiries, the trustees have concluded that there is a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The Charity therefore continues to adopt the going concern basis in preparing its financial statements.

b) All income is recognised when there is entitlement to the funds, the receipt is probable and the amount can be measured reliably. Donations and grants are recognised in the Statement of Financial Activities when receivable. Where income is received in advance of meeting any performance-related conditions there is not unconditional entitlement to the income and its recognition is deferred and included in creditors as deferred income until the performance-related conditions are met.

c) Gifts in Kind are included as donated income at market value at the time of receipt.

d) Expenditure is included in the Statement of Financial Activities on an accruals basis, inclusive of any VAT which cannot be recovered. Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All costs are directly attributable to specific activities. Total expenditure has been allocated to either Direct Programmes, Fundraising or Support costs. UK expenditure on programmes has been included in restricted spend under Direct Programmes. Fundraising costs are included as Direct spend rather than Support Costs as fundraising is a core activity.

Support costs are split out between building costs, office costs, audit fees, legal and professional fees, trustees' expenses, staff and consultancy costs, travel costs, and fundraising costs. The methodology of allocating support costs to network partner countries is based on direct spend on charitable activities.

e) Depreciation is provided at rates to write off the cost of each asset by equal annual instalments over their expected useful lives as follows.

Office equipment	4 years
Leasehold improvements	10 years

Assets costing more than £500 are capitalised.

f) Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund. All restricted programme income to be spent in the UK has been recognised as restricted income, where previously this was recognised as unrestricted income in line with the treatment of expenditure.

g) Unrestricted funds are donations and other income receivable are generated for the objects of the charity.

h) Designated funds are also unrestricted funds but have been designated by the trustees for a particular purpose. The EIF and Strategic Plan Designated Fund is made up of the EIF (Enterprise Incubation Fund) loan debtor value and an amount for the increase in headcount as set out in the strategic plan. The Match Funding Designated Fund was created in the financial year to 31 March 2023 to support future co-funding opportunities.

i) Rental payments under operating leases are charged as expenditure as incurred over the term of the lease.

j) The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost charge represents contributions payable under the scheme by the charity to the fund. The charity has no liability under the scheme other than for the payment of those contributions.

k) Monetary assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the net incoming resources for the year.

Critical accounting estimates and areas of judgement

l) In the view of the trustees in applying the accounting policies adopted, no judgements were required that have a significant effect on the amounts recognised in the financial statements nor do any estimates or assumptions made carry a significant risk of material adjustment in the next financial year.

Other financial instruments

m) Cash and cash equivalents include cash at banks and short- term deposits with a maturity of three months or less.

n) Debtors and creditors receivable or payable within one year of the reporting date are carried at their transaction price. Debtors and creditors that are receivable or payable in more than one year and not subject to a market rate of interest are measured at the present value of the expected future receipts or payment discounted at a market rate of interest.

2. Donations and Grants

	Restricted £	Unrestricted £	2024 Total £
Corporate Foundations	3,717,792	-	3,717,792
Corporate Donors	190,198	633,472	823,670
Individual Donations	64,329	138,169	202,498
Governments & Institutions	1,416,626	-	1,416,626
Trusts & Foundations	1,203,198	-	1,203,198
Events	-	59,883	59,883
	6,592,143	831,524	7,423,667

Included within Donations from Corporate Donors are Gifts-in-Kind of £37,913 (2023: £71,748) and the corresponding expenditure is included in support costs (Note 4).

Income from corporate foundations includes income of GBP 171,970 (EUR 200,287) from the IKEA Foundation for a multi-year project to develop Hand in Hand's capacity in circular economy and regenerative agriculture.

	Restricted £	Unrestricted £	2023 Total £
Corporate Foundations	2,403,071	-	2,403,071
Corporate Donors	298,344	81,748	380,092
Individual Donations	133,220	129,440	262,660
Governments & Institutions	962,954	-	962,954
Trusts & Foundations	1,489,005	39,844	1,528,849
Events	-	713,628	713,628
	5,286,594	964,660	6,251,254

3. Net Expenditure

Net expenditure is stated after the following expenses:

	2024 £	2023 £
Depreciation	10,056	9,618
Auditor's remuneration	16,500	12,900
Operating lease payments	59,843	59,680

4. Analysis of Total Expenditure & Support Costs

	Restricted direct costs	Unrestricted direct costs	Support Costs		2024	Restricted direct costs	Unrestricted direct costs	Support Costs		2023
			Staff Costs	Other Costs				Staff Costs	Other Costs	
Costs of raising funds										
Fundraising costs	-	478,220	16,839	15,582	510,641	-	405,578	10,172	9,709	425,459
Charitable Activities										
Supporting people in Afghanistan	979,270	-	14,792	42,025	1,036,087	1,322,826	-	15,531	36,584	1,374,941
Supporting people in India	-	-	-	-	-	-	-	-	-	-
Supporting people in Kenya	2,936,050	-	59,270	63,253	3,058,573	4,251,397	-	68,499	65,383	4,385,279
Supporting people in Tanzania	1,436,237	-	29,376	19,029	1,484,642	1,658,213	-	18,822	21,565	1,686,600
	5,351,557	478,220	120,277	139,889	6,089,493	7,232,436	405,578	113,024	133,241	7,884,279

Included in Restricted Direct Costs spent on *Charitable Activities - Supporting people in Kenya* is £413,577 (€481,677) relating to a project funded by the IKEA Foundation for a multi-year project to develop Hand in Hand's capacity in circular economy and regenerative agriculture.

Analysis of Support Costs
2024

	All costs	Fundraising	Supporting people in Kenya	Supporting people in Tanzania	Supporting people in Afghanistan
Building costs	43,534	6,094	21,453	10,633	5,354
Trademarks	4,122	577	2,031	1,007	507
Office costs	41,911	5,868	20,653	10,236	5,154
Audit fees	6,449	903	3,178	1,575	793
Legal and professional	278	39	137	68	34
Trustees' expenses	1,584	222	780	387	195
Staff and other consultancy	120,277	16,839	59,270	29,376	14,792
Travel costs	12,631	1,768	6,225	3,085	1,553
Country Expenses	28,591	-	8,407	(8,154)	28,338
Strategic Initiatives	790	111	389	193	97
	260,167	32,421	122,523	48,406	56,817

2023	All costs	Fundraising	Supporting people in Kenya	Supporting people in Tanzania	Supporting people in Afghanistan
Building costs	5,902	532	3,577	982	811
Trademarks	77	7	46	13	11
Office costs	8,626	776	5,228	1,437	1,185
Audit fees	860	77	522	143	118
Legal and professional	67,038	6,033	40,629	11,164	9,212
Trustees' expenses	1,056	95	640	176	145
Staff and other consultancy	113,024	10,172	68,499	18,822	15,531
Travel costs	4,071	366	2,468	678	559
Country Expenses	25,360	-	-	3,600	21,760
Strategic Initiatives	20,251	1,823	12,273	3,372	2,783
	246,265	19,881	133,882	40,387	52,115

5. Staff Costs and numbers

	2024	2023
	£	£
Salaries and wages	910,411	744,201
Social security costs	101,578	84,512
Pension contribution	52,241	45,162
	1,064,230	873,875

The number of employees earning over £60,000 in the year is as follows:

	2024	2023
	Nos	Nos
£60,000 - £70,000	1	0
£70,000 - £80,000	0	1
£80,000 - £90,000	1	0
£90,000 - £100,000	1	1

The average weekly number of employees (full time equivalents) during the year was as follows:

	2024	2023
	Nos	Nos
Operational programmes	10.5	6.9
Fundraising and publicity	6.5	6.4
Management and administration	1.2	1.3
	18.2	14.6

The average headcount of employees was 20 (2023: 17).

Key management personnel is made up of the Trustees, CEO, Deputy CEO, Head of Philanthropy and Corporate Partnerships, Head of Communications and the Director of Finance. The total employee benefits of the charity's key management personnel were £430,159 (2023: £384,404).

Every year a charity sector pay benchmarking exercise is carried out to ensure that salaries are in line with other similar organisations.

No trustee received any remuneration or other employment benefit during the financial year. (2023: nil).

£1,583 relating to 2 trustees was spent on travel expenses for board meetings during 2023/24 (2022/23: 1 trustee, £1,056).

6. Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

7. Tangible fixed assets

	Leasehold improvements £	Office Equipment £	Total £
Cost			
At 1 April 2023	49,991	48,977	98,968
Additions in year	-	15,730	15,730
As at 31 March 2024	49,991	64,707	114,698
Depreciation			
At 1 April 2023	34,993	40,424	75,417
Charge in the year	4,999	5,057	10,056
As at 31 March 2024	39,992	45,481	85,473
Net Book Value			
At 31 March 2024	9,999	19,226	29,225
At 31 March 2023	14,998	8,554	23,552

All fixed assets are used to fulfil the charity's objects.

8. Long term debtors

	2024 £	2023 £
Rent Deposit	-	43,320
Enterprise incubation funds	-	154,131
	-	197,451

The Enterprise incubation funds have been made to Hand in Hand Eastern Africa to enable them to make micro-loans to beneficiaries. They are public benefit entity loans that are not repayable on demand and were loaned to the beneficiary as part of the purposes of the charity's objects.

There is a five-year repayment plan in place for Hand in Hand Eastern Africa to repay the full balance. In the year, one repayment of £150,665 was made as part of the repayment plan. The

remaining balance of £150,984 is due to be repaid by March 31 2025.

9. Debtors: amounts due within one year

	2024 £	2023 £
Accrued Income	1,945,936	1,495,979
Other debtors	665	-
Prepayments	43,974	44,512
EIF Loan	150,984	154,131
HIHDE loan	37,034	-
	2,178,593	1,694,622

10. Creditors: amounts due within one year

	2024	2023
	£	£
Taxation and social security	28,733	-
Accruals	34,577	22,094
Trade Creditors	280,234	496,955
	343,544	519,049

11. Analysis of net assets between funds

2024	Restricted funds	Unrestricted funds	Designated funds	Total funds
	£	£	£	£
Tangible fixed assets	-	29,225	-	29,225
Current assets	3,654,139	1,149,915	1,852,979	6,657,033
Current liabilities	(195,350)	(148,194)	-	(343,544)
Net assets as at 31 March 2024	3,458,789	1,030,946	1,852,979	6,342,714

2023	Restricted funds	Unrestricted funds	Designated funds	Total funds
	£	£	£	£
Tangible fixed assets	-	23,552	-	23,552
Current assets	2,760,669	1,161,668	1,713,219	5,635,556
Current liabilities	(488,702)	(30,347)	-	(519,049)
Net assets as at 31 March 2023	2,271,967	1,154,873	1,713,219	5,140,059

12. Related parties

The following transactions were made during the year:

2024				
Connected Charity	Nature of relationship	Total amount sent/(received) in the year	Amount owing to/(from) connected entity at year end	Nature of transactions
HiH Sweden	Sister organisation	139,579	72,413	Donations
HiH Deutschland	Sister organisation	37,556	(36,697)	Donations and loan
HiH Kenya	Implementing Partner	2,272,114	(74,408)	Transfers for projects
HiH Tanzania	Implementing Partner	1,187,542	-	Transfers for projects
HiH Afghanistan	Implementing Partner	729,463	118,775	Transfers for projects
HiH India	Implementing Partner	-	-	Transfers for projects
Friends of Hand in Hand	Sister organisation	(875,125)	-	Donations

2023				
Connected Charity	Nature of relationship	Total amount sent/(received) in the year	Amount owing to connected entity at year end	Nature of transactions
HiH Deutschland	Sister organisation	-	-	Donations and loan
HiH Sweden	Sister organisation	50,457	-	Donations
HiH Kenya	Implementing Partner	3,102,361	488,702	Transfers for projects
HiH Tanzania	Implementing Partner	1,495,538	-	Transfers for projects
HiH Afghanistan	Implementing Partner	1,223,739	-	Transfers for projects
HiH India	Implementing Partner	-	-	Transfers for projects
Friends of Hand in Hand	Sister organisation	(1,264,360)	-	Donations

Amalia Johnsson (Deputy CEO at Hand in Hand International) is Chair of Hand in Hand Eastern Africa, Chair of Hand in Hand Eastern Africa Tanzania, Board Member of Hand In Hand In Afghanistan.

Dorothea Arndt (CEO of Hand in Hand International) is a Trustee of Hand in Hand Eastern Africa and is also a Trustee of Hand in Hand Afghanistan and Hand in Hand Deutschland.

Stephanie Nicholson (Director of Finance) is Treasurer of Hand in Hand Deutschland.

Bruce Grant and Dorothea Arndt are Trustees of Friends of Hand in Hand, a charity registered in the United States of America.

Transactions with Trustees

During the year 2023/24 1 trustee made donations (2022/23: 2). These trustees donated a total of £638,560 (2022/22: £522,857). 1 company related to a trustee made donations in the year, including 1 donation in kind (2022/23: 2). The total of these donations was £164,128 (2022/23: £64,384). Donations from family members of trustees were £37,150 in total (2022/23: £112,297).

13. Obligations under operating leases

	2024	2023
	Land and	Land and
	buildings	buildings
	£	£
Within 1 year	60,529	60,529
Between 1-5 years	80,231	140,760
	140,760	201,289

14. Movements in funds

2024

	Balance at 1 April 2023	Income	Expenditure	Foreign Exchange Losses	Transfers	Balance at 31 March 2024
Restricted Funds						
Afghanistan	351,149	853,023	(992,371)	-	-	211,801
Kenya	1,591,157	3,182,305	(2,935,044)	-	(43,423)	1,794,995
Tanzania	329,661	2,556,815	(1,432,725)	-	(1,758)	1,451,993
	2,271,967	6,592,143	(5,360,140)	-	(45,181)	3,458,789
Unrestricted Funds						
Unrestricted funds	1,154,873	847,407	(729,803)	(146,952)	(94,579)	1,030,946
Designated funds - match funding	808,465	-	-	-	429,898	1,238,363
Designated funds - EIF & Strategic Plan	904,754	-	-	-	(290,138)	614,616
	2,868,092	847,407	(729,803)	(146,952)	45,181	2,883,925
	5,140,059	7,439,550	(6,089,943)	(146,952)	-	6,342,714

2023

	Balance at 1 April 2022	Income	Expenditure	Foreign Exchange Gains	Transfers	Balance at 31 March 2023
Restricted Funds						
Afghanistan	422,064	1,272,393	(1,322,826)	-	(20,482)	351,149
Kenya	3,000,435	3,089,864	(4,251,397)	-	(247,745)	1,591,157
Tanzania	1,118,761	924,337	(1,658,213)	-	(55,224)	329,661
	4,541,260	5,286,594	(7,232,436)	-	(323,451)	2,271,967
Unrestricted Funds						
Unrestricted funds	810,627	967,476	(651,843)	213,863	(185,250)	1,154,873
Designated funds - match funding	-	-	-	-	808,465	808,465
Designated funds - EIF & Strategic Plan	1,204,518	-	-	-	(299,764)	904,754
	2,015,145	967,476	(651,843)	213,863	323,451	2,868,092
	6,556,405	6,254,070	(7,884,279)	213,863	-	5,140,059

£45,181 has been transferred from restricted funds to unrestricted funds in FY23/24, being the combined foreign exchange gains at the end of individual projects that were completed during the financial year. £429,898 has been transferred to the designated fund for match funding, being events income raised at a gala in November 2023; this has been designated for the purpose of unlocking new funding where a match funding contribution is a pre-requisite. The designated fund for the EIF and current strategic plan was reduced by £290,138 during the year, being the reduction in the EIF debtor (through repayments in FY23/24) and funds used to increase in fundraising staff capacity as part of the strategic plan.