HARM REDUCTION INTERNATIONAL

England & Wales · Charity number 1117375

Details

Other names	INTERNATIONAL HARM REDUCTION ASSOCIATION, IHRA
Status	Registered
Legal form	Charitable company
Company number	03223265
Registered	2006-12-22
Register	View on the Charity Commission register

Contact

Address	Clockwise Edward Pavilion Albert Dock Liverpool L3 4AF
Phone	07581190642
Email	ed@hri.global
Website	www.hri.global

Activities

Objects: TO PROTECT AND PRESERVE PUBLIC HEALTH AND SAFETY BY:(A) UNDERTAKING RESEARCH INTO THE CAUSES OF DRUG USE AND ASSOCIATED PROBLEMS, (PARTICULARLY RELATING TO ILLICIT DRUGS, ALCOHOL AND TOBACCO);(B) DEVELOPING POLICIES AND STRATEGIES TO REDUCE LEVELS OF HARM ASSOCIATED WITH DRUG USE;(C) ADVANCING THE EDUCATION OF THE PUBLIC AND ORGANISATIONS IN POLICIES AND STRATEGIES TO REDUCE LEVELS OF HARM ASSOCIATED WITH DRUG USE; AND(D) DISSEMINATING AND SHARING INFORMATION WITH NATIONAL AND INTERNATIONAL AGENCIES INVOLVED IN REDUCING HEALTH AND SOCIAL PROBLEMS ASSOCIATED WITH DRUG USE..

Activities: TO PROTECT AND PRESERVE PUBLIC HEALTH AND SAFETY BY: (A) UNDERTAKING RESEARCH INTO THE CAUSES OF DRUG USE AND ASSOCIATED PROBLEMS, (PARTICULARLY RELATING TO ILLICIT DRUGS AND ALCOHOL); (B) DEVELOPING POLICIES AND STRATEGIES TO REDUCE LEVELS OF HARM ASSOCIATED WITH DRUG USE; (C) ADVANCING THE EDUCATION OF THE PUBLIC AND ORGANISATIONS IN POLICIES AND STRATEGIES

Classification

- **How:** Provides Advocacy/advice/information, Sponsors Or Undertakes Research, Acts As An Umbrella Or Resource Body
- **What:** Education/training, The Advancement Of Health Or Saving Of Lives
- **Who:** The General Public/mankind

Geography

- **Area of benefit:** NOT DEFINED. IN PRACTICE WORLDWIDE
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£1,257,815	£1,117,906	£673,238	12
2023-12-31	£2,011,066	£1,936,146	£533,329	10
2022-12-31	£1,351,827	£1,055,970	£458,409	10
2021-12-31	£823,405	£849,501	£162,552	12
2020-12-31	£898,050	£814,979	£188,648	12

Trustees

Name	Role	Appointed
Mina Barling	Chair	2024-11-27
Anthony Stephen Duffin		2025-06-27
Fany Pineda Miranda		2023-09-20
John Porter		2021-11-05
Kirsten Horsburgh		2025-06-27
N Palaniappan K R Narayanan		2025-06-27
Oluseyi Remi Kehinde		2021-04-02
Raminta Stuikyte		2021-04-02
Tatiana Sleiman		2025-06-27
William Pick		2023-09-20

Accounts

Company number: 3223265
Charity number: 1117375

Harm Reduction International

Report and financial statements
For the year ended 31 December 2024

SAYER | VINCENT

Harm Reduction International

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For the year ended 31 December 2024

Harm Reduction International

Reference and administrative information

For the year ended 31 December 2024

Company number	3223265
Country of incorporation	England & Wales
Charity number	1117375
Country of registration	England & Wales

Registered office and operational address
61 Mansell Street, London E1 8AN, United Kingdom

Key management personnel Catherine Cook, Acting Executive Director
Anne Taiwo, Finance Manager

Bankers NatWest
Aintree Black Bull, Cedar Rd, Liverpool L9 0EG

Solicitors Bates Wells
10 Queen St Pl, London EC4R 1BE

Auditor Sayer Vincent LLP
Chartered Accountants and Statutory Auditor
Invicta House
110 Golden Lane
LONDON
EC1Y 0TG

The trustees present their report and the audited financial statements for the year ended 31 December 2024.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association, the requirements of a directors' report as required under company law, and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Objectives and activities

Purposes and aims

Our vision is a world in which drug policies uphold dignity, health and rights. We use data and advocacy to promote harm reduction and drug policy reform. We show how rights-based, evidence-informed responses to drugs contribute to healthier, safer societies, and why investing in harm reduction makes sense.

The objectives of Harm Reduction International (HRI) are to promote evidence-based and human rights compliant public health policy and practice by:

a) undertaking research into drug use, drug related harm and evidence-based public health responses to drug use, drug enforcement and public health,
b) undertaking research on human rights issues relating to drug use, drug enforcement and public health,
c) promoting policies and strategies to reduce the negative health and social consequences associated with drug use,
d) educating the public, national and international agencies involved in reducing the negative health and social consequences associated with drug use,
e) disseminating and sharing information with national and international agencies involved in reducing the negative health and social consequences associated with drug use, and
f) supporting the involvement of civil society, including the perspectives of people who use drugs within national and international policy and decision-making on drug related issues.

In 2024 Harm Reduction International undertook the following main activities to further the charity's purpose:

a) convening at Harm Reduction International events for learning, sharing and activism, and building solidarity within the harm reduction and drug policy movements.
b) fostering new allyship with health and social justice movements and collaborating to promote shared advocacy aims.
c) using data, analysis and advocacy to double the amount of funding available for harm reduction and drug policy reform.
d) strengthening technical and normative support for harm reduction through strategic engagement at international level and partnerships at regional and national level.

e) using international human rights standards to challenge the use of drug control to justify rights violations and promoting the rights of marginalised groups.
f) documenting and challenging the use of drug control where it has a disproportionately negative impact on Black, Brown, Indigenous and ethnic minority individuals and communities.

The trustees review the aims, objectives and activities of the charity each year. This report looks at what the charity has achieved and the outcomes of its work in the reporting period. The trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help. The review also helps the trustees ensure the charity's aims, objectives and activities remained focused on its stated purposes.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set.

In line with HRI's 2022-2025 strategic plan, HRI's objectives and activities are designed to contribute to three key outcomes:

Outcome 1: The harm reduction and drug policy reform movements are characterised by solidarity and equity, informed by evidence, and allied with health and social justice movements.

Outcome 2: Harm reduction approaches and services are widely accepted, community-led and sustainably funded.

Outcome 3: Drug policy is aligned with international human rights standards and advances equity, racial and social justice.

HRI focuses on these outcomes to advance our overarching vision of a world in which drug policies uphold dignity, health and rights. We organise our work across four teams: conference, public health and social policy, sustainable financing, and human rights and justice. HRI's resources – staff and financial – are divided relatively evenly across teams.

Our **conference team** convenes more than 1000 delegates from more than 80 countries around the world via the biennial Harm Reduction International Conference. The conference supports the growth of the movement, catalyses new ideas through exchange, and supports acceptance of harm reduction approaches. Hosted in a different city every two years, the HRI Conference has been held in almost every region of the world since the first conference in Liverpool in 1990.

Our **public health and social policy team** conducts original research and analysis to track developments in harm reduction and ensure that people who use drugs have access to the health and social services they need. We also engage on technical matters with community and civil society partners, governments and UN agencies.

Our **sustainable financing team** works to increase funding for harm reduction services around the world by monitoring the funding landscapes for harm reduction, collecting and communicating evidence, providing strategic analysis and developing tools for advocates. We engage in strategic processes and dialogues with the major international funders of harm reduction, emphasising the catalytic effect of funding community-led work and advocacy.

Our **human rights and justice team** monitors rights abuses committed globally in the name of drug control, and advocates to promote the human rights of people who use drugs and their communities. We advance this work through advocacy with UN agencies, governments and human rights mechanisms, in partnership with community and civil society partners.

Partnership work is critical to Harm Reduction International; from time to time, this involves making sub-grants to national partners with shared objectives. HRI is guided by its Sub-Granting Policy (2022) and the HRI Finance Manual for such processes, which supports implementation of our commitment to fairness, integrity, transparency and value for money in sub-granting. HRI's preferred approach is to run an open tender process, from time-to-time our sub-grants are the result of grant applications developed with partners. Harm Reduction International made a few sub-grants in 2024, these are partially captured under 'project expenses' under Note 5 of the accounts.

HRI's cross-cutting commitments (articulated in our 2022-2025 strategic plan) are advanced through all our work streams. The cross-cutting commitments are:

- to centre the expertise and leadership of the community of people who use drugs, reflecting on power dynamics within our partnerships, and structurally (re)balance power;
- to highlight the negative impact of criminalisation and the compounding effects of intersectional vulnerabilities; specifically, how drug policy interacts with gender, ethnicity, race, poverty and socioeconomic status.

Achievements and performance

All HRI's activities contribute towards reducing the negative health, social and legal impacts of drug use and drug policy; and are undertaken to further Harm Reduction International's charitable purposes for the public benefit.

In 2024, HRI continued its leadership in tracking global harm reduction services through the ninth edition of its flagship report, the *Global State of Harm Reduction*. For the first time, the global survey was available in five languages: Arabic, English, French, Spanish, and Russian, significantly expanding accessibility and representation. The survey received contributions from 284 people across 101 countries—the highest participation in the report's history. The 2024 edition featured groundbreaking new thematic chapters focusing on populations that continue to be neglected: Indigenous people, people in prison, and youth. This comprehensive mapping of harm reduction responses globally reinforces HRI's role as the leading independent voice monitoring the state of harm reduction worldwide.

HRI continued to strengthen the evidence base on the funding gap for harm reduction through the publication of *The Cost of Complacency: A Harm Reduction Funding Crisis* in June 2024. This report, the only independent monitoring report of its kind, revealed that identified harm reduction funding amounted to just USD 151 million in 2022—merely 6% of the USD 2.7 billion needed annually by 2025. The report was launched at the UNAIDS 54th Programme Coordinating Board Side Event, ensuring its findings reached key decision-makers and has since been widely cited in various reports, media platforms, and by activists.

HRI's Divest/Invest campaign gained significant momentum in 2024. In partnership with the Drug Policy Alliance, HRI published original research revealing that almost USD 13 billion in U.S. taxpayer money had been allocated to "counternarcotics" activities internationally since 2015—exceeding U.S. spending on primary education or water supply and sanitation in low- and middle-income countries over the same period. The campaign's key messages resonated across diverse fora, including the Commission on Narcotic Drugs, Human Rights Council sessions, and numerous other international meetings. The Divest/Invest language and framework were integrated into strategic high-level speeches, including those by the Human Rights Special Rapporteur on Health (Dr. Tlaleng Mofokeng) and the Malaysian Deputy Health Minister.

HRI announced the location of the Harm Reduction International Conference 2025 (HR25) in March 2024, taking a new approach to the location announcement. The announcement was done via video for the first time and was preceded by a blog authored by HRI's Conference Directors which explained the process behind choosing a location for our conferences, highlighting some of the unique elements that distinguish our conference from others. Later in 2024, HRI kicked off the process for creating the abstract-driven programme for HR25. 200 members of the HR25 Online Review Committee evaluated abstracts using a simple online scoring method, and a smaller Programme Committee met in mid-November to conduct a deep dive into the abstracts and build the conference programme.

HRI's advocacy against the death penalty for drug offences continued in 2024. In addition to the annual update of *The Death Penalty for Drug Offences: Global Overview*, we also published a comprehensive analysis examining trends over the past decade. HRI organised a side event on the death penalty for drug offences at the UN Commission on Narcotic Drugs in March 2024, securing a record high 19 co-sponsorships, including from Global South states. HRI joined a new global consortium of abolitionist organisations and strengthened collaboration with national organisations, including new partners from China, to support reform in their countries.

In 2024, HRI launched the Human Rights Standards Database, with accompanying briefings, compiling human rights standards related to drug policy from various UN human rights bodies and mechanisms. This is a living document, updated quarterly. It provides experts, activists, and civil society with an accessible tool to make the case for harm reduction and promote human rights-based approaches to drug policies.

HRI's communications team expanded its capacity in mid-2024 by hiring a part-time Communications Assistant to support the Communications Strategist two days a week. This investment of resources helped to increase HRI’s communications output and enhance its use of videos for advocacy purposes. HRI’s communication team implemented a year-long communications strategy to support conference promotion and marketing starting in early 2024. We also employed new digital tools to expand the reach and impact of HRI’s advocacy and research. These efforts substantially strengthened HRI's visibility and engagement across multiple platforms, amplifying the organisation's advocacy messages to wider audiences. The consistency in external communications also helped to maintain HRI’s external image and reputation through a leadership transition.

Beneficiaries of our services

The ultimate beneficiaries of Harm Reduction International’s work are people who use drugs and people who are impacted by drug policies around the world; our 2022-2025 strategic plan we highlight the negative impact of the criminalisation of drugs and the compounding effects of intersectional vulnerabilities including gender, ethnicity, race, poverty and socioeconomic status. Harm Reduction International measures how its convening, research and analysis catalyse and contribute to change, and how our work is used by advocates and policy makers to support reform of laws, policies and programming (at national, regional or international level). Our global monitoring work provides insights into shifting trends, the uptake of evidence-based services or international human rights standards in drug policy and practice.

Financial review

HRI’s financial position at the end of the reporting period was in line with expectations, being a non-conference year. HRI’s 2024-25 forecast demonstrates its ability to continue as a going concern via a number of multi-year grants and diverse streams of income. As a policy and advocacy organisation, HRI has been able to adapt and continue many planned activities notwithstanding the restrictions on funds. Many convenings in the sector have proceeded in a virtual format, allowing HRI to continue its work via partnerships and advocacy with the UN, governments and donors.

In line with the 2022-2025 strategic plan (organisational objective: to continue to strengthen HRI’s sustainability, governance and systems) HRI continues its practice of continuous improvement in financial controls and good governance. This is achieved with support from the board of trustees, most significantly the treasurer, John Porter. HRI is committed to achieving value for money across its activities, this is codified within our finance manual.

Based on our 2024-25 forecast, cash flow, existing commitments from donors, active pursuit of new funds, we have basis to believe the organisation can continue to operate and meet its debts as they fall due in the coming 12-24 months; i.e. continue as a going concern. HRI's income pipeline and forecast expenditure support HRI's plans for work against its strategic objectives.

In line with its fundraising goals, HRI staff continued work to diversify and increase funding in 2025. HRI strengthened its position against its target of holding three months' operational costs in reserves for the year. HRI raises funds through grant applications to institutional and philanthropic donors and applies on invitation or in response to calls for proposals. All grant applications and fundraising activities are undertaken by the HRI team and focus on activities designed to advance overall charitable objectives. HRI has no specific or material expenditure on fundraising.

Principal risks and uncertainties

HRI maintains a risk register, tabled at board meetings and reviewed by the trustees. The risk register prompts the trustees to assess risks and decide upon mitigating actions across five categories: governance, operational, financial, environmental/external and compliance (law and regulation). In late 2023, the trustees decided to remove the specific assessment for pandemic-related risks (incorporated in the risk register in April 2020 in the context of COVID-19).

Broadly, we are currently working to mitigate the following key risks:

- →Governance risks: Trustees with diverse skills and experience are critical to the effective governance of the charity. We mitigate this risk by drawing on a board skills and diversity framework for board appointments, advertising on broader charity websites for our trustees, and regularly contributing ideas for a potential board candidate pool.
- →Operational risks: in the context of HRI's small size and specialised focus, our staff are our greatest assets. The cost-of-living crisis and inflation in the UK, along with a tumultuous global environment make for uncertain conditions. HRI continues its efforts to support staff resilience and create a supportive work environment (the latter is an organisational objective under the 2022-2025 strategic plan).
- →Financial risks: in the context of an extremely limited pool of donors funding international harm reduction and drug policy work, HRI must stay alert to shifts in donor priorities and work to make the case for the continued relevance of its work. HRI has a commitment to continuous improvement in financial controls and financial management systems.
- →Environment/external risks: HRI works to mitigate the impact of the rapidly changing external environment by strengthening our external communications, and developing clear messages which allows us to demonstrate harm reduction is a social justice and public health issue closely connected to many other complex issues in society.
- →Compliance risks: in the context of HRI's small size/limited human resources, we rely on a network of external experts to assist us to remain compliant with relevant policy and legislation.

Reserves policy and going concern

At the end of 2024, HRI held total funds of £673,238. Of these funds, £224,266 are restricted funds and not available for the general purposes of the charity at the end of the reporting period.

Of the unrestricted funds, the trustees have designated three/four sums:
- Firstly, funds earmarked for human rights and justice projects
- Secondly, funds designed to support HRI's corporate structure and sustainability – i.e. for the purposes of continuing the technical advice started in 2023 on HRI's structure and interrogating questions on the sustainability of the organisation
- Thirdly, funds to manage foreign exchange volatility (forex volatility fund)

It is anticipated that with the exception of the forex volatility fund, the activities associated with these designated amounts will be completed in 2025, and that the designated amounts will be spent by 31 December 2025.

HRI does not have material funds in tangible fixed assets or investments.

At the end of 2024, taking into account restricted funds and the designated amounts noted above, HRI holds the amount of £355,302 in free reserves.

This strengthens HRI's work towards its goal of holding three months' operating costs in reserve (a goal which is reviewed annually by the trustees). HRI calculates one month of operating costs (including salary for the team, essential operating costs, and basic liabilities) is £65,000. A restrictive definition of one month of operating costs is £55,000. Using the former definition, three months of operating costs is £195,000.

HRI attributes its ability to maintain reserves to be related to active fundraising and prudent financial management.

HRI will continue its efforts to bring its reserves in line with the target set by the trustees.

Fundraising

HRI key management personnel lead on fundraising for the charity. HRI does not engage professional fundraisers or commercial entities in fundraising.

Plans for the future

HRI adopted its 2022-2025 strategic plan and re-energised its vision for a world in which drug policies promote dignity, health and rights. The strategic plan takes into account the rapidly evolving global environment and HRI's leadership role at the intersection of harm reduction, drug policy and human rights. Across all work HRI focuses on centring the expertise and leadership of the community of people who use drugs, reflecting on power dynamics within our partnerships and structurally (re)balancing power. We highlight the negative impact of criminalisation and the compounding effects of intersectional vulnerabilities; specifically, how drug policy interacts with gender, ethnicity, race, poverty and socioeconomic status.

In advancing the strategic plan, HRI has redefined its concept of 'team' – this has involved a shift from a (predominantly) London office focus to a dispersed group of committed experts. These changes have evolved organically, driven by our need to work closely with experts around the world, and were consistent with the organisation's flexible approach to working remotely (in place prior to the pandemic). HRI is proud to lead by example in showing what a global team looks like in the non-profit sector and sees this as the future of the organisation.

HRI's increasingly dispersed approach to its team means engaging experts based outside the UK, more international agreements, and more international transactions. In 2024, noting the increase in value of our international agreements, HRI sought independent external advice on its potential VAT liability. Taking into account the UK reverse charge mechanism (under which a buyer is responsible for directly declaring and paying VAT due on taxable-supplies of goods or services in cross-border transactions), HRI calculated it exceeded the VAT threshold and is currently in the process of registering with HMRC and declaring transactions. HRI's 2023 accounts propose a VAT liability of £50,000, ensuring the organisation's compliance going forward.

HRI is also unique in convening the biennial Harm Reduction International conference, which is the main global forum for the exchange of information and best practice at the intersection of human rights, drug policy and harm reduction. In March 2024, HRI announced the 2025 Harm Reduction International conference will be held in Bogota, Colombia; with strong support from the Colombian Ministry of Justice.

HRI has a strong track record of contributing to the evidence-base for harm reduction, monitoring the funding landscape for harm reduction, and advocating for rights-based responses to drugs. HRI will continue its leading work across these areas in 2025.

The strategic plan highlights HRI's value add in four areas:

(1) convening the harm reduction and drug policy reform movements for knowledge exchange and strategic advocacy,
(2) leading data collection for global monitoring and trend analysis on harm reduction, human rights and drug policy,
(3) drawing on systems knowledge and advocacy skills to engage with and influence multilateral bodies, state and non-state actors,
(4) developing tools for advocates and responding to requests for technical assistance.

Structure, governance and management

The organisation is a charitable company limited by guarantee, incorporated on 11 July 1996 and registered as a charity on 22 December 2006.

The company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association. Decisions are made in compliance with these constituent documents. The Trustees delegate the day-to-day management of the charity to Executive Director, Naomi Burke-Shyne. Ms Burke-Shyne resigned in April 2024, and Colleen Daniels, the Deputy Director, took over as Acting Executive Director. However, a new Executive Director, Shaun Shelly, was appointed in November 2025.
Ms Burke-Shyne and Ms Daniels served as the Executive Directors for the majority of the reporting period in question.

HRI follows a foundation model of governance in which the Trustees are the members. HRI has no subsidiaries and is not affiliated with a wider network.

All trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 10 to the accounts.

Appointment of trustees

HRI's constituent documents set the minimum number of Trustees as six and the maximum as twelve. Trustees are appointed for three years and may serve a second term. Trustees automatically retire at the end of their second (three-year) term.

New Trustees are appointed by a decision of the Trustees, passed by a majority of two-thirds of the total number of sitting Trustees, in line with an agreed commitment to diversity of skills and experience. Appointments are recommended following candidate interviews with a Board Vacancies Working Group/Committee (comprised of minimum two Trustees and the Executive Director); decisions are made by the Board of Trustees as a whole. HRI's articles of association codify the organisation's commitment to diversity of skills and experience, requiring that 'in making arrangements for the appointment of new Directors, the Directors shall have regard to the range of skills and experience required by the board as a whole, and to factors such as diversity, gender balance and the desirability of ensuring that Directors are drawn from different regions of the world.'

In 2024, the board of trustees conducted an assessment of board skills and experience, ran an open recruitment process, and appointed Mina Lea Barling (UK) to the board.

Trustee induction and training

HRI provides induction to new trustees via a briefing pack based on Charity Commission guidance, an induction meeting with HRI staff, and ongoing direct support.

HRI aims to hold Trustees Skills Refresher trainings regularly and incorporates discussion on trustee duties during induction and at Trustee meetings.

Related parties and relationships with other organisations

HRI has no related party relationships or contracts to declare.

Remuneration policy for key management personnel

Salary for staff other than the Executive Director is set using a salary banding system, which is based upon established market rates.

Salary for the Executive Director is set by the Trustees.

Statement of responsibilities of the trustees

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

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

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

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

In so far as the trustees are aware:

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

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.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 December 2024 was 8 (2023:7). The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

Auditor

Sayer Vincent LLP was appointed as the charitable company's auditor during the year and has expressed its willingness to continue in that capacity.

The directors' annual report has been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

The trustees' annual report has been approved by the trustees on 27 June 2025 and signed on their behalf by

Name: mina Barling
Title: Chair

Opinion

We have audited the financial statements of Harm Reduction International (the 'charitable company') for the year ended 31 December 2024 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the charitable company's affairs as at 31 December 2024 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
- 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 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 Harm Reduction International'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' annual report, other than the financial statements and our auditor's 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 the audit:

- The information given in the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The trustees' annual 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual 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 directors 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' annual report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, the trustees (who are also the directors of the charitable company for the purposes of

company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, 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

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 are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
  - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
  - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.

- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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 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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Jonathan Orchard (Senior statutory auditor)
27 August 2025
for and on behalf of Sayer Vincent LLP, Statutory Auditor
110 Golden Lane, LONDON, EC1Y 0TG

Harm Reduction International

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 December 2024

	Note	Unrestricted £	Restricted £	**2024 Total £**	Unrestricted £	Restricted £	2023 Total £
Income from:							
Donations and legacies	2	11,873	-	**11,873**	29,138	-	29,138
Charitable activities							
Project work	3	252,998	737,694	**990,692**	448,674	775,933	1,224,607
Conferences	3	252,310	-	**252,310**	750,095	-	750,095
Investments	4	2,940	-	**2,940**	7,226	-	7,226
Total income		520,121	737,694	**1,257,815**	1,235,133	775,933	2,011,066
Expenditure on:							
Charitable activities							
Project work	5	27,770	660,489	**688,259**	276,238	805,572	1,081,810
Conference Costs	5	246,042	-	**246,042**	854,336	-	854,336
Support Costs	5	183,605	-	**183,605**	-	-	-
Total expenditure		457,417	660,489	**1,117,906**	1,130,574	805,572	1,936,146
Net income / (expenditure) before net gains / (losses) on investments		62,704	77,205	**139,909**	104,559	(29,639)	74,920
Net income / (expenditure) for the year	7	62,704	77,205	**139,909**	104,559	(29,639)	74,920
Transfers between funds		-	-	**-**	-	-	-
Net income / (expenditure) before other recognised gains and losses		62,704	77,205	**139,909**	104,559	(29,639)	74,920
Net movement in funds		62,704	77,205	**139,909**	104,559	(29,639)	74,920
Reconciliation of funds:							
Total funds brought forward		386,268	147,061	**533,329**	281,709	176,700	458,409
Total funds carried forward		448,972	224,266	**673,238**	386,268	147,061	533,329

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 17a to the financial statements.

Harm Reduction International

Balance sheet

Company no. 03223265

As at 31 December 2024

	Note	**£**	**2024** **£**	£	2023 £
Fixed assets:					
Tangible assets	11		**-**		-
			-		-
Current assets:					
Debtors	12	**29,921**		15,126	
Cash at bank and in hand		**805,138**		1,016,889	
		835,059		1,032,015	
Liabilities:					
Creditors: amounts falling due within one year	13	**(161,821)**		(498,686)	
Net current assets / (liabilities)			**673,238**		533,329
Total assets less current liabilities			**673,238**		533,329
Net assets excluding pension asset / (liability)			**673,238**		533,329
Total net assets / (liabilities)			**673,238**		533,329
The funds of the charity:	17a				
Restricted income funds			**224,266**		147,061
Unrestricted income funds:					
Designated funds		**93,670**		220,360	
General funds		**355,302**		165,908	
Total unrestricted funds			**448,972**		386,268
Total charity funds			**673,238**		533,329

Approved by the trustees on 27 June 2025 and signed on their behalf by

Mina Barling
Chair

John Porter
Treasurer

Harm Reduction International

Statement of cash flows

For the year ended 31 December 2024

	Note	**2024**		2023	
		£	**£**	£	£
Cash flows from operating activities					
Net income / (expenditure) for the reporting period (as per the statement of financial activities)		**139,909**		74,920	
Depreciation charges		**-**		9,443	
(Increase)/decrease in debtors		**(14,795)**		162,305	
Increase/(decrease) in creditors		**(336,865)**		38,750	
Net cash provided by / (used in) operating activities			**(211,751)**		285,418
Change in cash and cash equivalents in the year			**(211,751)**		285,418
Cash and cash equivalents at the beginning of the year			**1,016,889**		731,471
Cash and cash equivalents at the end of the year			**805,138**		1,016,889

Analysis of cash and cash equivalents and of net debt

	At 1 January 2024	Cash flows	Other non-cash changes	**At 31 December 2024**
	£	£	£	**£**
Cash at bank and in hand	1,016,889	(211,751)	-	**805,138**
Total cash and cash equivalents	1,016,889	(211,751)	-	**805,138**

1 Accounting policies

a) Statutory information

Harm Reduction International is a charitable company limited by guarantee and is incorporated in England and Wales.

The registered office address is 61 Mansell Street, Aldgate, London.

b) Basis of preparation

The financial statements have been prepared in accordance with 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) - (Charities SORP FRS 102), and the Companies Act 2006/Charities Act 2011.

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

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

c) Public benefit entity

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

d) Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether ‘capital’ grants or ‘revenue’ grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred. Grants may be deferred when either the performance related conditions are not met or there are time related restrictions.

Conference income is recognised as and when the actual event takes place.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

f) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees’ annual report for more information about their contribution.

g) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

h) Fund accounting

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.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

1 Accounting policies (continued)

i) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive 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 raising funds relate to the costs incurred by the charity, as well as the cost of any activities with a fundraising purpose
- Expenditure on charitable activities includes the costs of charitable activities undertaken to further the purposes of the charity and their associated support costs
- Other expenditure represents those items not falling into any other heading

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

k) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Where such information about the aims, objectives and projects of the charity is also provided to potential donors, activity costs are apportioned between fundraising and charitable activities on the basis of area of literature occupied by each activity.

● Project Work	70%
● Support costs	20%
● Governance costs	10%

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

l) Foreign currencies

Monetary assets and liabilities denominate in foreign currencies are translated into sterling at rates of exchange ruling at the reporting date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction. Exchange gains and losses are recognised in the statement of financial activities.

m) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

n) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £1,000. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

● Fixtures and fittings	25% reducing
● Computer equipment	25% on cost

o) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

p) Short term deposits

Short term deposits includes cash balances that are invested in accounts with a maturity date of between 3 and 12 months.

q) Cash at bank and in hand

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

1 Accounting policies (continued)

r) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event 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 normally recognised at their settlement amount after allowing for any trade discounts due.

s) 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.

t) Pensions

The charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charity to the fund in respect of the year.

2 Income from donations and legacies

	Unrestricted	Restricted	**2024 Total**	Unrestricted	Restricted	2023 Total
	£	£	**£**	£	£	£
Sundry income	2,030	-	**2,030**	5,050	-	5,050
Donated services	9,843	-	**9,843**	24,088	-	24,088
	11,873	-	**11,873**	29,138	-	29,138

3 Income from charitable activities

	Unrestricted	Restricted	**2024 Total**	Unrestricted	Restricted	2023 Total
	£	£	**£**	£	£	£
Project work	-	736,972	**736,972**	-	775,933	775,933
Open Society Foundations (Kenyan Innovative Fund)		-	**-**	210,514	-	210,514
Open Society Foundations	252,998	-	**252,998**	235,136	-	235,136
Other income from charitable activity	-	722	**722**	3,024	-	3,024
Sub-total for Project work	252,998	737,694	**990,692**	448,674	775,933	1,224,607
Conferences	252,310	-	**252,310**	750,095	-	750,095
Sub-total for Conferences & Support	252,310	-	**252,310**	750,095	-	750,095
Total income from charitable activities	505,308	737,694	**1,243,002**	1,198,769	775,933	1,974,702

4 Income from investments

	Unrestricted	Restricted	**2024 Total**	Unrestricted	Restricted	2023 Total
	£	£	**£**	£	£	£
Bank interest receivable	2,940	-	**2,940**	7,226	-	7,226
	2,940	-	**2,940**	7,226	-	7,226

All income from investments is unrestricted.

5 Analysis of expenditure (current year)

	Charitable activities					
	Project Work	Conference Costs	Governance costs	Support costs	**2024 Total**	2023 Total
	£	£	£	£	**£**	£
Staff costs (Note 7)	342,216	118,195	-	66,334	**526,745**	523,284
Other staff costs	1,189	-	-	1,453	**2,642**	14,192
Project expenses	72,443		-	100	**72,543**	461,504
Travelling costs	27,246	22,769	-	28,346	**78,361**	104,145
Consultancy fees	194,978	4,205	-	46,200	**245,383**	255,287
Recruitment and training costs	-	-	-	2,642	**2,642**	10,794
Journals and subscription costs	4,114	60	-	1,904	**6,078**	2,159
Meeting expenses	626	-	-	2,051	**2,677**	65,007
Legal, professional and regulatory fees	-	1,800	34	3,420	**5,254**	11,817
Conference expenses	1,436	59,121	-	513	**61,070**	290,991
Depreciation	-	-	-	-	**-**	9,443
Foreign exchange gains and losses	-	-	-	9,921	**9,921**	9,830
Audit and accountancy fees	7,567	-	13,500	1,451	**22,518**	14,400
Rent	-	-	-	66	**66**	24,275
Insurance	-	6,091	-	6,259	**12,350**	3,402
Printing, postage and stationery	-	11	-	406	**417**	2,072
Communications	16,628	30,224	-	1,985	**48,837**	41,044
Website maintenance and computer running costs	6,169	3,223	-	7,628	**17,020**	32,088
Office expenses	113	343	-	2,926	**3,382**	10,412
VAT Liability	-	-	-	-	**-**	50,000
	674,725	246,042	13,534	183,605	1,117,906	1,936,146
Support costs	-	183,605		(183,605)	**-**	-
Governance costs	13,534		(13,534)	-	**-**	-
Total expenditure 2024	**688,259**	**429,647**	**-**	**-**	**1,117,906**	
Total expenditure 2023	1,081,810	854,336	-	-		1,936,146

5a Analysis of expenditure (prior year)

	Charitable activities				
	Project Work	Conference & support	Governance costs	Support costs	**2023 Total**
	£	£	£	£	**£**
Staff costs (Note 8)	303,371	124,411	-	95,502	**523,284**
Other staff costs	2,668	-	-	11,524	**14,192**
Project expenses	268,381	193,123	-	-	**461,504**
Travelling costs	75,545	18,564	-	10,036	**104,145**
Consultancy fees	229,700	15,490	-	10,097	**255,287**
Recruitment and training costs	-	-	-	10,794	**10,794**
Journals and subscription costs	423	-	-	1,736	**2,159**
Meeting expenses	56,076	78	-	8,853	**65,007**
Legal, professional and regulatory fees	-	3,909	61	7,847	**11,817**
Conference expenses	85,761	201,210	-	4,020	**290,991**
Depreciation	-	-	-	9,443	**9,443**
Foreign exchange gains and losses	-	-	-	9,830	**9,830**
Audit and accountancy fees	1,780	-	-	12,620	**14,400**
Rent	18,411	-	-	5,864	**24,275**
Insurance	-	85	-	3,317	**3,402**
Printing, postage and stationery	1,916	93	-	63	**2,072**
Communications	14,550	26,038	-	456	**41,044**
Website maintenance and computer running costs	22,622	7,862	-	1,604	**32,088**
Office expenses	545	561	-	9,306	**10,412**
VAT Liability	-			50,000	**50,000**
	1,081,749	591,424	61	262,912	1,936,146
Support costs	-	262,912	-	(262,912)	-
Governance costs	61	-	(61)	-	-
Total expenditure 2023	**1,081,810**	**854,336**	**-**	**-**	**1,936,146**

6 Net income / (expenditure) for the year

This is stated after charging / (crediting):

	2024	2023
	£	£
Depreciation	**-**	9,443
Operating lease rentals payable:		
Auditor's remuneration (excluding VAT):	**11,250**	10,700
Foreign exchange gains or losses	**9,925**	9,830

7 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2024	2023
	£	£
Salaries and wages	**461,352**	461,596
Social security costs	**42,045**	41,252
Employer’s contribution to defined contribution pension schemes	**23,348**	20,436
	526,745	523,284

The following number of employees received employee benefits (excluding employer pension costs and employer's national insurance) during the year between:

	2024	2023
	No.	No.
£60,000 - £69,999	**1**	1
£70,000 - £79,999	**-**	1

The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel were £137,106 (2023: £213,402).

The charity trustees were neither paid nor received any other benefits from employment with the charity in the year (2023: £nil). No charity trustee received payment for professional or other services supplied to the charity (2023: £nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £2,374 (2023: £nil) incurred by 04 (2023: nil) members relating to attendance at meetings of the trustees.

8 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was 12 (2023: 10).

9 Related party transactions

There are no Related Party transactions

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

10 Taxation

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

11 Tangible fixed assets

	Fixtures and fittings £	Computer equipment £	**Total £**
Cost or valuation			
At the start of the year	2,212	18,829	**21,041**
At the end of the year	2,212	18,829	**21,041**
Depreciation			
At the start of the year	2,212	18,829	**21,041**
At the end of the year	2,212	18,829	**21,041**
Net book value			
At the end of the year	-	-	**-**
At the start of the year	-	-	-

All of the above assets are used for charitable purposes.

12 Debtors

	2024 £	2023 £
Trade debtors	**2,898**	13,748
Other debtors	**1,551**	-
Accrued income	**25,472**	1,378
	29,921	15,126

13 Creditors: amounts falling due within one year

	2024 £	2023 £
Trade creditors	**31,870**	93,526
Taxation and social security	**12,634**	10,482
Amounts due for Pensions	**3,247**	2,631
Accruals	**71,625**	99,049
Deferred income (note 15)	**42,445**	292,998
	161,821	498,686

14 Deferred income

Deferred income comprises grant income received during the year for use in 2025

	2024 £	2023 £
Balance at the beginning of the year	**292,998**	369,118
Amount released to income in the year	**(292,998)**	(369,118)
Amount deferred in the year	**42,445**	292,998
Balance at the end of the year	**42,445**	292,998

15a Analysis of net assets between funds (current year)

	General unrestricted £	Designated £	Restricted £	**Total funds £**
Tangible fixed assets	-	-	-	**-**
Net current assets	517,123	93,670	224,266	**835,059**
Current liabilities	(161,821)	-	-	**(161,821)**
Net assets at 31 December 2024	**355,302**	**93,670**	**224,266**	**673,238**

15b Analysis of net assets between funds (prior year)

	General unrestricted £	Designated £	Restricted £	**Total funds £**
Tangible fixed assets	-	-	-	**-**
Current assets	664,594	220,360	147,061	**1,032,015**
Current liabilities	(498,686)	-	-	**(498,686)**
Net assets at 31 December 2023	**165,908**	**220,360**	**147,061**	**533,329**

16a Movements in funds (current year)

	At 1st January 2024 £	Income & gains £	Expenditure & losses £	Transfers £	**At 31 December 2024 £**
Restricted funds:					
World Health Organization	-	15,720	(15,720)		**-**
Robert Carr Fund - Harm Reduction Consortium	-	118,003	(118,003)	-	**-**
GBBC Death Penalty	-	15,722	(15,722)	-	**-**
EC - Death Penalty	-	48,672	(23,674)	-	**24,998**
Robert Carr Fund – Prisons Health and Rights Consortium	6,059	86,372	(92,431)	-	
OSF CESCR General Comment	3,851	89,674	(45,987)	-	**47,538**
Elton John AIDS Foundation (EJAF Phase 11)	54,636	282,293	(205,788)	-	**131,141**
Elton John AIDS Foundation (EJAF Phase 1)	62,634	-	(62,634)	-	**-**
DPA GSHR 2024	19,881	9,664	(29,545)	-	**-**
AHF Funds	-	31,574	(10,985)	-	**20,589**
ViiV GSHR 2024	-	40,000	(40,000)	-	**-**
Total restricted funds	147,061	737,694	(660,489)	-	**224,266**
Unrestricted funds:					
Designated Funds					
Open Society Foundations - LOTM	35,937	-	(11,620)	-	**24,317**
Open Society Foundations - death penalty	5,148	-	(5,148)	-	**-**
Conference 2025	100,000		(100,000)	-	**-**
Trustees - Corporate structure and sustainability	32,105	-	-	-	**32,105**
Trustees - Foreign exchange volatility	47,170	-	(9,922)	-	**37,248**
General funds	165,908	520,121	(330,727)	-	**355,302**
Total unrestricted funds	386,268	520,121	(457,417)	-	448,972
Total funds	533,329	1,257,815	(1,117,906)	-	**673,238**

The narrative to explain the purpose of each fund is given at the foot of the note below.

16b Movements in funds (prior year)

	At 1st January 2023 £	Income & gains £	Expenditure & losses £	Transfers £	**AT 31 December 2023 £**
Restricted funds:					
World Health Organization	(1)	19,860	(19,859)		-
Robert Carr Fund - Harm Reduction Consortium	6,951	115,656	(122,607)	-	**-**
Open Society Foundations - Emergency Powers	17,048	-	(17,048)	-	**-**
OSF-Pandemic Treaty advocacy	-	93,723	(93,723)	-	**-**
Robert Carr Fund – Prisons Health and Rights Consortium	7,458	89,833	(91,232)	-	**6,059**
Unitaid MdM	-	19,804	(19,804)	-	**-**
OSF CESCR General Comment	-	8,798	(4,947)	-	**3,851**
Elton John AIDS Foundation (EJAF Phase 11)	-	123,527	(68,891)	-	**54,636**
Elton John AIDS Foundation (EJAF Phase 1)	76,004	142,920	(156,290)	-	**62,634**
Open Society Foundations - LAWYERS	51,572	70,515	(122,087)	-	**-**
DPA GSHR 2024	-	19,881	-	-	**19,881**
OSF Asia Pacific_Conf	-	27,480	(27,480)	-	**-**
Global Fund (CRG) Strategic Initiative TA - Nigeria	-	9,848	(9,848)	-	**-**
Global Fund (CRG) Strategic Initiative TA - Mauritius	15,364	25,100	(40,464)	-	**-**
Global Fund (CRG) Strategic Initiative TA - Bangladesh	2,304	8,988	(11,292)	-	-
Total restricted funds	176,700	775,933	(805,572)	-	**147,061**
Unrestricted funds:					
Designated Funds					
Open Society Foundations - LOTM	56,155	-	(20,218)	-	35,937
Open Society Foundations - death penalty	12,198	-	(7,050)	-	5,148
Conference 2025	-	-	-	100,000	100,000
Trustees - Corporate structure and sustainability	54,000	-	(21,895)	-	32,105
Trustees - Foreign exchange volatility	57,000	-	(9,830)	-	47,170
General funds	102,356	1,235,134	(1,071,582)	(100,000)	**165,908**
Total unrestricted funds	281,709	1,235,134	(1,130,575)	-	**286,268**
Total funds	458,409	2,011,067	(1,936,147)	-	**433,329**

Purposes of restricted funds

Designated Funds

The trustees have designated funds of £24,317 for 2025 for the purpose of fulfilling HRI’s commitment to support human rights network (ie the Lawyering on the Margins Network); funds of £32,105 for the purpose of gaining technical advice on HRI’s corporate structure and sustainability; funds of £37,245 to mitigate future foreign exchange fluctuations.

Open Society Foundations - CESCR General Comment

OSF support for a consortium of human rights actors to engage in consultation and advocacy related to economic social and cultural rights.

World Health Organization

WHO support towards the production and dissemination of the report entitled “The Global State of Harm Reduction 2024 (GSHR)

Robert Carr Fund - Harm Reduction Consortium

RCF support for the Harm Reduction International conference, and for research and advocacy related to harm reduction and the funding landscape/sustainable financing.

Purposes of restricted funds (continued)

GBBC Death Penalty

to promote interests and carry out services for developing the outline of research on the use of death penalty for drug offences in close consultation with GBCC.

EC - Death Penalty

to provide implementation of the action entitled: "Framework Partnership between the EU and the Global Consortium for Death Penalty Abolition

Robert Carr Fund – Prisons Health and Rights Consortium

Robert Carr Fund support for advocacy for the health and rights of people in prisons of Europe; national, regional and international monitoring and advocacy.

Drug Policy Alliance - GSHR 2024

DPA support for research and advocacy on aligned areas of harm reduction and drug policy reform advocacy in the Global State of Harm Reduction

AHF Funds

to support the proposed program entitled The Global State of Harm Reduction

Elton John AIDS Foundation (Phase II)

EJAF continuation of support for advocacy and analysis to address the funding gap for harm reduction (including global monitoring, national budget advocacy partnerships and campaigns).

Elton John AIDS Foundation (Phase I)

EJAF support for advocacy and analysis to address the funding gap for harm reduction (including global monitoring, national budget advocacy partnerships and campaigns).

ViiV GSHR 2024

To support the development of the Global State of Harm Reduction 2024 report in order to 'advance harm reduction advocacy through an up-to-date mapping of global data and responses to HIV, hepatitis C and TB epidemics related to unsafe injecting and non-injecting drug use.'

17 Legal status of the charity

The Charity is controlled by the Trustees

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

Accounts

Company number: 3223265
Charity number: 1117375

Harm Reduction International

Report and financial statements
For the year ended 31 December 2023

SAYER | VINCENT

Harm Reduction International

Contents

For the year ended 31 December 2023

Harm Reduction International

Reference and administrative information

For the year ended 31 December 2023

Company number	3223265
Country of incorporation	England & Wales
Charity number	1117375
Country of registration	England & Wales

Registered office and operational address 61 Mansell Street, London E1 8AN, United Kingdom

Trustees

Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

Key management personnel

Naomi Burke-Shyne, Executive Director
Anne Taiwo, Finance Manager
Colleen Daniels, Deputy Director

Bankers

NatWest
Aintree Black Bull, Cedar Rd, Liverpool L9 0EG

Solicitors

Bates Wells
10 Queen St Pl, London EC4R 1BE

Auditor

Sayer Vincent LLP
Chartered Accountants and Statutory Auditor
110 Golden Lane
LONDON
EC1Y 0TG

The trustees present their report and the audited financial statements for the year ended 31 December 2023.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association, the requirements of a directors' report as required under company law, and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Objectives and activities

Purposes and aims

Our vision is a world in which drug policies uphold dignity, health and rights. We use data and advocacy to promote harm reduction and drug policy reform. We show how rights-based, evidence-informed responses to drugs contribute to healthier, safer societies, and why investing in harm reduction makes sense.

The objectives of Harm Reduction International (HRI) are to promote evidence-based and human rights compliant public health policy and practice by:

a) undertaking research into drug use, drug related harm and evidence-based public health responses to drug use, drug enforcement and public health,
b) undertaking research on human rights issues relating to drug use, drug enforcement and public health,
c) promoting policies and strategies to reduce the negative health and social consequences associated with drug use,
d) educating the public, national and international agencies involved in reducing the negative health and social consequences associated with drug use,
e) disseminating and sharing information with national and international agencies involved in reducing the negative health and social consequences associated with drug use, and
f) supporting the involvement of civil society, including the perspectives of people who use drugs within national and international policy and decision-making on drug related issues.

In 2023 Harm Reduction International undertook the following main activities to further the charity's purpose:

a) convening at Harm Reduction International events for learning, sharing and activism, and building solidarity within the harm reduction and drug policy movements.
b) fostering new allyship with health and social justice movements, and collaborating to promote shared advocacy aims
c) using data, analysis and advocacy to double the amount of funding available for harm reduction and drug policy reform.
d) strengthening technical and normative support for harm reduction through strategic engagement at international level and partnerships at regional and national level.

e) using international human rights standards to challenge the use of drug control to justify rights violations, and promoting the rights of marginalised groups.
f) documenting and challenging the use of drug control where it has a disproportionately negative impact on Black, Brown, Indigenous and ethnic minority individuals and communities.

The trustees review the aims, objectives and activities of the charity each year. This report looks at what the charity has achieved and the outcomes of its work in the reporting period. The trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help. The review also helps the trustees ensure the charity's aims, objectives and activities remained focused on its stated purposes.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set.

In line with HRI's 2022-2025 strategic plan, HRI's objectives and activities are designed to contribute to three key outcomes:

Outcome 1: The harm reduction and drug policy reform movements are characterised by solidarity and equity, informed by evidence, and allied with health and social justice movements.

Outcome 2: Harm reduction approaches and services are widely accepted, community-led and sustainably funded.

Outcome 3: Drug policy is aligned with international human rights standards and advances equity, racial and social justice.

HRI focuses on these outcomes to advance our overarching vision of a world in which drug policies uphold dignity, health and rights. We organise our work across four teams: conference, public health and social policy, sustainable financing, and human rights and justice. HRI's resources – staff and financial – are divided relatively evenly across teams.

Our **conference team** convenes more than 1000 delegates from more than 80 countries around the world via the biennial Harm Reduction International Conference. The conference supports the growth of the movement, catalyses new ideas through exchange, and supports acceptance of harm reduction approaches. Hosted in a different city every two years, the HRI Conference has been held in almost every region of the world since the first conference in Liverpool in 1990. In 2020 and 2021, the conference team organised virtual convenings – Constellations: An Online Festival on Drugs and Harm Reduction.

Our **public health and social policy team** conducts original research and analysis to track developments in harm reduction and ensure that people who use drugs have access to the health and social services they need. We also engage on technical matters with community and civil society partners, governments and UN agencies.

Our **sustainable financing team** works to increase funding for harm reduction services around the world by monitoring the funding landscapes for harm reduction, collecting and communicating evidence, providing strategic analysis and developing tools for advocates. We engage in strategic processes and dialogues with the major international funders of harm reduction, emphasising the catalytic effect of funding community-led work and advocacy.

Our **human rights and justice team** monitors rights abuses committed globally in the name of drug control, and advocates to promote the human rights of people who use drugs and their communities. We advance this work through advocacy with UN agencies, governments and human rights mechanisms, in partnership with community and civil society partners.

Partnership work is critical to Harm Reduction International; from time to time, this involves making sub-grants to national partners with shared objectives. HRI is guided by its Sub-Granting Policy (2022) and the HRI Finance Manual for such processes, which supports implementation of our commitment to fairness, integrity, transparency and value for money in sub-granting. HRI's preferred approach is to run an open tender process, from time-to-time our sub-grants are the result of grant applications developed with partners. Harm Reduction International made more than £300,000 in sub-grants in 2023, these are captured under 'project expenses' in Note 5 of the accounts.

HRI's cross-cutting commitments (articulated in our 2022-2025 strategic plan) are advanced through all our work streams. The cross-cutting commitments are:

- to centre the expertise and leadership of the community of people who use drugs, reflecting on power dynamics within our partnerships, and structurally (re)balance power;
- to highlight the negative impact of criminalisation and the compounding effects of intersectional vulnerabilities; specifically, how drug policy interacts with gender, ethnicity, race, poverty and socioeconomic status.

Achievements and performance

All HRI's activities contribute towards reducing the negative health, social and legal impacts of drug use and drug policy; and are undertaken to further Harm Reduction International's charitable purposes for the public benefit.

HRI hosted the **Harm Reduction International Conference** in Melbourne, Australia from 16-19 April 2023 (HR23). HRI conferences have helped to put harm reduction on the map and to coordinate advances, innovations, evidence, and advocacy in this field for more than three decades. The conference theme, Strength in Solidarity, highlighted the importance of our strength – as people, as a community, as a global movement – in sticking together.

Over four days of presentations, workshops, films, and networking events, the conference continued its history of providing a dynamic forum to share the latest research and discussions. HR23 brought together over 1,000 people from around the world and awarded over 60 scholarships to people from low- and middle-income countries, Aboriginal and Torres Strait

Islander people and people who use drugs. The conference showcased HRI's commitment to the re-structuring of unequal power dynamics and recognition of the relationship between racism, colonialism, global health and international drug control.

The conference attracted a diverse group of delegates and speakers including front-line health workers, academics, researchers, policy makers, politicians, UN representatives, people who use drugs, sex workers and people working in criminal justice. HRI secured an excellent line-up of plenary speakers, including: The Right Honourable Helen Clark, Former Prime Minister of Aotearoa New Zealand; His Excellency Kgalema Motlanthe, Former President of South Africa; The Hon. Gabrielle Williams, MP, Minister for Mental Health of Victoria; The Hon. Rachel Stephen-Smith, MLA, Minister for Health of the Australian Capital Territory; The Hon. Rose Jackson, MLC, Minister for Mental Health of New South Wales; The Honourable Geoff Gallop, Former Premier of Western Australia; and, Lord Mayor of Melbourne, Sally Capp. Media coverage of HR23 was the most extensive for at least 15 years, with wide-ranging media coverage on the national, regional, and international level and dozens of pieces across online and print media, radio and podcasts, and leading media outlets in Australia and Southeast Asia.

The conference was co-hosted by local organisations, Harm Reduction Victoria (HRVic), the Australian Injecting & Illicit Drug Users League (AIVL), the Australasian Society for HIV, Viral Hepatitis and Sexual Health Medicine (ASHM) and the International Network on Health and Hepatitis in Substance Users (INHSU).

HRI continued its leadership in the area of **public health**, publishing global mapping on the availability of harm reduction services and highlighting the disproportionate impact of punitive drug laws on the health and rights of Indigenous peoples, people of African descent, women, children, and young people. In partnership with the World Health Organization, HRI hosts the Viral Hepatitis Data Repository; this data supports the efforts of HRI and experts around the world to strengthen access to viral hepatitis prevention, treatment and care for people who use drugs.

In 2023 HRI launched the **Divest/Invest campaign**, calling on governments and donors to divest from the unjust drug war and invest in programmes that prioritise community, health and justice. The campaign builds upon HRI's research, which reveals that over USD100 billion is spent on drug law enforcement each year, while only USD131 million is invested in harm reduction in low- and middle-income countries.

HRI experts worked with partners in Bangladesh, Indonesia, Kenya, Mauritius, Nepal, Nigeria, South Africa and Uganda to make the case for national and sub-national government investment in harm reduction services. In addition, HRI provided in-depth technical support to partners for strategic engagement in grant applications for the Global Fund to Fight AIDS, Tuberculosis and Malaria (the largest international donor for harm reduction).

In 2023 HRI scaled up efforts to challenge the **harms of incarceration** and advocate for the rights of people who use drugs in prisons and those who are detained in other settings. We conducted research which revealed that measures designed to curb transmission of COVID-19 in prisons (including extended lockdowns, preventive quarantine, and restrictions on visits) – have had far-reaching health and human rights implications and called for member states to ensure the specific vulnerabilities of people deprived of liberty were included in pandemic prevention, preparedness, response. During 2023, we worked with the European Prison Litigation Network as well as partners in Kenya, Moldova and Mexico to share advocacy approaches to uphold human rights standards in places of detention.

HRI called for governments to abolish the **death penalty for drug offences** at UN Commission on Narcotic Drugs and the UN Human Rights Council, amplifying HRI's latest research which revealed there were at least 285 executions for drug offences around the world in 2022 (a 118% increase from 2021). UN Secretary General drew on HRI's research for his 2023 report on the question of the death penalty and in his call for states to refrain from using the death penalty for crimes not involving intentional killing, such as drug-related offences. We collaborated with the Anti-Death Penalty Asia Network (ADPAN) the Transformative Justice Collective for urgent responses to executions.

We continued efforts to strategically connect national and international human rights advocacy, and to ensure normative progress at UN level has an impact on the ground. In 2023, we increased our work on economic, social and cultural rights and drug policy. We also engaged with the UN Special Rapporteur on the right to health, the UN working group on arbitrary detention, and the UN Special Rapporteur on extrajudicial, summary or arbitrary executions.

We presented evidence related to public health and human rights standards to governments at the UN Human Rights Council and the UN Commission on Narcotic Drugs. HRI made the case for investing in rights-based harm reduction with governments at the Global Hepatitis Resource Mobilization Conference (Switzerland), Brandenburg Forum for Drugs and Development (Germany), and with EU member states via the Horizontal Drugs Group (Belgium). We contributed to drug policy reform dialogues at the Drug Policy Alliance Reform Conference (USA), the 11th International Conference on Health and Hepatitis Care in Substance Users (Switzerland), meetings of the UNITE Parliamentarians for Global Health (online), via the World Coalition Against the Death Penalty (Malaysia), with the EU Civil Society Forum on Drugs (Belgium), and at the Healing Our Spirit Worldwide Conference (Canada).

These strategic points of engagement supported progress against our three outcome areas: a movement characterised by solidarity and equity; wide acceptance of harm reduction approaches and services; drug policy advances equity, racial and social justice.

It remains a challenging environment for harm reduction and drug policy globally – with areas of progress balanced by regression and widespread political preference for the prioritisation of punitive approaches to drug use. In this context, HRI's voice, perspective and Divest/Invest campaign remain essential contributions to efforts to achieve a world in which drug policies promote dignity, health and rights.

Beneficiaries of our services

The ultimate beneficiaries of Harm Reduction International’s work are vulnerable people who use drugs and people who are impacted by drug policies around the world; our 2022-2025 strategic plan we highlight the negative impact of the criminalisation of drugs and the compounding effects of intersectional vulnerabilities including gender, ethnicity, race, poverty and socioeconomic status. Harm Reduction International measures how its convening, research and analysis catalyse and contribute to change, and how our work is used by advocates and policy makers to support reform of laws, policies and programming (at national, regional or international level). Our global monitoring work provides insights into shifting trends, the uptake of evidence-based services or international human rights standards in drug policy and practice.

Financial review

HRI’s financial position at the end of the reporting period was stronger than in the past two years. The major driver of the increase in income and expenditure is the 2023 Harm Reduction International conference. Modest further additions to HRI’s income arose as a result of HRI taking on more technical assistance work with the Global Fund to Fight AIDS, Tuberculosis and Malaria and HRI’s contribution to a Unitaid funded initiative to improve access to diagnosis and treatment for hepatitis C in low- and middle-income countries. Now that the impact of the pandemic has subsided and travel is unrestricted, it is anticipated that HRI income patterns will resume the steady pattern associated with hosting a biennial conference (i.e. with conference year income and expenditure being higher than non-conference year income and expenditure).

In line with the 2022-2025 strategic plan (organisational objective: to continue to strengthen HRI’s sustainability, governance and systems) HRI continues its practice of continuous improvement in financial controls and good governance. This is achieved with support from the board of trustees, most significantly the treasurer, John Porter. In 2022, HRI completed five5roject audits, in addition to the organisational audit. HRI is committed to achieving value for money across its activities, this is codified within our finance manual.

Based on our 2023-24 forecast, cash flow, existing commitments from donors, active pursuit of new funds, we have basis to believe the organisation can continue to operate and meet its debts as they fall due in the coming 12-24 months; i.e. continue as a going concern. HRI’s income pipeline and forecast expenditure support HRI’s plans for work against its strategic objectives.

In line with its fundraising goals, HRI staff continued work to diversify and increase funding in 2023. HRI strengthened its position against its target of holding three months’ operational costs in reserves for the year. HRI raises funds through grant applications to institutional and philanthropic donors, and applies on invitation or in response to calls for proposals. All grant applications and fundraising activities are undertaken by the HRI team and focus on activities designed to advance overall charitable objectives. HRI has no specific or material expenditure on fundraising.

Principal risks and uncertainties

HRI maintains a risk register, tabled at board meetings and reviewed by the trustees. The risk register prompts the trustees to assess risks and decide upon mitigating actions across five categories: governance, operational, financial, environmental/external and compliance (law and regulation). In late 2023, the trustees decided to remove the specific assessment for pandemic-related risks (incorporated in the risk register in April 2020 in the context of COVID-19).

Broadly, we are currently working to mitigate the following key risks:

- →Governance risks: Trustees with diverse skills and experience are critical to the effective governance of the charity. We mitigate this risk by drawing on a board skills and diversity framework for board appointments, advertising on broader charity websites for our trustees, and regularly contributing ideas for a potential board candidate pool.
- →Operational risks: in the context of HRI's small size and specialised focus, our staff are our greatest assets. The cost-of-living crisis and inflation in the UK, along with a tumultuous global environment make for uncertain conditions. HRI continues its efforts to support staff resilience and create a supportive work environment (the latter is an organisational objective under the 2022-2025 strategic plan).
- →Financial risks: in the context of an extremely limited pool of donors funding international harm reduction and drug policy work, HRI must stay alert to shifts in donor priorities and work to make the case for the continued relevance of its work. HRI has a commitment to continuous improvement in financial controls and financial management systems.
- →Environment/external risks: HRI works to mitigate the impact of the rapidly changing external environment by strengthening our external communications, and developing clear messages which allows us to demonstrate harm reduction is a social justice and public health issue closely connected to many other complex issues in society.
- →Compliance risks: in the context of HRI's small size/limited human resources, we rely on a network of external experts to assist us to remain compliant with relevant policy and legislation.

Reserves policy and going concern

At the end of 2023, HRI held a total of £533,329. Of these funds, £147,061 are restricted funds and not available for the general purposes of the charity at the end of the reporting period.

Of the unrestricted funds, the trustees have designated four sums:

- Firstly, funds earmarked for human rights and justice projects
- Secondly, funds designed to support [HRI's corporate structure and sustainability - i.e. for the purposes of continuing the technical advice started in 2023 on HRI's structure and interrogating questions on the sustainability of the organisation]
- Thirdly, funds to manage foreign exchange volatility (forex volatility fund)
- Fourthly, funds to support conference operations for the 2025 conference (GBP100,000)

It is anticipated that with the exception of the forex volatility fund, the activities associated with these designated amounts will be completed in 2024, and that the designated amounts will be spent by 31 December 2024.

HRI does not have material funds in tangible fixed assets or investments.

At the end of 2023, taking into account restricted funds and the designated amounts noted above, HRI holds the amount of £165,908 in free reserves.

This strengthens HRI’s work towards its goal of holding three months’ operating costs in reserve (a goal which is reviewed annually by the trustees). HRI calculates one month of operating costs (including salary for the team, essential operating costs, and basic liabilities) is £65,000. A restrictive definition of one month of operating costs is £55,000. Using the former definition, three months of operating costs is £195,000.

HRI attributes its ability to maintain reserves to be related to active fundraising and prudent financial management.

HRI will continue its efforts to bring its reserves in line with the target set by the trustees.

Fundraising

HRI key management personnel lead on fundraising for the charity. HRI does not engage professional fundraisers or commercial entities in fundraising.

Plans for the future

HRI adopted its 2022-2025 strategic plan and re-energised its vision for a world in which drug policies promote dignity, health and rights. The strategic plan takes into account the rapidly evolving global environment and HRI’s leadership role at the intersection of harm reduction, drug policy and human rights. Across all work HRI focuses on centring the expertise and leadership of the community of people who use drugs, reflecting on power dynamics within our partnerships and structurally (re)balancing power. We highlight the negative impact of criminalisation and the compounding effects of intersectional vulnerabilities; specifically, how drug policy interacts with gender, ethnicity, race, poverty and socioeconomic status.

In advancing the strategic plan, HRI has redefined its concept of ‘team’ - this has involved a shift from a (predominantly) London office focus to a dispersed group of committed experts. These changes have evolved organically, driven by our need to work closely with experts around the world, and were consistent with the organisation’s flexible approach to working remotely (in place prior to the pandemic). HRI is proud to lead by example in showing what a global team looks like in the non-profit sector and sees this as the future of the organisation.

HRI is also unique in convening the biennial Harm Reduction International conference, which is the main global forum for the exchange of information and best practice at the intersection of human rights, drug policy and harm reduction. In March 2024, HRI announced the 2025 Harm Reduction International conference will be held in Bogota, Colombia; with strong support from the Colombian Ministry of Justice.

HRI has a strong track record of contributing to the evidence-base for harm reduction, monitoring the funding landscape for harm reduction, and advocating for rights-based responses to drugs. HRI will continue its leading work across these areas in 2024.

The strategic plan highlights HRI's value add in four areas:
(1) convening the harm reduction and drug policy reform movements for knowledge exchange and strategic advocacy,
(2) leading data collection for global monitoring and trend analysis on harm reduction, human rights and drug policy,
(3) drawing on systems knowledge and advocacy skills to engage with and influence multilateral bodies, state and non-state actors,
(4) developing tools for advocates and responding to requests for technical assistance.

Structure, governance and management

The organisation is a charitable company limited by guarantee, incorporated on 11 July 1996 and registered as a charity on 22 December 2006.

The company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association. Decisions are made in compliance with these constituent documents. The Trustees delegate the day-to-day management of the charity to Executive Director, Naomi Burke-Shyne. Ms Burke-Shyne served as the Executive Director for the reporting period in question.

HRI follows a foundation model of governance in which the Trustees are the members. HRI has no subsidiaries and is not affiliated with a wider network.

All trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 10 to the accounts.

Appointment of trustees

HRI's constituent documents set the minimum number of Trustees as six and the maximum as twelve. Trustees are appointed for three years and may serve a second term. Trustees automatically retire at the end of their second (three-year) term.

New Trustees are appointed by a decision of the Trustees, passed by a majority of two-thirds of the total number of sitting Trustees, in line with an agreed commitment to diversity of skills and experience. Appointments are recommended following candidate interviews with a Board Vacancies Working Group/Committee (comprised of minimum two Trustees and the Executive Director); decisions are made by the Board of Trustees as a whole. HRI's articles of association codify the organisation's commitment to diversity of skills and experience, requiring that 'in making arrangements for the appointment of new Directors, the Directors shall have regard to the range of skills and experience required by the board as a whole, and to factors such as diversity, gender balance and the desirability of ensuring that Directors are drawn from different regions of the world.'

In 2023, Olga Belyaeva (Ukraine) was thanked for her exceptional commitment to HRI over two board terms, and stepped down in line with the governing documents. The board also expressed sincere thanks to Kojo Koram (UK), who stepped down from the board following the end of his first term. In 2023, the board of trustees conducted an assessment of board skills and experience, ran an open recruitment process, and appointed William Pick (USA) and Fany Miranda Pineda (Mexico) to the board.

Trustee induction and training

HRI provides induction to new trustees via a briefing pack based on Charity Commission guidance, an induction meeting with HRI staff, and ongoing direct support.

HRI aims to hold Trustees Skills Refresher trainings regularly and incorporates discussion on trustee duties during induction and at Trustee meetings.

Related parties and relationships with other organisations

HRI has no related party relationships or contracts to declare.

Remuneration policy for key management personnel

Salary for staff other than the Executive Director is set using a salary banding system, which is based upon established market rates.

Salary for the Executive Director is set by the Trustees.

Statement of responsibilities of the trustees

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

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

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

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

In so far as the trustees are aware:

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

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.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 December 2023 was 7 (2022:7). The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

Auditor

Sayer Vincent LLP was appointed as the charitable company's auditor during the year and has expressed its willingness to continue in that capacity.

The directors’ annual report has been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

The trustees’ annual report has been approved by the trustees on 24 May 2024 and signed on their behalf by

Lucy Burns
Chair

Independent auditor's report

To the members of

Harm Reduction International

Opinion

We have audited the financial statements of Harm Reduction International (the 'charitable company') for the year ended 31 December 2023 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the charitable company's affairs as at 31 December 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
- 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 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 Harm Reduction International'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' annual report other than the financial statements and our auditor's 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 the audit:

- The information given in the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The trustees' annual 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual 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 directors 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' annual report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, the trustees (who are also the directors of the charitable company for the purposes of

company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, 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

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 are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
  - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
  - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.

- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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 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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Jonathan Orchard (Senior statutory auditor)
Date 18 June 2024
for and on behalf of Sayer Vincent LLP, Statutory Auditor
110 Golden Lane, LONDON, EC1Y 0TG

Harm Reduction International

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 December 2023

	Note	Unrestricted £	Restricted £	**2023 Total £**	Unrestricted £	Restricted £	2022 Total £
Income from:							
Donations and legacies	2	29,138	-	**29,138**	10,385	-	10,385
Charitable activities							
Project work	3	448,674	775,933	**1,224,607**	406,554	797,201	1,203,755
Conferences & support	3	750,095	-	**750,095**	136,717	-	136,717
Investments	4	7,226	-	**7,226**	970	-	970
Total income		1,235,133	775,933	**2,011,066**	554,626	797,201	1,351,827
Expenditure on:							
Charitable activities							
Project work	5	276,238	805,572	**1,081,810**	68,918	722,197	791,115
Conference & support	5	854,336	-	**854,336**	264,855	-	264,855
Total expenditure		1,130,574	805,572	**1,936,146**	333,773	722,197	1,055,970
Net income / (expenditure) before net gains / (losses) on investments		104,559	(29,639)	**74,920**	220,853	75,004	295,857
Net income / (expenditure) for the year	7	104,559	(29,639)	**74,920**	220,853	75,004	295,857
Transfers between funds		-	-	**-**	-	-	-
Net income / (expenditure) before other recognised gains and losses		104,559	(29,639)	**74,920**	220,853	75,004	295,857
Net movement in funds		104,559	(29,639)	**74,920**	220,853	75,004	295,857
Reconciliation of funds:							
Total funds brought forward		281,709	176,700	**458,409**	60,856	101,696	162,552
Total funds carried forward		386,268	147,061	**533,329**	281,709	176,700	458,409

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 17a to the financial statements.

Harm Reduction International

Balance sheet

Company no. 03223265

As at 31 December 2023

	Note	£	2023 £	£	2022 £
Fixed assets:					
Tangible assets	12		-		9,443
			-		9,443
Current assets:					
Debtors	13	**15,126**		177,431	
Cash at bank and in hand		**1,016,889**		731,471	
		1,032,015		908,902	
Liabilities:					
Creditors: amounts falling due within one year	14	**(498,686)**		(459,936)	
Net current assets / (liabilities)			**533,329**		448,966
Total assets less current liabilities			**533,329**		458,409
Net assets excluding pension asset / (liability)			**533,329**		458,409
Total net assets / (liabilities)			**533,329**		458,409
The funds of the charity:	17a				
Restricted income funds			**147,061**		176,700
Unrestricted income funds:					
Designated funds		**220,360**		179,353	
General funds		**165,908**		102,356	
Total unrestricted funds			**386,268**		281,709
Total charity funds			**533,329**		458,409

Approved by the trustees on 24 May 2024 and signed on their behalf by

Lucy Burns
Chair

John Porter
Treasurer

Harm Reduction International

Statement of cash flows

For the year ended 31 December 2023

	Note	2023		2022	
		£	£	£	£
Cash flows from operating activities					
Net income / (expenditure) for the reporting period (as per the statement of financial activities)		**74,920**		295,857	
Depreciation charges		**9,443**		9,488	
(Gains)/losses on investments		**-**		-	
Dividends, interest and rent from investments					
(Increase)/decrease in debtors		**162,305**		(146,876)	
Increase/(decrease) in creditors		**38,750**		(309,386)	
Net cash provided by / (used in) operating activities			**285,418**		(150,917)
Cash flows from investing activities:					
Dividends, interest and rents from investments		**-**		-	
Purchase of fixed assets		**-**		-	
Net cash provided by / (used in) investing activities			**-**		-
Change in cash and cash equivalents in the year			**285,418**		(150,917)
Cash and cash equivalents at the beginning of the year			**731,471**		882,388
Cash and cash equivalents at the end of the year			**1,016,889**		731,471

Analysis of cash and cash equivalents and of net debt

	At 1 January 2023	Cash flows	Other non-cash changes	**At 31 December 2023**
	£	£	£	**£**
Cash at bank and in hand	731,471	285,418	-	**1,016,889**
Total cash and cash equivalents	731,471	285,418	-	**1,016,889**

1 Accounting policies

a) Statutory information

Harm Reduction International is a charitable company limited by guarantee and is incorporated in England and Wales.

The registered office address is 61 Mansell Street, Aldgate, London.

b) Basis of preparation

The financial statements have been prepared in accordance with 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) - (Charities SORP FRS 102), and the Companies Act 2006/Charities Act 2011.

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

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

c) Public benefit entity

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

d) Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred. Grants may be deferred when either the performance related conditions are not met or there are time related restrictions.

Conference income is recognised as and when the actual event takes place.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

f) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

g) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

h) Fund accounting

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.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

1 Accounting policies (continued)

i) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive 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 raising funds relate to the costs incurred by the charity, as well as the cost of any activities with a fundraising purpose
- Expenditure on charitable activities includes the costs of charitable activities undertaken to further the purposes of the charity and their associated support costs
- Other expenditure represents those items not falling into any other heading

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

k) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Where such information about the aims, objectives and projects of the charity is also provided to potential donors, activity costs are apportioned between fundraising and charitable activities on the basis of area of literature occupied by each activity.

● Project Work	70%
● Support costs	20%
● Governance costs	10%

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

l) Foreign currencies

Monetary assets and liabilities denominate in foreign currencies are translated into sterling at rates of exchange ruling at the reporting date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction. Exchange gains and losses are recognised in the statement of financial activities.

m) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

n) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £1,000. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

● Fixtures and fittings	25% reducing
● Computer equipment	25% on cost

o) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

p) Short term deposits

Short term deposits includes cash balances that are invested in accounts with a maturity date of between 3 and 12 months.

q) Cash at bank and in hand

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

1 Accounting policies (continued)

r) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event 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 normally recognised at their settlement amount after allowing for any trade discounts due.

s) 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.

t) Pensions

The charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charity to the fund in respect of the year.

2 Income from donations and legacies

	Unrestricted	Restricted	**2023 Total**	Unrestricted	Restricted	2022 Total
	£	£	**£**	£	£	£
Sundry income	5,050	-	**5,050**	86	-	86
Donated services	24,088	-	**24,088**	10,299	-	10,299
	29,138	-	**29,138**	10,385	-	10,385

3 Income from charitable activities

	Unrestricted	Restricted	**2023 Total**	Unrestricted	Restricted	2022 Total
	£	£	**£**	£	£	£
Project work	-	775,933	**775,933**	-	797,201	797,201
Open Society Foundations	210,514	-	**210,514**	171,519	-	171,519
Open Society Foundations	235,136	-	**235,136**	235,035	-	235,035
Other income from charitable activity	3,024	-	**3,024**	-	-	-
Sub-total for Project work	448,674	775,933	**1,224,607**	406,554	797,201	1,203,755
Conferences & Support	750,095	-	**750,095**	136,717	-	136,717
Sub-total for Conferences & Support	750,095	-	**750,095**	136,717	-	136,717
Total income from charitable activities	1,198,769	775,933	**1,974,702**	543,271	797,201	1,340,472

4 Income from investments

	Unrestricted	Restricted	**2023 Total**	Unrestricted	Restricted	2022 Total
	£	£	**£**	£	£	£
Bank interest receivable	7,226	-	**7,226**	970	-	970
	7,226	-	**7,226**	970	-	970

All income from investments is unrestricted.

5 Analysis of expenditure (current year)

	Charitable activities					
	Project Work £	Conference & support £	Governance costs £	Support costs £	**2023 Total £**	2022 Total £
Staff costs (Note 8)	303,371	124,411	-	95,502	**523,284**	481,442
Other staff costs	2,668	-	-	11,524	**14,192**	10,219
Project expenses	268,381	193,123	-	-	**461,504**	103,716
Travelling costs	75,545	18,564	-	10,036	**104,145**	56,553
Consultancy fees	229,700	15,490	-	10,097	**255,287**	179,113
Recruitment and training costs	-	-	-	10,794	**10,794**	6,030
Journals and subscription costs	423	-	-	1,736	**2,159**	3,505
Meeting expenses	56,076	78	-	8,853	**65,007**	2,291
Legal, professional and regulatory fees	-	3,909	61	7,847	**11,817**	6,871
Conference expenses	85,761	201,210	-	4,020	**290,991**	56,277
Depreciation	-	-	-	9,443	**9,443**	9,488
Foreign exchange gains and losses	-	-	-	9,830	**9,830**	-
Audit and accountancy fees	1,780	-	-	12,620	**14,400**	12,000
Rent	18,411	-	-	5,864	**24,275**	32,100
Insurance	-	85	-	3,317	**3,402**	2,525
Printing, postage and stationery	1,916	93	-	63	**2,072**	134
Communications	14,550	26,038	-	456	**41,044**	58,104
Website maintenance and computer running costs	22,622	7,862	-	1,604	**32,088**	27,568
Office expenses	545	561	-	9,306	**10,412**	8,034
VAT Liability	-			50,000	**50,000**	-
	1,081,749	591,424	61	262,912	1,936,146	1,055,970
Support costs	-	262,912	-	(262,912)	**-**	-
Governance costs	61	-	(61)	-	**-**	-
Total expenditure 2023	**1,081,810**	**854,336**	**-**	**-**	**1,936,146**	
Total expenditure 2022	791,115	264,855	-	-		1,055,970

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6 Analysis of expenditure (prior year)

	Charitable activities				
	Project Work £	Conference & support £	Governance costs £	Support costs £	**2022 Total £**
Staff costs (Note 8)	388,819	66,774	-	197,273	**481,442**
Other staff costs	-	-	-	10,219	**10,219**
Project expenses	100,420	3,296	-	-	**103,716**
Travelling costs	42,778	11,855	-	1,920	**56,553**
Consultancy fees	178,638	440	-	35	**179,113**
Recruitment and training costs	-	-	-	6,030	**6,030**
Journals and subscription costs	1,777	-	-	1,728	**3,505**
Meeting expenses	1,716	39	-	536	**2,291**
Legal, professional and regulatory fees	-	760	13	6,098	**6,871**
Conference expenses	857	53,790	-	1,630	**56,277**
Depreciation	-	-	-	9,488	**9,488**
Foreign exchange gains and losses	-	-	-	-	**-**
Audit and accountancy fees	3,820	-	8,180	-	**12,000**
Repairs and maintenance	-	-	-	-	**-**
Rent	5,972	-	-	26,128	**32,100**
Insurance	-	-	-	2,525	**2,525**
Printing, postage and stationery	9	-	-	125	**134**
Communications	51,511	4,077	-	2,516	**58,104**
Website maintenance and computer running costs	4,488	8,257	-	14,823	**27,568**
Office expenses	2,117	-	-	5,917	**8,034**
	782,922	149,288	8,193	115,567	1,055,970
Support costs	-	115,567	-	(115,567)	-
Governance costs	8,193	-	(8,193)	-	-
Total expenditure 2022	**791,115**	**264,855**	**-**	**-**	**1,055,970**

7 Net income / (expenditure) for the year

This is stated after charging / (crediting):

	2023	2022
	£	£
Depreciation	**9,443**	9,488
Operating lease rentals payable:		
Property	**-**	32,100
Auditor's remuneration (excluding VAT):	**10,700**	10,000
Independent examination	**-**	-
Foreign exchange gains or losses	**9,830**	-

8 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2023	2022
	£	£
Salaries and wages	**461,596**	422,071
Social security costs	**41,252**	39,480
Employer’s contribution to defined contribution pension schemes	**20,436**	19,891
	523,284	481,442

The following number of employees received employee benefits (excluding employer pension costs and employer's national insurance) during the year between:

	2023	2022
	No.	No.
£60,000 - £69,999	**1**	1
£70,000 - £79,999	**1**	

The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel were £213,402 (2022: £82,292).

The charity trustees were neither paid nor received any other benefits from employment with the charity in the year (2022: £nil). No charity trustee received payment for professional or other services supplied to the charity (2022: £nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £NIL (2022: £nil) incurred by NIL (2022: nil) member relating to attendance at meetings of the trustees.

9 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was 10 (2022: 10).

10 Related party transactions

There are no Related Party transactions

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

11 Taxation

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

12 Tangible fixed assets

Cost or valuation	Leasehold property £	Fixtures and fittings £	Computer equipment £	Motor vehicles £	**Total £**
At the start of the year	47,366	2,212	18,829	-	**68,407**
At the end of the year	47,366	2,212	18,829	-	**68,407**
Depreciation					
At the start of the year	37,923	2,212	18,829	-	**58,964**
Charge for the year	9,443	-	-	-	**9,443**
At the end of the year	47,366	2,212	18,829	-	**68,407**
Net book value					
At the end of the year	-	-	-	-	**-**
At the start of the year	9,443	-	-	-	9,443

All of the above assets are used for charitable purposes.

13 Debtors

	2023 £	2022 £
Trade debtors	**13,748**	51,762
Other debtors	**-**	152
Prepayments	**-**	44,730
Accrued income	**1,378**	80,787
	15,126	177,431

14 Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	**93,526**	53,159
Taxation and social security	**10,482**	15,855
Other creditors	**-**	995
Amounts due for Pensions	**2,631**	2,831
Accruals	**99,049**	17,978
Deferred income (note 15)	**292,998**	369,118
	498,686	459,936

15 Deferred income

Deferred income comprises grant income received during the year for

	2023 £	2022 £
Balance at the beginning of the year	**369,118**	742,584
Amount released to income in the year	**(369,118)**	(436,933)
Amount deferred in the year	**292,998**	63,467
Balance at the end of the year	**292,998**	369,118

16a Analysis of net assets between funds (current year)

	General unrestricted £	Designated £	Restricted £	**Total funds £**
Tangible fixed assets	-	-	-	**-**
Net current assets	664,594	220,360	147,061	**1,032,015**
Current liabilities	(498,686)	-	-	**(498,686)**
Net assets at 31 December 2023	**165,908**	**220,360**	**147,061**	**533,329**

16b Analysis of net assets between funds (prior year)

	General unrestricted £	Designated £	Restricted £	**Total funds £**
Tangible fixed assets	9,443	-	-	**9,443**
Current assets	552,849	179,353	176,700	**908,902**
Current liabilities	(459,936)	-	-	**(459,936)**
Net assets at 31 December 2022	**102,356**	**179,353**	**176,700**	**458,409**

17a Movements in funds (current year)

	At January 2023 £	Income & gains £	Expenditure & losses £	Transfers £	**At 31 December 2023 £**
Restricted funds:					
World Health Organization	(1)	19,860	(19,859)		**-**
Robert Carr Fund - Harm Reduction Consortium	6,951	115,656	(122,607)	-	**-**
Open Society Foundations - Emergency Powers	17,048		(17,048)	-	**-**
OSF-Pandemic Treaty advocacy	-	93,723	(93,723)	-	**-**
Robert Carr Fund – Prisons Health and Rights Consortium	7,458	89,833	(91,232)	-	**6,059**
Unitaid MdM	-	19,804	(19,804)	-	**-**
OSF CESCR General Comment	-	8,798	(4,947)	-	**3,851**
Elton John AIDS Foundation (EJAF Phase 11)	-	123,527	(68,891)	-	**54,636**
Elton John AIDS Foundation (EJAF Phase 1)	76,004	142,920	(156,290)	-	**62,634**
Open Society Foundations - LAWYERS	51,572	70,515	(122,087)	-	**-**
DPA GSHR 2024	-	19,881	-	-	**19,881**
OSF Asia Pacific_Conf	-	27,480	(27,480)	-	**-**
Global Fund (CRG) Strategic Initiative TA - Nigeria	-	9,848	(9,848)	-	**-**
Global Fund (CRG) Strategic Initiative TA - Mauritius	15,364	25,100	(40,464)	-	**-**
Global Fund (CRG) Strategic Initiative TA - Bangladesh	2,304	8,988	(11,292)	-	**-**
Total restricted funds	176,700	775,933	(805,572)	-	**147,061**
Unrestricted funds:					
Designated Funds					
Open Society Foundations - LOTM	56,155	-	(20,218)	-	**35,937**
Open Society Foundations - death penalty	12,198	-	(7,050)	-	**5,148**
Conference 2025	-			100,000	**100,000**
Trustees - Corporate structure and sustainability	54,000	-	(21,895)	-	**32,105**
Trustees - Foreign exchange volatility	57,000	-	(9,830)	-	**47,170**
General funds	102,356	1,235,134	(1,071,582)	(100,000)	**165,908**
Total unrestricted funds	281,709	1,235,134	(1,130,575)	(100,000)	386,268
Total funds	458,409	2,011,067	(1,936,147)	-	**533,329**

The narrative to explain the purpose of each fund is given at the foot of the note below.

17b Movements in funds (prior year)

	At January 2022 £	Income & gains £	Expenditure & losses £	Transfers £	**AT 31 December 2022 £**
Restricted funds:					
World Health Organization	-	16,056	(16,057)	-	**(1)**
Global Fund (CRG) Strategic Initiative – LANPUD	4,449	-	(3,797)	(652)	**-**
Robert Carr Fund - Harm Reduction Consortium	-	115,706	(108,755)	-	**6,951**
Open Society Foundations - Emergency Powers	-	109,440	(92,392)	-	**17,048**
GSHR 2022 -Swiss Federal Office of Public Health	-	12,765	(12,765)	-	**-**
Robert Carr Fund - Prisons	-	90,115	(82,657)	-	**7,458**
UNAIDS - Data and Funding for Harm Reduction	-	126,847	(126,847)	-	**-**
Open Society Foundations - SAME	18,233	30,379	(48,612)	-	**-**
UNODC - COVID-19 Vaccinations and Harm Reduction	-	36,881	(37,533)	652	**-**
Robert Carr Fund – COVID-19	-	76,740	(76,740)	-	**-**
Elton John AIDS Foundation (EJAF)	-	132,695	(56,691)	-	**76,004**
Open Society Foundations - LAWYERS	73,495	-	(21,923)	-	**51,572**
Global Fund (CRG) Strategic Initiative TA - UHRN	5,519	9,625	(15,144)	-	**-**
Global Fund (CRG) Strategic Initiative TA - Nigeria	-	18,622	(18,622)	-	**-**
Global Fund (CRG) Strategic Initiative TA - Mauritius	-	15,364	-	-	**15,364**
Global Fund (CRG) Strategic Initiative TA - Bangladesh	-	5,966	(3,662)	-	**2,304**
Total restricted funds	101,696	797,201	(722,197)	-	**176,700**
Unrestricted funds:					
Designated Funds					
Open Society Foundations - LOTM	-	115,098	(58,943)	-	56,155
Open Society Foundations - death penalty	-	56,421	(44,223)	-	12,198
Trustees - Corporate structure and sustainability	-	54,000	-	-	54,000
Trustees - Foreign exchange volatility	-	57,000	-	-	**57,000**
General funds	60,856	272,107	(230,607)	-	**102,356**
Total unrestricted funds	60,856	554,626	(333,773)	-	**281,709**
Total funds	162,552	1,351,827	(1,055,970)	-	**458,409**

Purposes of restricted funds

Designated Funds

The trustees have designated funds of £41,085 for 2024 for the purpose of fulfilling HRI's commitment to support two human rights networks (the South Asia Middle East Network and the Lawyering on the Margins Network); funds of £32,105 for the purpose of gaining technical advice on HRI's corporate structure and sustainability; funds of £47,170 to mitigate future foreign exchange fluctuations and £100,000 for the HR25 Conference.

Open Society Foundations - CESCR General Comment

OSF support for a consortium of human rights actors to engage in consultation and advocacy related to economic social and cultural rights.

Open Society Foundations - Pandemic Treaty

OSF support for research and advocacy related to human rights, equity and the health of marginalised groups in the Pandemic Treaty.

Robert Carr Fund - Harm Reduction Consortium

RCF support for the Harm Reduction International conference, and for research and advocacy related to harm reduction and the funding landscape/sustainable financing.

Purposes of restricted funds (continued)

Open Society Foundations - Emergency Powers

OSF support for research and advocacy on the impact of COVID-19 emergency powers on the rights of marginalised populations; part of a global 'Resist Emergency Powers' campaign.

Unitaid MdM

Unitaid support for research and mapping of harm reduction interventions related to viral hepatitis.

Robert Carr Fund – Prisons Health and Rights Consortium

Robert Carr Fund support for advocacy for the health and rights of people in prisons of Europe; national, regional and international monitoring and advocacy.

Drug Policy Alliance - GSHR 2024

DPA support for research and advocacy on aligned areas of harm reduction and drug policy reform advocacy in the Global State of Harm Reduction

Open Society Foundations - SAME

OSF support for regional coordination and advocacy amongst human rights, death penalty and criminal justice actors in South Asia and the Middle East.

Elton John AIDS Foundation (Phase II)

EJAF continuation of support for advocacy and analysis to address the funding gap for harm reduction (including global monitoring, national budget advocacy partnerships and campaigns).

Open Society Foundations - Asia Conference Scholarships

OSF support for scholarships for the Harm Reduction International conference, strengthening access to the forum for leaders in Southeast Asia.

Elton John AIDS Foundation (EJAF)

EJAF support for advocacy and analysis to address the funding gap for harm reduction (including global monitoring, national budget advocacy partnerships and campaigns).

Open Society Foundation - LAWYERS

OSF support for a global network of lawyers providing services for populations vulnerable to HIV, including advocacy and training (Lawyering on the Margins).

World Health Organization

WHO support to advance work on viral hepatitis and harm reduction, with a focus on the Harm Reduction International conference.

Global Fund (CRG) Strategic Initiative TA - Nigeria

Global Fund CRG technical assistance to document key issues faced by key populations in accessing HIV and other services, including community consultations.

Purposes of restricted funds (continued)

Global Fund (CRG) Strategic Initiative TA - Mauritius

Global Fund CRG technical assistance to support national plans for the sustainability of funding for HIV prevention and harm reduction services.

Global Fund (CRG) Strategic Initiative TA - Bangladesh

Global Fund CRG technical assistance to identify administrative and structural barriers to services and to support community engagement in Global Fund processes.

18 Operating lease commitments payable as a lessee

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods

	Property		Equipment	
	2023	2022	**2023**	2022
	£	£	**£**	£
Less than one year	**-**	30,000	**-**	-
One to five years	**-**	-	**-**	-
	-	30,000	**-**	-

19 Legal status of the charity

The Charity is controlled by the Trustees

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

Accounts

Company number: 3223265
Charity number: 1117375

Harm Reduction International

Report and financial statements
For the year ended 31 December 2022

SAYER | VINCENT

Harm Reduction International

Contents

For the year ended 31 December 2022

Company number	3223265
Country of incorporation	England & Wales
Charity number	1117375
Country of registration	England & Wales

Registered office and operational address 61 Mansell Street, London E1 8AN, United Kingdom

Trustees

Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

Lucy Burns	Chair
Saumya Kailasapathy	Vice Chair (until September 2022)
John Porter	Treasurer
Kojo Koram	Secretary
Alexander Stevens	
Olga Belyaeva	
Oluseyi Kehinde	
Raminta Stuikyte	

Key management personnel

Naomi Burke-Shyne, Executive Director
Anne Taiwo, Finance Manager
Colleen Daniels, Deputy Director

Bankers

NatWest
Aintree Black Bull, Cedar Rd, Liverpool L9 0EG

Solicitors

Bates Wells
10 Queen St Pl, London EC4R 1BE

Auditor

Sayer Vincent LLP
Chartered Accountants and Statutory Auditor
Invicta House
108-114 Golden Lane
LONDON
EC1Y 0TL

The trustees present their report and the audited financial statements for the year ended 31 December 2022.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association, the requirements of a directors' report as required under company law, and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Objectives and activities

Purposes and aims

Our vision is a world in which drug policies uphold dignity, health and rights. We use data and advocacy to promote harm reduction and drug policy reform. We show how rights-based, evidence-informed responses to drugs contribute to healthier, safer societies, and why investing in harm reduction makes sense.

The objectives of Harm Reduction International (HRI) are to promote evidence-based and human rights compliant public health policy and practice by:

a) undertaking research into drug use, drug related harm and evidence-based public health responses to drug use, drug enforcement and public health,
b) undertaking research on human rights issues relating to drug use, drug enforcement and public health,
c) promoting policies and strategies to reduce the negative health and social consequences associated with drug use,
d) educating the public, national and international agencies involved in reducing the negative health and social consequences associated with drug use,
e) disseminating and sharing information with national and international agencies involved in reducing the negative health and social consequences associated with drug use, and
f) supporting the involvement of civil society, including the perspectives of people who use drugs within national and international policy and decision-making on drug related issues.

In 2022 Harm Reduction International undertook the following main activities to further the charity's purpose:

a) convening at Harm Reduction International events for learning, sharing and activism, and building solidarity within the harm reduction and drug policy movements.
b) fostering new allyship with health and social justice movements, and collaborating to promote shared advocacy aims
c) using data, analysis and advocacy to double the amount of funding available for harm reduction and drug policy reform.
d) strengthening technical and normative support for harm reduction through strategic engagement at international level and partnerships at regional and national level.

e) using international human rights standards to challenge the use of drug control to justify rights violations, and promoting the rights of marginalised groups.
f) documenting and challenging the use of drug control where it has a disproportionately negative impact on Black, Brown, Indigenous and ethnic minority individuals and communities.

The trustees review the aims, objectives and activities of the charity each year. This report looks at what the charity has achieved and the outcomes of its work in the reporting period. The trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help. The review also helps the trustees ensure the charity's aims, objectives and activities remained focused on its stated purposes.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set.

In 2022, HRI undertook a review of its 2017-2021 strategic plan and developed its 2022-2025 strategic plan. In line with the new strategic plan, HRI’s objectives and activities are designed to contribute to three key outcomes:

Outcome 1: The harm reduction and drug policy reform movements are characterised by solidarity and equity, informed by evidence, and allied with health and social justice movements.

Outcome 2: Harm reduction approaches and services are widely accepted, community-led and sustainably funded.

Outcome 3: Drug policy is aligned with international human rights standards and advances equity, racial and social justice.

HRI focuses on these outcomes to advance our overarching vision of a world in which drug policies uphold dignity, health and rights. We organise our work across four teams: conference, public health and social policy, sustainable financing, and human rights and justice.

HRI’s resources - staff and financial - are divided relatively evenly across teams.

Our conference team convenes more than 1000 delegates from approximately 80 countries around the world via the biennial Harm Reduction International Conference. The conference is held in a different city every two years and has been held in almost every region of the world since the first conference in Liverpool in 1990. In 2020 and 2021, the conference team also organised Constellations: An Online Festival on Drugs and Harm Reduction.

Our public health and social policy team conducts original research and analysis to track developments in harm reduction and ensure that people who use drugs have access to the health and social services they need. We also engage on technical matters with community and civil society partners, governments and UN agencies.

Our sustainable financing team works to increase funding for harm reduction services around the world by monitoring the funding landscapes for harm reduction, collecting and communicating evidence, providing strategic analysis and developing tools for advocates. We engage in strategic processes and dialogues with the major international funders of harm reduction, emphasising the catalytic effect of funding community-led work and advocacy.

Our human rights and justice team monitors rights abuses committed globally in the name of drug control, and advocates to promote the human rights of people who use drugs and their communities. We advance this work through advocacy with UN agencies, governments and human rights mechanisms, in partnership with community and civil society partners.

Partnership work is critical to Harm Reduction International; from time to time, this involves making sub-grants to national partners with shared objectives. HRI is guided by a sub-granting policy for such processes, which supports implementation of our commitment to fairness, integrity, transparency and value for money in sub granting. HRI's preferred approach is to run an open tender process. HRI's 2022 sub-grants are captured under 'project expenses' under Note 5 of the accounts and comprise approximately 50% of this figure.

Achievements and performance

The charity's main activities, and the people it seeks to support are described below. All its charitable activities focus on reducing the negative health, social and legal impacts of drug use and drug policy; and are undertaken to further Harm Reduction International's charitable purposes for the public benefit.

In 2022, HRI implemented a second Constellations Online Festival of Drugs and Harm Reduction; leveraging a Webex platform to create an accessible, online forum for ground-breaking discussions on drugs and harm reduction. Highlights included a conversation between Kurt Schmoke, President of the University of Baltimore and former Mayor of Baltimore (1987-99) and David Simon, creator and producer of HBO series 'The Wire' on their experiences of the war on drugs, policing, drug policy and politics.

We also scaled up preparation for the Harm Reduction International conference in April 2023. In 2020 in the context of the COVID-19 pandemic, HRI made the decision to postpone the 2021 Harm Reduction International conference until April 2023.

HRI continued its leadership in the global mapping, celebrating an increase in life-saving services around the world via the Global State of Harm Reduction 2022. The Global State - an independent global data collection effort in partnership with community and civil society - is the most comprehensive global mapping of harm reduction responses to drug use, HIV and viral hepatitis. Partners led regional webinars to disseminate new findings. HRI also worked to document the ongoing impact of COVID-19 on harm reduction services, to expose inequitable vaccine roll out, and to create tools/guides to strengthening access to vaccines.

Our 2022 we focused our advocacy for funding for harm reduction around the replenishment of the Global Fund to fight AIDS, Tuberculosis and Malaria (the Global Fund) – the largest funder of harm reduction in low- and middle-income countries. This included engaging in strategy discussions, hosting webinars to disseminate critical information to partners working at national level, and bringing critical technical information to the attention of decision makers. We also explored options for future funding for harm reduction from domestic government sources in partnership with organisations in Indonesia, Kenya, Nepal, Nigeria, Uganda, and South Africa.

2022 highlights in our human rights advocacy include shining a light on the increase in drug-related executions in Saudi Arabia and Singapore and demanding more from the international community. We continued efforts to strategically connect national and international human rights advocacy, and to ensure normative progress at UN level positively impacts on every day work in criminal systems, in courts and in prisons – for example through guides for the UN Working Group on Arbitrary Detention and reports from the UN Human Rights Council.

Across all activities we aimed to:

- centre the expertise and leadership of the community of people who use drugs, reflecting on power dynamics within our partnerships, and structurally (re)balance power;
- highlight the negative impact of criminalisation and the compounding effects of intersectional vulnerabilities; specifically, how drug policy interacts with gender, ethnicity, race, poverty and socioeconomic status.

We presented evidence and human rights standards to governments at the UN Human Rights Council, the UN Commission on Narcotic Drugs, the World Health Assembly; and contributed to drug policy reform dialogues via the National Harm Reduction Conference (USA), the Geneva Health Forum, the Scottish Drugs Forum Overdose Awareness Day, meetings of the UNITE Parliamentarians for Global Health, the World Health Summit and a number of civil society meetings. These strategic points of engagement supported progress against our three outcome areas: a movement characterised by solidarity and equity; wide acceptance of harm reduction approaches and services; drug policy advances equity, racial and social justice.

It remains a complex and challenging environment for harm reduction and drug policy globally. In 2022, a deteriorating global space in terms of the death penalty, the ongoing prioritisation of punitive and criminal-focused approaches to drug use, and a significant shortage of funding for critical health interventions overshadowed the establishment of a number of new harm reduction services and progressive positions at UN level. In this context, HRI's global monitoring, analysis and advocacy remain essential contributions to efforts to achieve a world in which drug policies promote dignity, health and rights.

Beneficiaries of our services

The ultimate beneficiaries of Harm Reduction International's work are vulnerable people who use drugs and impacted by drug policies around the world; in our 2022-2025 strategy we highlight the negative impact of the criminalisation of drugs and the compounding effects of intersectional vulnerabilities; specifically, how drug policy interacts with gender, ethnicity, race, poverty and socioeconomic status. As a convening, policy and advocacy organisation, Harm Reduction International measures how its convening, research and analysis catalyse change, and how our work is used by advocates and policy makers to support reform of laws, policies and programming (at national, regional or international level). Our global monitoring work provides insights into shifting trends, the uptake of evidence-based services or international human rights standards in drug policy and practice.

Financial review

HRI's financial position at the end of the reporting period was stronger than in the past two years. This is the result of two substantial fundraising efforts coming to fruition, together with multiple new small funding streams; making the year unique. In addition, HRI's financial position was strengthened by an unanticipated gain associated with currency fluctuations.

This is broadly in line with HRI's gradual recovery from the stalling effects of COVID-19 in 2020 and 2021, and ongoing efforts to strengthen internal controls.

Based on our 2023-24 forecast, cash flow, existing commitments from donors, active pursuit of new funds, and plans for the Harm Reduction International conference in April 2023, we have basis to believe the organisation can continue to operate and meet its debts as they fall due in the coming 12-24 months; i.e. continue as a going concern. HRI's income/incoming pipeline and forecast expenditure support HRI's plans for work against its strategic objectives.

In 2020, HRI made the decision to postpone the 2021 Harm Reduction International conference until April 2023. We mitigated the financial impact of conference postponement by delaying most conference-related costs, undertaking some fundraising for convening online (Constellations), and embedding some aspects of convening into our broader grant applications.

In line with its fundraising goals, HRI staff continued work to diversify and increase funding in 2022. HRI made strong progress against its target of holding three months' operational costs in reserves for the year. Fundraising activities were undertaken by HRI staff, there was no specific or material expenditure on fundraising.

HRI is committed to achieving value for money across all activities.

Principal risks and uncertainties

HRI maintains a risk register, reviewed by the trustees twice a year. The risk register prompts the trustees to assess risks and decide upon mitigating actions across five categories: governance, operational, financial, environmental/external and compliance (law and regulation). We continue to analyse the impact of pandemic-related risks (first incorporated in the risk register in April 2020 in the context of COVID-19).

Broadly, we are currently working to mitigate the following key risks:

- →Governance risks: in the context of HRI's focus on a highly specialised, yet stigmatised topic we face a risk of not being able to attract high quality trustee candidates from outside our sector. Trustees with diverse skills and experience are critical to the effective governance of the charity. We mitigate this risk by drawing on a board skills and diversity framework for board appointments, advertising on broader charity websites for our trustees, and regularly contributing ideas for a potential board candidate pool.
- → Operational risks: in the context of HRI's small size and specialised focus, our staff are our greatest assets. The cost of living crisis and inflation in the UK, emergence from pandemic restrictions, along with a tumultuous global environment make for uncertain conditions. HRI is working to find new ways to work and support staff resilience.
- → Financial risks: in the context of a limited pool of donors funding international harm reduction and drug policy, HRI must stay alert to shifts in donor priorities and work to make the case for health-based, rights-based approaches to drugs. Concurrently, HRI will continue to work on strengthening financial controls and improving our financial management systems for best practice.
- →Environment/external risks: HRI works to mitigate the risks of the rapidly changing external environment by strengthening our external communications, and developing work which allows us to demonstrate harm reduction is a social justice and public health issue closely connected to many other complex issues in society.
- →Compliance risks: in the context of HRI's small size/limited human resources, we rely on a network of external experts (including our auditors) to assist us to remain compliant with relevant policy and legislation.

Reserves policy and going concern

At the end of 2022, HRI held a total of £458,409. Of these funds, £176,700 are restricted funds and not available for the general purposes of the charity at the end of the reporting period.

Of the unrestricted funds, the trustees have designated three sums:

- Firstly, funds of £68,353 are held for the purpose of fulfilling HRI's commitment to support two human rights networks – the South Asia Middle East Network and the Lawyering on the Margins Network.
- Secondly, funds of £54,000 are held for the purposes of gaining technical advice on HRI's corporate structure and interrogating questions on the sustainability of the organisation; this is in line with the strategic discussions of trustees over a couple of years.
- Thirdly, funds of £57,000 are held to reflect the foreign exchange volatility of 2021 and 2022 combined, with a view to offering protection against future foreign exchange fluctuations.

It is anticipated that the activities associated with the first two designated amounts will be completed in 2023, and that the designated amounts will be spent by 31 December 2023. The foreign exchange volatility designated fund will be reviewed by the trustees in November 2023.

HRI does not have material funds in tangible fixed assets or investments.

At the end of 2022, taking into account restricted funds and the designated amounts noted above, HRI holds the amount of £102,356 in reserves.

This represents progress towards HRI's aim to hold three months' operating costs in reserve (a goal which is reviewed annually by the trustees). HRI calculates one month of operating costs (including salary for the team, essential operating costs, and basic liabilities) is £65,000. A restrictive definition of one month of operating costs is £55,000. Using the former definition, three months of operating costs is £195,000.

HRI attributes its progress towards reserve targets to be related to two matters: (a) two substantial fundraising efforts coming to fruition, together with multiple new small funding streams; and (b) ongoing efforts to strengthen internal controls.

HRI will continue its efforts to bring its reserves in line with the target set by the trustees through concentrated fundraising efforts and through prudent financial management.

Fundraising

HRI key management personnel lead on fundraising for the charity. HRI does not engage professional fundraisers or commercial entities in fundraising.

Plans for the future

HRI adopted its 2022-2025 Strategic Plan and re-energised its vision for a world in which drug policies promote dignity, health and rights. The 2025 Strategy Plan takes into account the rapidly evolving global environment and HRI's leadership role at the intersection of harm reduction, drug policy and human rights.

HRI has a strong track record of contributing to the evidence-base for harm reduction, monitoring the funding landscape for harm reduction, and advocating for rights-based responses to drugs. HRI will continue its leading work across these areas. HRI is also unique in convening the biennial Harm Reduction International conference, which is the main global forum for the exchange of information and best practice at the intersection of human rights, drug policy and harm reduction.

Under the 2025 Strategy, HRI lead in the sector via four approaches:

(1) convening the harm reduction and drug policy reform movements for knowledge exchange and strategic advocacy,
(2) leading data collection for global monitoring and trend analysis on harm reduction, human rights and drug policy,
(3) drawing on systems knowledge and advocacy skills to engage with and influence multilateral bodies, state and non-state actors,
(4) developing tools for advocates and responding to requests for technical assistance.

Across all work HRI focuses on centring the expertise and leadership of the community of people who use drugs, reflecting on power dynamics within our partnerships and structurally (re)balancing power. We highlight the negative impact of criminalisation and the compounding effects of intersectional vulnerabilities; specifically, how drug policy interacts with gender, ethnicity, race, poverty and socioeconomic status.

Structure, governance and management

The organisation is a charitable company limited by guarantee, incorporated on 11 July 1996 and registered as a charity on 22 December 2006.

The company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association. Decisions are made in compliance with these constituent documents. The Trustees delegate the day-to-day management of the charity to Executive Director, Naomi Burke-Shyne. Ms Burke-Shyne served as the Executive Director for the reporting period in question.

HRI follows a foundation model of governance in which the Trustees are the members. HRI has no subsidiaries and is not affiliated with a wider network.

All trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 10 to the accounts.

Appointment of trustees

HRI's constituent documents set the minimum number of Trustees as six and the maximum as twelve. Trustees are appointed for three years and may stand for re-election once.

New Trustees are appointed by a decision of the Trustees, passed by a majority of two-thirds of the total number of sitting Trustees, in line with an agreed commitment to diversity of skills and experience. Appointments are recommended following candidate interviews with a Board Vacancies Working Group/Committee (comprised of two Trustees and the Executive Director) and made at the meetings of the Trustees.

Trustee induction and training

HRI provides induction to new trustees via a briefing pack based on Charity Commission guidance, an induction meeting with HRI staff, and ongoing direct support.

HRI aims to hold Trustees Skills Refresher trainings biennially.

Related parties and relationships with other organisations

HRI has no related party relationships or contracts to declare.

Remuneration policy for key management personnel

Salary for staff other than the Executive Director is set using a salary banding system, which is based upon established market rates.

Salary for the Executive Director is set by the Trustees.

Statement of responsibilities of the trustees

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

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

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

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

In so far as the trustees are aware:

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

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.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 December 2022 was 9 (2019:9). The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

Auditor

Sayer Vincent LLP was appointed as the charitable company's auditor during the year and has expressed its willingness to continue in that capacity.

The directors’ annual report has been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

The trustees’ annual report has been approved by the trustees on 24 May 2023 and signed on their behalf by

Lucy Burns
Chair

Opinion

We have audited the financial statements of Harm Reduction International (the 'charitable company') for the year ended 31 December 2022 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the charitable company's affairs as at 31 December 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
- 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 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 Harm Reduction International'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' annual report other than the financial statements and our auditor's 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 the audit:

- The information given in the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The trustees' annual 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual 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 directors 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' annual report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, the trustees (who are also the directors of the charitable company for the purposes of

company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, 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

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 are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
  - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
  - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.

- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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 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 auditor’s report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Sayer Vincent LLP

Jonathan Orchard (Senior statutory auditor)
28 June 2023
for and on behalf of Sayer Vincent LLP, Statutory Auditor
Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

Harm Reduction International

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 December 2022

	Note	Unrestricted £	Restricted £	**2022 Total £**	Unrestricted £	Restricted £	2021 Total £
Income from:							
Donations and legacies	2	10,385	-	**10,385**	101,365	-	101,365
Charitable activities							
Project work	3	406,554	797,201	**1,203,755**	263,650	395,334	658,984
Conferences & support	3	136,717	-	**136,717**	63,033	-	63,033
Investments	4	970	-	**970**	23	-	23
Total income		554,626	797,201	**1,351,827**	428,071	395,334	823,405
Expenditure on:							
Charitable activities							
Project work	5	68,918	722,197	**791,115**	2,158	470,341	472,499
Conference & support	5	264,855	-	**264,855**	377,002	-	377,002
Total expenditure		333,773	722,197	**1,055,970**	379,160	470,341	849,501
Net income / (expenditure) before net gains / (losses) on investments		220,853	75,004	**295,857**	48,911	(75,007)	(26,096)
Net income / (expenditure) for the year	7	220,853	75,004	**295,857**	48,911	(75,007)	(26,096)
Transfers between funds		-	-	**-**	-	-	-
Net income / (expenditure) before other recognised gains and losses		220,853	75,004	**295,857**	48,911	(75,007)	(26,096)
Net movement in funds		220,853	75,004	**295,857**	48,911	(75,007)	(26,096)
Reconciliation of funds:							
Total funds brought forward		60,856	101,696	**162,552**	11,945	176,703	188,648
Total funds carried forward		281,709	176,700	**458,409**	60,856	101,696	162,552

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 27a to the financial statements.

Harm Reduction International

Balance sheet

Company no. 03223265

As at 31 December 2022

	Note	£	2022 £	£	2021 £
Fixed assets:					
Tangible assets	12		**9,443**		18,931
			9,443		18,931
Current assets:					
Debtors	13	**177,431**		30,555	
Cash at bank and in hand		**731,471**		882,388	
		908,902		912,943	
Liabilities:					
Creditors: amounts falling due within one year	14	**(459,936)**		(769,322)	
Net current assets / (liabilities)			**448,966**		143,621
Total assets less current liabilities			**458,409**		162,552
Net assets excluding pension asset / (liability)			**458,409**		162,552
Total net assets / (liabilities)			**458,409**		162,552
The funds of the charity:	17a				
Restricted income funds			**176,700**		101,696
Unrestricted income funds:					
Designated funds		**179,353**		-	
General funds		**102,356**		60,856	
Total unrestricted funds			**281,709**		60,856
Total charity funds			**458,409**		162,552

Approved by the trustees on 24 May 2023 and signed on their behalf by

Lucy Burns
Chair

John Porter
Treasurer

Harm Reduction International

Statement of cash flows

For the year ended 31 December 2022

	Note	**2022**		2021	
		£	**£**	£	£
Cash flows from operating activities					
Net income / (expenditure) for the reporting period		**295,857**		(26,096)	
(as per the statement of financial activities)					
Depreciation charges		**9,488**		9,488	
(Gains)/losses on investments		**-**		(13)	
Dividends, interest and rent from investments					
(Increase)/decrease in debtors		**(146,876)**		52,981	
Increase/(decrease) in creditors		**(309,386)**		334,727	
Net cash provided by / (used in) operating activities			**(150,917)**		371,087
Cash flows from investing activities:					
Dividends, interest and rents from investments		**-**		13	
Purchase of fixed assets		**-**		-	
Net cash provided by / (used in) investing activities			**-**		13
Change in cash and cash equivalents in the year			**(150,917)**		371,100
Cash and cash equivalents at the beginning of the year			**882,388**		511,288
Cash and cash equivalents at the end of the year			**731,471**		882,388

Analysis of cash and cash equivalents and of net debt

	At 1 January 2022	Cash flows	Other non-cash changes	**At 31 December 2022**
	£	£	£	**£**
Cash at bank and in hand	882,388	(150,917)	-	**731,471**
Total cash and cash equivalents	882,388	(150,917)	-	**731,471**

1 Accounting policies

a) Statutory information

Harm Reduction International is a charitable company limited by guarantee and is incorporated in England and Wales.

The registered office address is 61 Mansell Street, Aldgate, London.

b) Basis of preparation

The financial statements have been prepared in accordance with 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) - (Charities SORP FRS 102), and the Companies Act 2006/Charities Act 2011.

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

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

c) Public benefit entity

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

d) Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred. Grants may be deferred when either the performance related conditions are not met or there are time related restrictions.

Conference income is recognised as and when the actual event takes place.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

f) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

g) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

h) Fund accounting

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.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

1 Accounting policies (continued)

i) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive 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 raising funds relate to the costs incurred by the charity, as well as the cost of any activities with a fundraising purpose
- Expenditure on charitable activities includes the costs of charitable activities undertaken to further the purposes of the charity and their associated support costs
- Other expenditure represents those items not falling into any other heading

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

k) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Where such information about the aims, objectives and projects of the charity is also provided to potential donors, activity costs are apportioned between fundraising and charitable activities on the basis of area of literature occupied by each activity.

● Project Work	70%
● Support costs	20%
● Governance costs	10%

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

l) Foreign currencies

Monetary assets and liabilities denominate in foreign currencies are translated into sterling at rates of exchange ruling at the reporting date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction. Exchange gains and losses are recognised in the statement of financial activities.

m) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

n) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

● Fixtures and fittings	25% reducing
● Computer equipment	25% on cost

o) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

p) Short term deposits

Short term deposits includes cash balances that are invested in accounts with a maturity date of between 3 and 12 months.

q) Cash at bank and in hand

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

1 Accounting policies (continued)

r) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event 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 normally recognised at their settlement amount after allowing for any trade discounts due.

s) 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.

t) Pensions

The charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charity to the fund in respect of the year.

2 Income from donations and legacies

	Unrestricted £	Restricted £	**2022 Total £**	Unrestricted £	Restricted £	2021 Total £
Sundry income	86	-	**86**	82	-	82
Coronavirus Job Retention Scheme grant	-	-	**-**	70,909	-	70,909
Donated services	10,299	-	**10,299**	30,374	-	30,374
	10,385	-	**10,385**	101,365	-	101,365

3 Income from charitable activities

	Unrestricted £	Restricted £	**2022 Total £**	Unrestricted £	Restricted £	2021 Total £
Project work	-	797,201	**797,201**	30,000	395,334	425,334
Open Society Foundations	171,519	-	**171,519**	-	-	-
Open Society Foundations	235,035	-	**235,035**	233,650	-	233,650
Other income from charitable activity	-	-	**-**	-	-	-
Sub-total for Project work	406,554	797,201	**1,203,755**	263,650	395,334	658,984
Conferences & Support	136,717	-	**136,717**	63,033	-	63,033
Sub-total for Conferences & Support	136,717	-	**136,717**	63,033	-	63,033
Total income from charitable activities	543,271	797,201	**1,340,472**	326,683	395,334	722,017

4 Income from investments

	Unrestricted £	Restricted £	**2022 Total £**	Unrestricted £	Restricted £	2021 Total £
Bank interest receivable	970	-	**970**	23	-	23
	970	-	**970**	23	-	23

All income from investments is unrestricted.

5 Analysis of expenditure (current year) [the charitable activities should correspond to those itemised for income purposes]

	Charitable activities					
	Project Work	Conference & support	Governance costs	Support costs	**2022 Total**	2021 Total
	£	£	£	£	**£**	£
Staff costs (Note 8)	388,819	66,774	-	25,849	**481,442**	480,577
Other staff costs	-	-	-	10,219	**10,219**	2,216
Project expenses	100,420	3,296	-	-	**103,716**	138,734
Travelling costs	42,778	11,855	-	1,920	**56,553**	1,829
Consultancy fees	178,638	440	-	35	**179,113**	94,572
Recruitment and training costs	-	-	-	6,030	**6,030**	2,295
Journals and subscription costs	1,777	-	-	1,728	**3,505**	1,270
Meeting expenses	1,716	39	-	536	**2,291**	1,804
Legal, professional and regulatory fees	-	760	13	6,098	**6,871**	2,431
Conference expenses	857	53,790	-	1,630	**56,277**	8,446
Depreciation	-	-	-	9,488	**9,488**	9,488
Foreign exchange gains and losses	-	-	-	-	**-**	9,978
Audit and accountancy fees	3,820	-	8,180	-	**12,000**	1,200
Repairs and maintenance	-	-	-	-	**-**	-
Rent	5,972	-	-	26,128	**32,100**	44,400
Insurance	-	-	-	2,525	**2,525**	7,915
Printing, postage and stationery	9	-	-	125	**134**	100
Communications	51,511	4,077	-	2,516	**58,104**	30,075
Website maintenance and computer running costs	4,488	8,257	-	14,823	**27,568**	9,916
Office expenses	2,117	-	-	5,917	**8,034**	2,255
	782,922	149,288	8,193	115,567	1,055,970	849,501
Support costs	-	115,567	-	(115,567)	**-**	-
Governance costs	8,193	-	(8,193)	-	**-**	-
Total expenditure 2022	**791,115**	**264,855**	**-**	**-**	**1,055,970**	
Total expenditure 2021	**472,499**	**377,002**	**-**	**-**		**849,501**

6 Analysis of expenditure (prior year) [the charitable activities should correspond to those itemised for income purposes]

	Charitable activities				
	Project Work	Conference & support	Governance costs	Support costs	**2021 Total**
	£	£	£	£	**£**
Staff costs (Note 8)	195,910	69,002	-	215,665	**480,577**
Other staff costs	-	-	-	2,216	**2,216**
Project expenses	138,602	132	-	-	**138,734**
Travelling costs	977	164	-	688	**1,829**
Consultancy fees	94,474	-	-	98	**94,572**
Recruitment and training costs	295	-	-	2,000	**2,295**
Journals and subscription costs	459	-	-	811	**1,270**
Meeting expenses	1,743	-	-	61	**1,804**
Legal, professional and regulatory fees	-	1,345	1,086	-	**2,431**
Conference expenses	387	3,494	-	4,565	**8,446**
Depreciation	-	-	-	9,488	**9,488**
Foreign exchange gains and losses	(1,551)	-	-	11,529	**9,978**
Audit and accountancy fees	-	-	1,200	-	**1,200**
Repairs and maintenance	-	-	-	-	**-**
Rent	15,209	-	-	29,191	**44,400**
Insurance	-	4,205	-	3,710	**7,915**
Printing, postage and stationery	10	7	-	83	**100**
Communications	19,622	1,842	-	8,611	**30,075**
Website maintenance and computer running costs	2,963	-	-	6,953	**9,916**
Office expenses	1,113	82	-	1,060	**2,255**
	470,213	80,273	2,286	296,729	849,501
Support costs		296,729	-	(296,729)	**-**
Governance costs	2,286	-	(2,286)	-	**-**
Total expenditure 2021	**472,499**	**377,002**	**-**	**-**	**849,501**

7 Net income / (expenditure) for the year

This is stated after charging / (crediting):

	2022	2021
	£	£
Depreciation	9,488	9,488
Operating lease rentals payable:		
Property	32,100	28,992
Auditor's remuneration (excluding VAT):	10,000	
Independent examination	-	3,500
Foreign exchange gains or losses	-	9,978

8 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2022	2021
	£	£
Salaries and wages	422,071	428,616
Social security costs	39,480	37,838
Employer’s contribution to defined contribution pension schemes	19,891	14,123
	481,442	480,577

The following number of employees received employee benefits (excluding employer pension costs and employer's national insurance) during the year between:

	2022	2021
	No.	No.
£60,000 - £69,999	1	1

The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel were £82,292 (2021: £82,292).

The charity trustees were neither paid nor received any other benefits from employment with the charity in the year (2022: £nil). No charity trustee received payment for professional or other services supplied to the charity (2021: £nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £0 (2021: £314) incurred by NIL (2021: 1) member relating to attendance at meetings of the trustees.

9 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was 10 (2021: 12).

10 Related party transactions

There are no Related Party transactions

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

11 Taxation

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

12 Tangible fixed assets

Cost or valuation	Leasehold property £	Fixtures and fittings £	Computer equipment £	Motor vehicles £	**Total £**
At the start of the year	47,366	2,212	18,829	-	**68,407**
At the end of the year	47,366	2,212	18,829	-	**68,407**
Depreciation					
At the start of the year	28,435	2,212	18,829	-	**49,476**
Charge for the year	9,488	-	-	-	**9,488**
At the end of the year	37,923	2,212	18,829	-	**58,964**
Net book value					
At the end of the year	9,443	-	-	-	**9,443**
At the start of the year	18,931	-	-	-	18,931

All of the above assets are used for charitable purposes.

13 Debtors

	2022 £	2021 £
Trade debtors	**51,762**	9,360
Other debtors	**152**	180
Prepayments	**44,730**	20,363
Accrued income	**80,787**	652
	177,431	30,555

14 Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	**53,159**	4,423
Taxation and social security	**15,855**	10,401
Other creditors	**995**	-
Amounts due for Pensions	**2,831**	2,760
Accruals	**17,978**	9,154
Deferred income (note 15)	**369,118**	742,584
	459,936	769,322

15 Deferred income

Deferred income comprises grant income received during the year for

	2022 £	2021 £
Balance at the beginning of the year	**742,584**	345,258
Amount released to income in the year	**(436,933)**	(345,258)
Amount deferred in the year	**63,467**	742,584
Balance at the end of the year	**369,118**	742,584

16a Analysis of net assets between funds (current year)

	General unrestricted £	Designated £	Restricted £	**Total funds £**
Tangible fixed assets	9,443	-	-	**9,443**
Net current assets	552,849	179,353	176,700	**908,902**
Current liabilities	(459,936)	-	-	**(459,936)**
Net assets at 31 December 2022	**102,356**	**179,353**	**176,700**	**458,409**

16b Analysis of net assets between funds (prior year)

	General unrestricted £	Designated £	Restricted £	**Total funds £**
Tangible fixed assets	18,931	-	-	**18,931**
Current assets	811,247	-	101,696	**912,943**
Current liabilities	(769,322)	-	-	**(769,322)**
Net assets at 31 December 2021	**60,856**	**-**	**101,696**	**162,552**

17a Movements in funds (current year)

	At January 2022 £	Income & gains £	Expenditure & losses £	Transfers £	**At 31 December 2022 £**
Restricted funds:					
World Health Organization	-	16,056	(16,057)	-	**(1)**
Global Fund (CRG) Strategic Initiative – LANPUD	4,449	-	(3,797)	(652)	**-**
Robert Carr Fund - Harm Reduction Consortium	-	115,706	(108,755)	-	**6,951**
Open Society Foundations - Emergency Powers	-	109,440	(92,392)	-	**17,048**
GSHR 2022 -Swiss Federal Office of Public Health	-	12,765	(12,765)	-	**-**
Robert Carr Fund - Prisons	-	90,115	(82,657)	-	**7,458**
UNAIDS - Data and Funding for Harm Reduction	-	126,847	(126,847)	-	**-**
Open Society Foundations - SAME	18,233	30,379	(48,612)	-	**-**
UNODC - COVID-19 Vaccinations and Harm Reduction	-	36,881	(37,533)	652	**-**
Robert Carr Fund – COVID-19	-	76,740	(76,740)	-	**-**
Elton John AIDS Foundation (EJAF)	-	132,695	(56,691)	-	**76,004**
Open Society Foundations - LAWYERS	73,495	-	(21,923)	-	**51,572**
Global Fund (CRG) Strategic Initiative TA - UHRN	5,519	9,625	(15,144)	-	**-**
Global Fund (CRG) Strategic Initiative TA - Nigeria	-	18,622	(18,622)	-	**-**
Global Fund (CRG) Strategic Initiative TA - Mauritius	-	15,364	-	-	**15,364**
Global Fund (CRG) Strategic Initiative TA - Bangladesh	-	5,966	(3,662)	-	**2,304**
Total restricted funds	101,696	797,201	(722,197)	-	**176,700**
Unrestricted funds:					
Designated Funds					
Open Society Foundations - LOTM	-	115,098	(58,943)	-	**56,155**
Open Society Foundations - death penalty	-	56,421	(44,223)	-	**12,198**
Trustees - Corporate structure and sustainability	-	54,000	-	-	**54,000**
Trustees - Foreign exchange volatility	-	57,000	-	-	**57,000**
General funds	60,856	272,107	(230,607)	-	**102,356**
Total unrestricted funds	60,856	554,626	(333,773)	-	281,709
Total funds	162,552	1,351,827	(1,055,970)	-	**458,409**

The narrative to explain the purpose of each fund is given at the foot of the note below.

17b Movements in funds (prior year)

	At January 2021 £	Income & gains £	Expenditure & losses £	Transfers £	**At 31 December 2021 £**
Restricted funds:					
Global Fund/Alliance India	2,863	9,029	(11,892)	-	**-**
Global Fund (CRG) Strategic Initiative – LANPUD	-	18,049	(13,600)	-	**4,449**
Robert Carr Fund - Harm Reduction Consortium	7,706	109,262	(116,968)	-	**-**
Open Society Foundations - Emergency Powers	-	111,610	(111,610)	-	**-**
GSHR 2020: Swiss Federal Office of Public Health	863	7,628	(8,491)	-	**-**
UNODC – Moldova Prisons Project	-	14,409	(14,409)	-	**-**
UNAIDS Technical Support Mechanism (TSM)	4,935	17,738	(22,673)	-	**-**
Open Society Foundations - SAME	39,115	21,700	(42,582)	-	**18,233**
UNODC - COVID-19 Vaccinations and Harm Reduction	-	652	(652)	-	**-**
Robert Carr Fund – Global Drug Policy Index	34,765	29,370	(64,135)	-	**-**
MAC AIDS FUNDS UK	10,147	-	(10,147)	-	
Open Society Foundations - LAWYERS	76,309	50,368	(53,182)	-	**73,495**
Global Fund (CRG) Strategic Initiative - UHRN	-	5,519	-	-	**5,519**
Total restricted funds	176,703	395,334	(470,341)	-	**101,696**
Unrestricted funds:					
General funds	11,945	428,071	(379,160)	-	**60,856**
Total unrestricted funds	11,945	428,071	(379,160)	-	**60,856**
Total funds	188,648	823,405	(849,501)	-	**162,552**

Purposes of restricted funds

Designated Funds

The trustees have designated funds of £68,353 for 2023 for the purpose of fulfilling HRI's commitment to support two human rights networks (the South Asia Middle East Network and the Lawyering on the Margins Network); funds of £54,000 for the purpose of gaining technical advice on HRI's corporate structure and sustainability; and funds of £57,000 to mitigate future foreign exchange fluctuations.

World Health Organization

WHO support for the Global State of Harm Reduction 2022; support for publication of a repository of data on HIV, HBV, HCV prevalence and service availability for people who inject drugs.

Global Fund (CRG) Strategic Initiative – LANPUD

Global Fund CRG technical assistance to strengthen the participation of civil society and communities in Global Fund processes in Latin America.

Robert Carr Fund - Harm Reduction Consortium

Robert Carr Fund support for research and advocacy across all teams – public health, human rights, sustainable financing and conference.

Open Society Foundations - Emergency Powers

OSF support for research and advocacy on the impact of COVID-19 emergency powers on the rights of marginalised populations; part of a global 'Resist Emergency Powers' campaign.

Purposes of restricted funds (continued)

GSHR 2022: Swiss Federal Office of Public Health

Swiss FoPH support for the Global State of Harm Reduction 2022 including in-depth analysis of the harm reduction situation in Western Europe and Switzerland; and harm reduction services for young people.

Robert Carr Fund - Prisons

Robert Carr Fund support for advocacy for the health and rights of people in prisons of Europe; national, regional and international monitoring and advocacy.

UNAIDS - Data and Funding for Harm Reduction

UNAIDS support for the Global State of Harm Reduction 2022; support for research and data collection on the national funding landscape for harm reduction in six countries in Asia and Africa.

Open Society Foundations - SAME

OSF support for regional coordination and advocacy amongst human rights, death penalty and criminal justice actors in South Asia and the Middle East.

UNODC - COVID-19 Vaccinations and Harm Reduction

UNODC support for the development of guidance for the provision of COVID-19 vaccines to people who use drugs; support for regional webinars to share the guidance with countries in Asia and Africa.

Robert Carr Fund – COVID-19

Robert Carr Fund support for data collection and briefings on the impact of COVID-19 on harm reduction services.

Elton John AIDS Foundation (EJAF)

EJAF support for advocacy and analysis to address the funding gap for harm reduction (including global monitoring, national budget advocacy partnerships and campaigns).

Open Society Foundation - LAWYERS

OSF support for a global network of lawyers providing services for populations vulnerable to HIV, including advocacy and training (Lawyering on the Margins).

Global Fund (CRG) Strategic Initiative TA - UHRN

Global Fund CRG technical assistance to develop a harm reduction resource mobilisation and engagement plan to support advocacy for increased allocation of resources to harm reduction programmes in Uganda.

Global Fund (CRG) Strategic Initiative TA - Nigeria

Global Fund CRG technical assistance to document key issues faced by key populations in accessing HIV and other services, including community consultations.

Global Fund (CRG) Strategic Initiative TA - Mauritius

Global Fund CRG technical assistance to support national plans for the sustainability of funding for HIV prevention and harm reduction services.

Global Fund (CRG) Strategic Initiative TA - Bangladesh

Global Fund CRG technical assistance to identify administrative and structural barriers to services and to support community engagement in Global Fund processes.

18 Operating lease commitments payable as a lessee

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods

	Property		Equipment	
	2022	2021	**2022**	2021
	£	£	**£**	£
Less than one year	**30,000**	36,000	**-**	-
One to five years	**-**	30,000	**-**	-
	30,000	66,000	**-**	-

19 Legal status of the charity

The Charity is controlled by the Trustees

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

Accounts

Company number: 3223265
Charity number: 1117375

Harm Reduction International

Report and financial statements

For the year ended 31 December 2021

SAYER | VINCENT

Harm Reduction International

Contents

For the year ended 31 December 2021

Reference and administrative information

For the year ended 31 December 2021

Company number	3223265
Country of incorporation	England & Wales
Charity number	1117375
Country of registration	England & Wales

Registered office and operational address 61 Mansell Street, London E1 8AN, United Kingdom

Key management personnel
Naomi Burke-Shyne, Executive Director
Anne Taiwo, Finance Manager
Colleen Daniels, Deputy Director

Bankers
NatWest
Aintree Black Bull, Cedar Rd, Liverpool L9 0EG

Solicitors
Bates Wells
10 Queen St Pl, London EC4R 1BE

Auditor
Sayer Vincent LLP
Chartered Accountants and Statutory Auditor
Invicta House
108-114 Golden Lane
LONDON
EC1Y 0TL

The trustees present their report and the audited financial statements for the year ended 31 December 2021.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association, the requirements of a directors' report as required under company law, and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Objectives and activities

Purposes and aims

The objectives of Harm Reduction International (HRI) are to promote evidence-based and human rights compliant public health policy and practice by:

a) undertaking research into drug use, drug related harm and evidence-based public health responses to drug use, drug enforcement and public health,
b) undertaking research on human rights issues relating to drug use, drug enforcement and public health,
c) promoting policies and strategies to reduce the negative health and social consequences associated with drug use,
d) educating the public, national and international agencies involved in reducing the negative health and social consequences associated with drug use,
e) disseminating and sharing information with national and international agencies involved in reducing the negative health and social consequences associated with drug use, and
f) supporting the involvement of civil society, including the perspectives of people who use drugs within national and international policy and decision-making on drug related issues.

In 2021 Harm Reduction International undertook the following main activities to further the charity's purpose:

a) Research and policy analysis on harm reduction and human rights (building the evidence base)
b) Dissemination of information and promotion health-based, rights-based responses to drug use (sharing the evidence base)
c) Support for civil society and community partners around the world (strengthening constituencies and build new alliances)
d) Engagement of policy makers on harm reduction, human rights and drug policy (increasing political will)

The trustees review the aims, objectives and activities of the charity each year. This report looks at what the charity has achieved and the outcomes of its work in the reporting period. The trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help. The review also helps the trustees ensure the charity's aims, objectives and activities remained focused on its stated purposes.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set.

HRI employed a three pronged strategy for progressing its aims and objectives for the period 2017-2021:

1. To build and share the evidence base for harm reduction policies, practices and laws;
2. To strengthen constituencies and build new alliances to advocate for harm reduction and human rights – including via the Harm Reduction International conference;
3. To increase political will to protect, respect and fulfil the human rights of vulnerable individuals and communities, by funding and implementing harm reduction.

HRI employs these three strategies to achieve our objectives of helping achieve a world in which individuals and communities benefit from drug policies, practices and laws that promote health, dignity and human rights. We do this across our priority issues: health, human rights, and new collaborations and emerging trends in drug use and harm reduction.

HRI's resources – staff and financial – are divided relatively evenly across our strategic approaches and priority issues.

In the priority area of **health** we work to ensure that lifesaving harm reduction interventions are adequately funded and monitor gaps and progress globally in the availability of health and social services for people who use drugs; together with direct technical engagement with governments and UN agencies.

In the priority area of **human rights** we advocate against the use of drug control as a justification for the violation of human rights; including tracking the use of the death penalty for drug offences, and the imprisonment and detention of people who use drugs. We advance this work through advocacy with UN agencies, governments and human rights mechanisms.

In the priority area of **new collaborations and emerging trends**, we worked to convene the sector and foster dialogue on emerging trends via Constellations: An Online Festival on Drugs and Harm Reduction. We also continued our work to foster learning and exchange on stimulants, and on the intersections of drug policy, gender and racial justice. The Harm Reduction International conference (next in 2023) is the main global forum for the exchange of information and best practice at the intersection of human rights, drug policy and harm reduction.

Harm Reduction International makes sub-grants to national partners when it advances our organisational objectives. As part of this process, HRI will issue a call for proposals for sub-grants involving work valued at more than USD10,000 in order to ensure the selection of a partner with the appropriate mix of skills. For all sub-grants HRI and the partner enter into a contract which sets out charitable objectives and each parties' obligations. Sub-grant implementation is supported by narrative and financial reports from the sub-grantee.

Achievements and performance

The charity's main activities, and the people it seeks to support are described below. All its charitable activities focus on reducing the negative health, social and legal impacts of drug use and drug policy; and are undertaken to further Harm Reduction International's charitable purposes for the public benefit.

In 2021, Harm Reduction International undertook work to build the evidence base for harm reduction with briefings on integrated services, harm reduction in prisons, and via a summary data update of our global mapping initiative, the Global State of Harm Reduction. We completed an updated analysis of funding available for harm reduction in low- and middle-income countries, and presented the findings to the major international donors in the sector to strengthen coordination. We contributed to the evidence base for rights-based drug policy through our annual tracking of the use of the death penalty for drug offences, by documenting the negative impact of securitised COVID-19 responses on vulnerable groups and people who use drugs, and by conducting the first global mapping of COVID-19 national vaccination plans and their roll-out in prisons. These initiatives show progress and regressions in practice, law and policy; and inform our advocacy.

We worked with national partners to support local advocacy, research and harm reduction service delivery efforts; and engaged with governments, the UN and funders to convey the cost effectiveness of, and overall effectiveness of harm reduction interventions in prevention transmission of blood-borne diseases.

Through this work we strengthened partnerships and built new alliances to contribute to the elevation of harm reduction and the rights of people who use drugs at major (virtual) international fora, at UN Human Rights Council, the UN Commission on Narcotic Drugs, and directly with government representatives. As such, we made progress against our three overarching objectives of building the evidence base for harm reduction policies, practices and laws; strengthening new alliances; and increasing political will to protect, respect and fulfil the human rights of people who use drugs.

It remains a complex and challenging environment for harm reduction and drug policy globally. We observe an ongoing stall in the update of lifesaving harm reduction services around the world; a significant shortage of funding for critical health interventions in low- and middle-income countries; and discrete surges in punitive rhetoric supporting an escalation of the war on drugs. In this context, HRI's global monitoring, analysis and advocacy remain essential contributions to efforts to achieve a world where drug policies and laws contribute to healthier, safer societies.

In 2020, HRI made the decision to postpone the 2021 Harm Reduction International conference until April 2023. In 2021, we addressed the gap by shifting to a virtual format, Constellations: An Online Festival of Drugs and Harm Reduction. Constellations was successfully in convening more than 1000 people from 73 countries in energising learning, exchange and debate on emerging issues.

We are further addressing some of the learning and exchange gaps caused by the pandemic, by hosting more frequent, short online events.

Beneficiaries of our services

The ultimate beneficiaries of Harm Reduction International’s work are vulnerable people who use drugs around the world. Because Harm Reduction International is a policy and advocacy organisation, it measures its impact by monitoring how its research and analysis are drawn upon by advocates and policy makers to contribute to, and inform changes to laws, policies and programming (at national, regional or international level). Our global monitoring work also provides insights into shifting human rights norms and uptake of international human rights standards in drug policy and practice at national or sub-national level, and our contribution to these significant trends.

Financial review

HRI’s financial position at the end of the reporting period was in line with expectations, taking into account the turbulence of the pandemic in 2020 and its ongoing impact in 2021.

HRI’s 2022-23 forecast demonstrates its ability to continue as a going concern via a number of multi-year grants and diverse streams of income. As a policy and advocacy organisation, HRI has been able to adapt and continue many planned activities notwithstanding the restrictions on movement and COVID-19 mitigation measures in place for much of 2021. Many convenings in the sector have proceeded in a virtual format, allowing HRI to continue its work via partnerships and advocacy with the UN, governments and donors.

HRI made the decision to postpone the 2021 Harm Reduction International conference until April 2023. We are working to mitigate the financial impact of conference postponement by reducing all conference-related costs, embedding plans for interim and smaller online events into our broader grant applications, fundraising early for the 2023 conference. We were successful in securing some funding support for Constellations.

In line with its fundraising goals, HRI staff invested energy in fundraising with a view to diversifying and increasing funding, and ultimately holding three months’ operational costs in reserves. HRI more effectively leveraged restricted funding in 2021 and was largely able to maintain the income and expenditure levels of 2020 (in comparison with non-conference years).

Fundraising activities were undertaken by HRI staff, there was no specific or material expenditure on fundraising.

Based on our forecast, cash flow, existing commitments from donors, active pursuit of new funds, and plans for the Harm Reduction International conference in 2023, we have basis to believe the organisation can continue to operate and meet its debts as they fall due in the coming 12-24 months.

Principal risks and uncertainties

HRI maintains a risk register, reviewed by the trustees twice a year. The risk register prompts the trustees to assess risks and decide upon mitigating actions across five categories: governance, operational, financial, environmental/external and compliance (law and regulation). We continue to analyse the impact of COVID-19 related risks (first incorporated in the risk register in April 2020). COVID-19 continued to impact HRI's risk profile in 2021; mitigating actions were taken to reduce associated risks.

Broadly, we are currently working to mitigate the following key risks:

- →Governance risks: in the context of HRI's focus on a highly specialised, yet stigmatised topic we face a risk of not being able to attract high quality trustee candidates from outside our sector. Trustees with diverse skills and experience are critical to the effective governance of the charity. We mitigate this risk by drawing on a board skills and diversity framework for board appointments, advertising on broader charity websites for our trustees, and regularly contributing ideas for a potential board candidate pool.
- → Operational risks: in the context of HRI's small size and specialised focus, our staff are our greatest assets. As such, 2021 conditions posed ongoing operational risks as we worked to support staff through uncertainty and significant changes, whilst bolstering IT capacity for virtual and remote work.
- → Financial risks: in the context of a limited pool of donors funding international harm reduction and drug policy, HRI must stay alert to shifts in donor priorities and work to make the case for health-based, rights-based approaches to drugs. Concurrently, HRI will continue to work on strengthening financial controls and improving our financial management systems for best practice.
- →Environment/external risks: HRI works to mitigate the risks of the rapidly changing external environment by strengthening our external communications, and developing work which allows us to demonstrate harm reduction is a social justice and public health issue closely connected to many other complex issues in society.
- →Compliance risks: in the context of HRI's small size/limited human resources, we rely on a network of external experts (including our auditors) to assist us to remain compliant with relevant policy and legislation.

Reserves policy and going concern

HRI's aim is to hold three months' operating costs in reserve. In 2021, HRI made strong progress towards this aim, at the end of the year, HRI carried forward £60,856 in unrestricted funding.

HRI board and key management personnel have reset their ambitions for reaching this target over 2022-23, and are actively engaged in continuing work against fundraising goals to diversify and increase funding.

Fundraising

HRI key management personnel lead on fundraising for the charity. HRI does not engage professional fundraisers or commercial entities in fundraising.

Plans for the future

HRI adopted its 2022-2025 Strategic Plan and re-energised its vision for a world in which drug policies promote dignity, health and rights. The 2025 Strategy Plan takes into account the rapidly evolving global environment, and HRI's leadership role at the intersection of harm reduction, drug policy and human rights.

HRI has a strong track record of contributing to the evidence-base for harm reduction and advocating for rights-based responses to drugs. HRI will continue its leading work across these areas. HRI is also unique in convening the biennial Harm Reduction International conference, which is the main global forum for the exchange of information and best practice at the intersection of human rights, drug policy and harm reduction.

Under the 2025 Strategy, HRI plans to strengthen its research, advocacy and leadership in the sector, and highlight the negative impact of criminalisation and the compounding effects of intersectional vulnerabilities; specifically, how drug policy interacts with gender, ethnicity, race, poverty and socioeconomic status. HRI is committed to centring equity across its work, including by centring the expertise and leadership of the community of people who use drugs, reflecting on power dynamics within our partnerships, and structurally (re)balancing power.

Structure, governance and management

The organisation is a charitable company limited by guarantee, incorporated on 11 July 1996 and registered as a charity on 22 December 2006.

The company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association. Decisions are made in compliance with these constituent documents. The Trustees delegate the day-to-day management of the charity to Executive Director, Naomi Burke-Shyne. Ms Burke-Shyne served as the Executive Director for the reporting period in question.

HRI follows a foundation model of governance in which the Trustees are the members. HRI has no subsidiaries and is not affiliated with a wider network.

All trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 10 to the accounts.

Appointment of trustees

HRI's constituent documents set the minimum number of Trustees as six and the maximum as twelve. Trustees are appointed for three years and may stand for re-election once.

New Trustees are appointed by a decision of the Trustees, passed by a majority of two-thirds of the total number of sitting Trustees, in line with an agreed commitment to diversity of skills and experience. Appointments are recommended following candidate interviews with a Board Vacancies Sub-Committee (comprised of two Trustees and the Executive Director) and made at the meetings of the Trustees.

Trustee induction and training

HRI provides induction to new trustees via a briefing pack based on Charity Commission guidance, an induction meeting with HRI staff, and ongoing direct support.

HRI aims to hold Trustees Skills Refresher trainings biennially.

Related parties and relationships with other organisations

HRI declares two matters pertaining to related parties and relationships:

- In 2021, HRI employed two staff who are related to a trustee. The staff were appointed via open competition, without any influence of that trustee, and remunerated in accordance with the HRI salary bands, without influence of that trustee. The trustee ended his term in October 2021.
- In 2021, HRI had a written costs sharing agreement with HIT Projects Limited, for the rental of office space used by HRI employees in Liverpool. There are no outstanding balances. One director of HIT Projects Limited is a trustee- Patrick O'Hare. Prof. O'Hare ended his term in October 2021.

Remuneration policy for key management personnel

Salary for staff other than the Executive Director is set using a salary banding system, which is based upon established market rates.

Salary for the Executive Director is set by the Trustees.

Statement of responsibilities of the trustees

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

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

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

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

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.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 December 2021 was 9 (2019:9). The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

The directors' annual report has been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

The trustees' annual report has been approved by the trustees on 27 April 2022 and signed on their behalf by

Lucy Burns
Chair

Independent examiner's report to the trustees of Harm Reduction International

I report to the trustees on my examination of the accounts of Harm Reduction International for the year ended 13 December 2021.

This report is made solely to the trustees as a body, in accordance with the Charities Act 2011. My examination has been undertaken so that I might state to the trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the trustees as a body, for my examination, for this report, or for the opinions I have formed.

Responsibilities and basis of report

As the charity trustees of the Company you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act')/Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the Company's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Charities Act 2011 ('the 2011 Act').

Independent examiner's statement

Since the Company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accounts in England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. Accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. The accounts do not accord with those records; or
3. The accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. The accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities; or

Independent examination report

To the members of

Harm Reduction International

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Signed:
Name: Jonathan Orchard FCA
Address: Sayer Vincent LLP, Invicta House, 108-114 Golden Lane, London, EC1Y 0TL
Date: 22 June 2022

Harm Reduction International

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 December 2021

	Note	Unrestricted £	Restricted £	**2021 Total £**	Unrestricted £	Restricted £	2020 Total £
Income from:							
Donations and legacies	2	101,365	–	**101,365**	48,005	–	48,005
Charitable activities							
Project work	3	263,650	395,334	**658,984**	271,615	578,285	849,900
Conferences & support	3	63,033	–	**63,033**	51	–	51
Investments	4	23	–	**23**	94	–	94
Total income		428,071	395,334	**823,405**	319,765	578,285	898,050
Expenditure on:							
Charitable activities							
Project work	5	2,158	470,341	**472,499**	256,230	459,915	716,145
Conference & support	5	377,002	–	**377,002**	98,834	–	98,834
Total expenditure		379,160	470,341	**849,501**	355,064	459,915	814,979
Net income / (expenditure) before net gains / (losses) on investments		48,911	(75,007)	**(26,096)**	(35,299)	118,370	83,071
Net income / (expenditure) for the year	7	48,911	(75,007)	**(26,096)**	(35,299)	118,370	83,071
Transfers between funds		–	–	**–**	(4,130)	4,130	–
Net income / (expenditure) before other recognised gains and losses		48,911	(75,007)	**(26,096)**	(39,429)	122,500	83,071
Net movement in funds		48,911	(75,007)	**(26,096)**	(39,429)	122,500	83,071
Reconciliation of funds:							
Total funds brought forward		11,945	176,703	**188,648**	51,374	54,203	105,577
Total funds carried forward		60,856	101,696	**162,552**	11,945	176,703	188,648

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 27a to the financial statements.

Harm Reduction International

Balance sheet

Company no. 03223265

As at 31 December 2021

	Note	£	2021 £	£	2020 £
Fixed assets:					
Tangible assets	12		18,931		28,419
			18,931		28,419
Current assets:					
Debtors	13	30,555		83,536	
Cash at bank and in hand		882,388		511,288	
		912,943		594,824	
Liabilities:					
Creditors: amounts falling due within one year	14	(769,322)		(434,595)	
Net current assets / (liabilities)			143,621		160,229
Total assets less current liabilities			162,552		188,648
Net assets excluding pension asset / (liability)			162,552		188,648
Total net assets / (liabilities)			162,552		188,648
The funds of the charity:	17a				
Restricted income funds			101,696		176,703
Unrestricted income funds:					
General funds		60,856		11,945	
Total unrestricted funds			60,856		11,945
Total charity funds			162,552		188,648

The opinion of the directors is that the company is entitled to the exemptions conferred by Section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge the following responsibilities:

(i) The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476

(ii) The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts

Approved by the trustees on 27 April 2022 and signed on their behalf by

Lucy Burns
Chair

John Porter
Treasurer

Harm Reduction International

Statement of cash flows

For the year ended 31 December 2021

[A statement of cash flows is only required for larger charities with income of more than £500k]

	Note	2021 £	£	2020 £	£
Cash flows from operating activities					
Net income / (expenditure) for the reporting period (as per the statement of financial activities)		**(26,096)**		83,071	
Depreciation charges		**9,488**		18,947	
(Gains)/losses on investments		**(13)**		(94)	
Dividends, interest and rent from investments				–	
(Increase)/decrease in debtors		**52,981**		(22,658)	
Increase/(decrease) in creditors		**334,727**		75,410	
Net cash provided by / (used in) operating activities			**371,087**		154,676
Cash flows from investing activities:					
Dividends, interest and rents from investments		**13**		94	
Purchase of fixed assets		–		(13,032)	
Net cash provided by / (used in) investing			**13**		(12,938)
Change in cash and cash equivalents in the year			**371,100**		141,738
Cash and cash equivalents at the beginning of the year			**511,288**		369,550
Cash and cash equivalents at the end of the year			**882,388**		511,288

Analysis of cash and cash equivalents and of net debt

	At 1 January 2021 £	Cash flows £	Other non-cash changes £	**At 31 December 2021 £**
Cash at bank and in hand	511,288	371,100	–	**882,388**
Total cash and cash equivalents	511,288	371,100	–	**882,388**

1 Accounting policies

a) Statutory information

Harm Reduction International is a charitable company limited by guarantee and is incorporated in England and Wales.

The registered office address is 61 Mansell Street, Aldgate, London.

b) Basis of preparation

The financial statements have been prepared in accordance with 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) - (Charities SORP FRS 102), and the Companies Act 2006/Charities Act 2011.

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

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

c) Public benefit entity

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

d) Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether ‘capital’ grants or ‘revenue’ grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred. Grants may be deferred when either the performance related conditions are not met or there are time related restrictions.

Conference income is recognised as and when the actual event takes place.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

f) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees’ annual report for more information about their contribution.

g) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

h) Fund accounting

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.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

1 Accounting policies (continued)

i) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive 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 raising funds relate to the costs incurred by the charity, as well as the cost of any activities with a fundraising purpose
- Expenditure on charitable activities includes the costs of charitable activities undertaken to further the purposes of the charity and their associated support costs
- Other expenditure represents those items not falling into any other heading

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

k) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Where such information about the aims, objectives and projects of the charity is also provided to potential donors, activity costs are apportioned between fundraising and charitable activities on the basis of area of literature occupied by each activity.

• Project Work	70%
• Support costs	20%
• Governance costs	10%

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

l) Foreign currencies

Monetary assets and liabilities denominate in foreign currencies are translated into sterling at rates of exchange ruling at the reporting date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction. Exchange gains and losses are recognised in the statement of financial activities.

m) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

n) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

• Fixtures and fittings	25% reducing
• Computer equipment	25% on cost

o) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

p) Short term deposits

Short term deposits includes cash balances that are invested in accounts with a maturity date of between 3 and 12 months.

q) Cash at bank and in hand

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

1 Accounting policies (continued)

r) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event 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 normally recognised at their settlement amount after allowing for any trade discounts due.

s) 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.

t) Pensions

The charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charity to the fund in respect of the year.

2 Income from donations and legacies

	Unrestricted £	Restricted £	**2021 Total £**	Unrestricted £	Restricted £	2020 Total £
Sundry income	82	–	**82**	82	–	82
Coronavirus Job Retention Scheme grant	70,909	–	**70,909**	–	–	–
Donated services	30,374	–	**30,374**	47,923	–	47,923
	101,365	–	**101,365**	48,005	–	48,005

3 Income from charitable activities

	Unrestricted £	Restricted £	**2021 Total £**	Unrestricted £	Restricted £	2020 Total £
Project work	30,000	395,334	**425,334**	24,100	578,285	602,385
Open Society Foundations	233,650	–	**233,650**	217,637	–	217,637
Other income from charitable activity	–	–	**–**	29,878	–	29,878
Sub-total for Project work	263,650	395,334	**658,984**	271,615	578,285	849,900
Conferences & Support	63,033	–	**63,033**	51	–	51
Sub-total for Conferences & Support	63,033	–	**63,033**	51	–	51
Total income from charitable activities	326,683	395,334	**722,017**	271,666	578,285	849,951

4 Income from investments

	Unrestricted £	Restricted £	**2021 Total £**	Unrestricted £	Restricted £	2020 Total £
Bank interest receivable	23	–	**23**	94	–	94
	23	–	**23**	94	–	94

All income from investments is unrestricted.

5 Analysis of expenditure (current year) [the charitable activities should correspond to those itemised for income purposes]

	Charitable activities					
	Project Work	Conference & support	Governance costs	Support costs	**2021 Total**	2020 Total
	£	£	£	£	**£**	£
Staff costs (Note 8)	195,910	69,002	–	215,665	**480,577**	414,355
Other staff costs	–	–	–	2,216	**2,216**	12,305
Project expenses	138,602	132	–	–	**138,734**	59,157
Travelling costs	977	164	–	688	**1,829**	10,921
Consultancy fees	94,474	–	–	98	**94,572**	163,781
Recruitment and training costs	295	–	–	2,000	**2,295**	16,216
Journals and subscription costs	459	–	–	811	**1,270**	1,476
Meeting expenses	1,743	–	–	61	**1,804**	4,918
Legal, professional and regulatory fees	–	1,345	1,086	–	**2,431**	614
Conference expenses	387	3,494	–	4,565	**8,446**	2,026
Depreciation	–	–	–	9,488	**9,488**	18,947
Foreign exchange gains and losses	(1,551)	–	–	11,529	**9,978**	4,626
Audit and accountancy fees	–	–	1,200	–	**1,200**	12,833
Repairs and maintenance	–	–	–	–	**–**	30
Rent	15,209	–	–	29,191	**44,400**	28,992
Insurance	–	4,205	–	3,710	**7,915**	3,492
Printing, postage and stationery	10	7	–	83	**100**	487
Communications	19,622	1,842	–	8,611	**30,075**	48,985
Website maintenance and computer running costs	2,963	–	–	6,953	**9,916**	6,427
Office expenses	1,113	82	–	1,060	**2,255**	4,391
	470,213	80,273	2,286	296,729	849,501	814,979
Support costs		296,729	–	(296,729)	**–**	–
Governance costs	2,286	–	(2,286)	–	**–**	–
Total expenditure 2021	**472,499**	**377,002**	**–**	**–**	**849,501**	
Total expenditure 2020	**782,367**	**98,834**	**–**	**–**		**814,979**

6 **Analysis of expenditure (prior year) [the charitable activities should correspond to those itemised for income purposes]**

	Charitable activities				
	Project Work £	Conference & support £	Governance costs £	Support costs £	**2020 Total £**
Staff costs (Note 8)	480,577	–	–	–	**414,355**
Other staff costs	7,219	671	–	4,415	**12,305**
Project expenses	58,885	272	–	–	**59,157**
Travelling costs	9,911	–	–	1,010	**10,921**
Consultancy fees	154,631	–	–	9,150	**163,781**
Recruitment and training costs	4,872	–	–	11,344	**16,216**
Journals and subscription costs	1,386	–	–	90	**1,476**
Meeting expenses	1,173	–	3,384	361	**4,918**
Legal, professional and regulatory fees	–	614	–	–	**614**
Conference expenses	–	2,026	–	–	**2,026**
Depreciation	–	–	–	18,947	**18,947**
Foreign exchange gains and losses	–	–	–	4,626	**4,626**
Audit and accountancy fees	4,050	–	8,783	–	**12,833**
Repairs and maintenance	–	–	–	30	**30**
Rent	9,175	5,392	–	14,425	**28,992**
Insurance	–	–	–	3,492	**3,492**
Printing, postage and stationery	148	–	–	339	**487**
Communications	34,065	7,244		7,676	**48,985**
Website maintenance and computer running costs	2,894	–	–	3,533	**6,427**
Office expenses	1,214	1,814	–	1,363	**4,391**
	770,200	18,033	12,167	80,801	814,979
Support costs		80,801	–	(80,801)	–
Governance costs	12,167	–	(12,167)	–	–
Total expenditure 2020	**782,367**	**98,834**	**–**	**–**	**814,979**

7 Net income / (expenditure) for the year

This is stated after charging / (crediting):

	2021 £	2020 £
Depreciation	9,488	18,947
Operating lease rentals payable:		
Property	28,992	28,992
Auditor's remuneration (excluding VAT):		
Independent examination	3,500	6,000
Foreign exchange gains or losses	9,978	4,626

8 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2021 £	2020 £
Salaries and wages	428,616	349,137
Social security costs	37,838	34,942
Employer’s contribution to defined contribution pension schemes	14,123	30,276
	480,577	414,355

The following number of employees received employee benefits (excluding employer pension costs and employer's national insurance) during the year between:

	2021 No.	2020 No.
£60,000 – £69,999	1	1

The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel were £82,292 (2020: £82,298).

The charity trustees were neither paid nor received any other benefits from employment with the charity in the year (2020: £nil). No charity trustee received payment for professional or other services supplied to the charity (2020: £nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £314 (2020: £3,384) incurred by 1 (2020: 2) member relating to attendance at meetings of the trustees.

9 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was 12 (2020: 12).

10 Related party transactions

HRI declares two matters pertaining to related parties and relationships:
- HRI employs two staff who are related to a trustee. the staff were appointed via open competition without any influence of that trustee, and remunerated in accordance with the HRI salary bands, without influence of that trustee.
- In 2020/21, HRI had a written costs sharing agreement with HIT Projects Ltd, for the rental of office space used by HRI employees in Liverpool (valued at HIT £748.95 + VAT per month). There are no outstanding balances. The directors of HIT Projects Limited are related parties: Patrick O’Hare, HRI trustee; Madeleine O’Hare, HRI employee and Lucy O’Hare, HRI employee.

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

11 Taxation

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

12 Tangible fixed assets

Cost or valuation	Leasehold property £	Fixtures and fittings £	Computer equipment £	Motor vehicles £	**Total £**
At the start of the year	47,366	2,212	18,829	–	**68,407**
At the end of the year	47,366	2,212	18,829	–	**68,407**
Depreciation					
At the start of the year	18,947	2,212	18,829	–	**39,988**
Charge for the year	9,488	–	–	–	**9,488**
At the end of the year	28,435	2,212	18,829	–	**49,476**
Net book value					
At the end of the year	18,931	–	–	–	**18,931**
At the start of the year	28,419	–	–	–	28,419

All of the above assets are used for charitable purposes.

13 Debtors

	2021 £	2020 £
Trade debtors	**9,360**	23,051
Other debtors	**180**	4,567
Prepayments	**20,363**	33,707
Accrued income	**652**	22,211
	30,555	83,536

14 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	**4,423**	40,618
Taxation and social security	**10,401**	15,569
Other creditors	**–**	183
Amounts due for Pensions	**2,760**	13,109
Accruals	**9,154**	19,858
Deferred income (note 15)	**742,584**	345,258
	769,322	434,595

15 Deferred income

Deferred income comprises grant income received during the year for

	2021 £	2020 £
Balance at the beginning of the year	**345,258**	314,752
Amount released to income in the year	**(345,258)**	(314,752)
Amount deferred in the year	**742,584**	345,258
Balance at the end of the year	**742,584**	345,258

16a Analysis of net assets between funds (current year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	18,931	–	–	**18,931**
Net current assets	811,247	–	101,696	**912,943**
Current liabilities	(769,322)	–	–	**(769,322)**
Net assets at 31 December 2020	**60,856**	**–**	**101,696**	**162,552**

16b Analysis of net assets between funds (prior year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	28,419	–	–	**28,419**
Current assets	418,121	–	176,703	**594,824**
Current liabilities	(434,595)	–	–	**(434,595)**
Net assets at 31 December 2020	**11,945**	**–**	**176,703**	**188,648**

17a Movements in funds (current year)

	At 1 January 2021 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 December 2021 £
Restricted funds:					
Global Fund/Alliance India	2,863	9,029	(11,892)	–	–
Global Fund (CRG) Strategic Initiative – LANPUD	–	18,049	(13,600)	–	**4,449**
Robert Carr Fund – Harm Reduction Consortium	7,706	109,262	(116,968)	–	–
Open Society Foundations – Emergency Powers	–	111,610	(111,610)	–	–
GSHR 2020: Swiss Federal Office of Public Health	863	7,628	(8,491)	–	–
UNODC – Moldova Prisons Project	–	14,409	(14,409)	–	–
UNAIDS Technical Support Mechanism (TSM)	4,935	17,738	(22,673)	–	–
Open Society Foundations – SAME	39,115	21,700	(42,582)	–	**18,233**
UNODC – COVID-19 Vaccinations and Harm	–	652	(652)	–	–
Robert Carr Fund – Global Drug Policy Index	34,765	29,370	(64,135)	–	–
MAC AIDS FUNDS UK	10,147	–	(10,147)	–	–
Open Society Foundations – LAWYERS	76,309	50,368	(53,182)	–	**73,495**
Global Fund (CRG) Strategic Initiative – UHRN	–	5,519	–	–	**5,519**
Total restricted funds	176,703	395,334	(470,341)	–	**101,696**
Unrestricted funds:					
General funds	11,945	428,071	(379,160)	–	**60,856**
Total unrestricted funds	11,945	428,071	(379,160)	–	**60,856**
Total funds	188,648	823,405	(849,501)	–	**162,552**

The narrative to explain the purpose of each fund is given at the foot of the note below.

17b Movements in funds (prior year)

	At 1 January 2020 £	Income & gains £	Expenditure & losses £	Transfers £	**At 31 December 2020 £**
Restricted funds:					
Global Fund/Alliance India	6,565	62,458	(70,487)	4,327	**2,863**
EC Death Penalty	28,895	54,825	(83,523)	(197)	**–**
Robert Carr Fund	18,743	116,324	(127,361)	–	**7,706**
Open Society Foundation – Emergency Powers	–	1,646	(1,646)	–	**–**
GSHR 2020: Swiss Federal Office of Public Health	–	8,060	(7,197)	–	**863**
GSHR 2020: UNAIDS TSM	–	30,181	(31,847)	–	**–**
UNAIDS TSM – Sust.Financing	–	9,325	(4,390)	–	**4,935**
Open Society Foundation – SAME	–	56,071	(16,956)	–	**39,115**
EJAF COVID-19	–	23,818	(23,818)	–	**–**
Robert Carr – GDPI	–	45,057	(10,292)	–	**34,765**
MAC AIDS FUNDS UK	–	75,000	(63,187)	–	**10,147**
Open Society Foundation – LAWYERS	–	85,471	(9,162)	–	**76,309**
Global Fund/Alliance India – Impact Report	–	10,049	(10,049)	–	**–**
Total restricted funds	54,203	578,285	(459,915)	4,130	**176,703**
Unrestricted funds:					
General funds	51,374	319,765	(355,064)	(4,130)	**11,945**
Total unrestricted funds	51,374	319,765	(355,064)	(4,130)	**11,945**
Total funds	105,577	898,050	(814,979)	–	**188,648**

Purposes of restricted funds

Global Fund/Alliance India

Global Fund support for research on the investment in harm reduction in seven countries in Asia.
Transfers from Unrestricted funds, made to agree balance brought forward with donor's audited account.

Global Fund (CRG) Strategic Initiative – LANPUD

Global Fund CRG technical assistance to strengthen the participation of civil society and communities in Global Fund processes in Latin America.

Robert Carr Fund – Harm Reduction Consortium

Robert Carr Fund support for research and advocacy across all teams – public health, human rights, sustainable financing and conference.

Open Society Foundations – Emergency Powers

OSF support for research and advocacy on the impact of COVID-19 emergency powers on the rights of marginalised populations; part of a global 'Resist Emergency Powers' campaign.

GSHR 2020: Swiss Federal Office of Public Health

The Swiss Federal Office of Public Health support for research and documentation of the status of harm reduction in Western Europe, linked to the Global State of Harm Reduction report.

Purposes of restricted funds (continued)

UNODC – Moldova Prisons Project

UNODC support for research and analysis on the accessibility, acceptability, and quality of harm reduction services in Moldovan prisons.

UNAIDS Technical Support Mechanism (TSM)

Via the technical support mechanism, UNAIDS support to undertake analysis on funding for harm reduction in low- and middle-income countries.

Open Society Foundations - SAME

OSF support for regional coordination and advocacy amongst human rights, death penalty and criminal justice actors in South Asia and the Middle East.

UNODC - COVID-19 Vaccinations and Harm Reduction

UNODC support to develop a technical guidance to strengthen the provision of COVID-19 vaccines for people who use drugs.

Robert Carr Fund – Global Drug Policy Index

Robert Carr Fund support for a consortium of actors to develop a global drug policy index.

MAC AIDS Fund UK

MAC AIDS Fund support for research on access to harm reduction services and domestic budget advocacy in Kenya and Uganda.

Open Society Foundation - LAWYERS

OSF support for a global network of lawyers providing services for populations vulnerable to HIV, including advocacy and training (Lawyering on the Margins).

Global Fund (CRG) Strategic Initiative - UHRN

Global Fund CRG technical assistance to develop a harm reduction resource mobilisation and engagement plan to support advocacy for increased allocation of resources to harm reduction programmes in Uganda.

18 Operating lease commitments payable as a lessee

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods

	Property		Equipment	
	2021	2020	**2021**	2020
	£	£	**£**	£
Less than one year	**36,000**	36,000	**–**	–
One to five years	**36,000**	72,000	**–**	–
	72,000	108,000	**–**	–

19 Legal status of the charity

The Charity is controlled by the Trustees
The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

HARM REDUCTION INTERNATIONAL

England & Wales - Charity number 1117375

Accounts

Company number: 3223265
Charity number: 1117375

Harm Reduction International

Report and financial statements
For the year ended 31 December 2020

SAYER | VINCENT

Harm Reduction International

Contents

For the year ended 31 December 2020

Harm Reduction International

Reference and administrative information

For the year ended 31 December 2020

Company number	3223265
Country of incorporation	England & Wales
Charity number	1117375
Country of registration	England & Wales

Registered office and operational address 61 Mansell Street, London E1 8AN, United Kingdom

Trustees Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

Lucy Burns	Chair (November 2020)
Ivan Varenstov	Chair (June–November 2020)
John Ryan	Chair (until June 2020)
Saumya Kailasapathy	Vice Chair
Patricia Haddad	Treasurer
Kojo Koram	Secretary
Alexander Stevens	
Patrick O'Hare	
Olga Belyaeva	
Oluseyi Kehinde (appointed April 2021)	
Raminta Stuikyte (appointed April 2021)	

Key management personnel
Naomi Burke-Shyne, Executive Director
Anne Taiwo, Finance Manager
Colleen Daniels, Deputy Director

Bankers
NatWest
Aintree Black Bull, Cedar Rd, Liverpool L9 0EG

Solicitors
Bates Wells
10 Queen St Pl, London EC4R 1BE

Auditor
Sayer Vincent LLP
Chartered Accountants and Statutory Auditor
Invicta House
108-114 Golden Lane
LONDON
EC1Y 0TL

The trustees present their report and the audited financial statements for the year ended 31 December 2020.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association, the requirements of a directors' report as required under company law, and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Objectives and activities

Purposes and aims

The objectives of Harm Reduction International (HRI) are to promote evidence-based and human rights compliant public health policy and practice by:

a) undertaking research into drug use, drug related harm and evidence-based public health responses to drug use, drug enforcement and public health,
b) undertaking research on human rights issues relating to drug use, drug enforcement and public health,
c) promoting policies and strategies to reduce the negative health and social consequences associated with drug use,
d) educating the public, national and international agencies involved in reducing the negative health and social consequences associated with drug use,
e) disseminating and sharing information with national and international agencies involved in reducing the negative health and social consequences associated with drug use, and
f) supporting the involvement of civil society, including the perspectives of people who use drugs within national and international policy and decision-making on drug related issues.

In 2020 Harm Reduction International undertook the following main activities to further the charity's purpose:

a) Research and policy analysis on harm reduction and human rights (building the evidence base).
b) Dissemination of information and promotion health-based, rights-based responses to drug use (sharing the evidence base).
c) Support for civil society and community partners around the world (strengthening constituencies and build new alliances).
d) Engagement of policy makers on harm reduction, human rights and drug policy (increasing political will).

The trustees review the aims, objectives and activities of the charity each year. This report looks at what the charity has achieved and the outcomes of its work in the reporting period. The trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help. The review also helps the trustees ensure the charity's aims, objectives and activities remained focused on its stated purposes.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set.

HRI employed a three pronged strategy for progressing its aims and objectives for the period 2017-2021:

1. To build and share the evidence base for harm reduction policies, practices and laws;
2. To strengthen constituencies and build new alliances to advocate for harm reduction and human rights – including via the Harm Reduction International conference;
3. To increase political will to protect, respect and fulfil the human rights of vulnerable individuals and communities, by funding and implementing harm reduction.

HRI employs these three strategies to achieve our objectives of helping achieve a world in which individuals and communities benefit from drug policies, practices and laws that promote health, dignity and human rights. We do this across our priority issues: health, human rights, and new collaborations and emerging trends in drug use and harm reduction.

HRI's resources – staff and financial – are divided relatively evenly across our strategic approaches and priority issues.

In the priority issue of **health** we work to ensure that lifesaving harm reduction interventions are adequately funded and monitor gaps and progress globally in the availability of health and social services for people who use drugs; together with direct technical engagement with governments and UN agencies.

In the priority issue of **human rights** we advocate against the use of drug control as a justification for the violation of human rights; including tracking the use of the death penalty for drug offences, and the imprisonment and detention of people who use drugs. We advance this work through advocacy with UN agencies, governments and human rights mechanisms.

In the priority issue of **new collaborations and emerging trends**, we worked to foster and continue the new partnerships generated via the 2019 Harm Reduction International conference. This included increasing our focus on stimulants, and on the intersections of drug policy, gender and racial justice. Our conference is the main global forum for the exchange of information and best practice at the intersection of human rights, drug policy and harm reduction.

Harm Reduction International makes sub-grants to national partners when it advances our organisational objectives. As part of this process, HRI will issue a call for proposals for sub-grants involving work valued at more than USD10,000 in order to ensure the selection of a partner with the appropriate mix of skills. For all sub-grants HRI and the partner enter into a contract which sets out charitable objectives and each parties' obligations. Sub-grant implementation is supported by narrative and financial reports from the sub-grantee.

Achievements and performance

The charity's main activities and who it tries to help are described below. All its charitable activities focus on reducing the negative health, social and legal impacts of drug use and drug policy; and are undertaken to further Harm Reduction International's charitable purposes for the public benefit.

In 2020, Harm Reduction International pivoted to respond to the impact of COVID-19 on people who use drugs and harm reduction services; including contributing to immediate response webinars, engaging with UN human rights mechanisms, tracking trends in prison decongestion schemes, assessing the impact of COVID-19 upon funding for harm reduction, and reporting on adaptations and challenges experienced by harm reductionists around the world.

Our response to COVID-19 also involved postponing the Harm Reduction International conference planned for 2021. This decision (further details below) was taken after developing an understanding of the possible timeline for potential roll out of vaccines and global economic recovery from COVID-19 (using the most accurate information available at the time), as well as regular risk assessments, and consultation with key partners and donors.

We undertook work to build the evidence base via our biennial global mapping initiative, the Global State of Harm Reduction; and our annual tracking of the use of the death penalty for drug offences. These initiatives track progress and regressions in practice, law and policy; and inform our advocacy.

We worked with national partners to support local advocacy, research and service delivery efforts; and engaged with governments, the UN and funders to convey the cost effectiveness, and overall effectiveness of harm reduction interventions in prevention transmission of blood-borne diseases.

Through this work we strengthened partnerships and built new alliances to contribute to the elevation of harm reduction and the rights of people who use drugs at major (virtual) international fora, at the UN Commission on Narcotic Drugs, through the development of the new Global AIDS Strategy, and directly with government representatives. As such, we made progress against our three overarching objectives of building the evidence base for harm reduction policies, practices and laws; strengthening new alliances; and increasing political will to protect, respect and fulfil the human rights of people who use drugs.

It remains a complex and challenging environment for harm reduction and drug policy globally. We observed a stall in the update of lifesaving harm reduction services around the world; a significant shortage of funding for critical health interventions in low- and middle-income countries; and discrete surges in punitive rhetoric supporting an escalation of the war on drugs. In this context, HRI's global monitoring, analysis and advocacy remain essential contributions to efforts to achieve a world where drug policies and laws contribute to healthier, safer societies.

HRI made the decision to postpone the 2021 Harm Reduction International conference until April 2023. In addition to learning and exchange, an important part of the Harm Reduction International conference is networking and relationship-building with diverse actors from around the world. Recognising the medium term impact of COVID-19, the inequitable roll out of vaccines, HRI determined this could not be achieved to the same extent via a virtual event, and that it was preferable to delay the 2021 conference than plan for a smaller in-person event in a constantly changing, high risk public health environment.

We are addressing some of the learning and exchange gaps by hosting more frequent, short online events. We are addressing the negative impact of the conference postponement upon our income by embedding online events into our broader grant applications, fundraising early for the 2023 conference, and seeking funding support for an online harm reduction festival in late 2021 (Constellations).

Beneficiaries of our services

The ultimate beneficiaries of Harm Reduction International's work are vulnerable people who use drugs around the world. Because Harm Reduction International is a policy and advocacy organisation, it measures its impact by monitoring how its research and analysis are drawn upon by advocates and policy makers to contribute to, and inform changes to laws, policies and programming (at national, regional or international level). Our global monitoring work also provides insights into shifting human rights norms and uptake of international human rights standards in drug policy and practice at national or sub-national level, and our contribution to these significant trends.

Financial review

HRI's financial position at the end of the reporting period was in line with expectations, taking into account the turbulence of the year.

HRI's 2021-22 forecast demonstrated its ability to continue as a going concern, noting the particularly uncertainty associated with the COVID-19 pandemic and its impact upon the UK economy. HRI does not raise funds directly from the public or via public events, to this end, HRI has not suffered the loss of income experienced by other (more public facing) charities during 2020. As a policy and advocacy organisation, HRI has been able to continue many planned activities notwithstanding lockdown restrictions. Many convenings in the sector have proceeded in a virtual format, allowing HRI to continue its work via partnerships and advocacy with the UN, governments and donors.

HRI made the decision to postpone the 2021 Harm Reduction International conference until April 2023, which will have a negative impact upon its income for 2021. We are working to mitigate the financial impact of conference postponement by reducing all conference-related costs, embedding plans for interim and smaller online events into our broader grant applications, fundraising early for the 2023 conference, and seeking funding support for an online festival in late 2021 (Constellations).

In line with its fundraising goals, HRI staff invested energy in fundraising with a view to diversifying and increasing funding, and ultimately holding three months' operational costs in reserves. The result was an increase in income of more than 30% at the end of 2020 (relative to 2018 and 2016 – recent non-conference years); with small contributions from a number of new funders and increases in funding from existing funders.

Fundraising activities were undertaken by HRI staff, there was no specific or material expenditure on fundraising.

Based on our forecast, cash flow, existing commitments from donors, active pursuit of new funds, and plans for the Harm Reduction International conference in 2023, we have basis to believe the organisation can continue to operate and meet its debts as they fall due in the coming 12-24 months.

Principal risks and uncertainties

HRI maintains a risk register, reviewed by the trustees twice a year. The risk register prompts the trustees to assess risks and decide upon mitigating actions across five categories: governance, operational, financial, environmental/external and compliance (law and regulation). In April 2020, the risk register was amended to include COVID-19 related risks across all categories. COVID-19 represents the major change in risk profile for 2020; mitigating actions were taken to reduce associated risks.

Broadly, we are currently work to mitigate the following key risks:

- →Governance risks: in the context of HRI's focus on a highly specialised, yet stigmatised topic we face a risk of not being able to attract high quality trustee candidates from outside our sector. Trustees with diverse skills and experience are critical to the effective governance of the charity. We mitigate this risk by drawing on a board skills and diversity framework for board appointments, advertising on broader charity websites for our trustees, and regularly contributing ideas for a potential board candidate pool.
- → Operational risks: in the context of HRI's small size and specialised focus, our staff are our greatest assets. As such, 2020 conditions posed new operational risks as we worked to support staff through uncertainty and significant changes, whilst bolstering IT capacity for virtual, and adjusting to work from home conditions.
- → Financial risks: in the context of a limited pool of donors funding international harm reduction and drug policy, HRI must stay alert to shifts in donor priorities and work to make the case for health-based, rights-based approaches to drugs. Concurrently, HRI will continue to work on strengthening financial controls and improving our financial management systems for best practice.

→Environment/external risks: HRI works to mitigate the risks of the rapidly changing external environment by strengthening our external communications, and developing work which allows us to demonstrate harm reduction is a social justice and public health issue closely connected to many other complex issues in society.
→Compliance risks: in the context of HRI's small size/limited human resources, we rely on a network of external experts (including our auditors) to assist us to remain compliant with relevant policy and legislation.

Reserves policy and going concern

HRI's aim is to hold three months' operating costs in reserve, it has not achieved that in 2020. At the end of 2020, HRI carried forward approximately £12,000 in unrestricted funding.

HRI board and key management personnel have reset their ambitions for reaching this target over the next two-three years, and are actively engaged in continuing work against fundraising goals to diversify and increase funding.

Fundraising

HRI key management personnel lead on fundraising for the charity. HRI does not engage professional fundraisers or commercial entities in fundraising.

Plans for the future

HRI extended its 2017-2020 Strategic Plan to 2021, allowing it more time to reflect on the rapid and significant changes associated with the pandemic, as well as the constantly evolving global environment. With this reflection process ongoing throughout 2021, Harm Reduction International will be able to better contribute to achieving a world in which individuals and communities benefit from drug policies, practices and laws that promote health, dignity and human rights.

HRI is unique in its global mapping and data collection across health, funding for harm reduction and human rights (including a focus on the death penalty). HRI will continue its leading work across these areas.

HRI is also unique in convening the main global forum for the exchange of information and best practice at the intersection of human rights, drug policy and harm reduction (the biennial Harm Reduction International conference). HRI has communicated about the postponement of the 2021 conference due to COVID-19, and will continue to lead in this space via online events in the interim.

In the future, HRI plans to strengthen its research, advocacy and leadership on intersectional vulnerability, including the intersections between drug use and drug policy with poverty, gender, racism and disability.

Structure, governance and management

The organisation is a charitable company limited by guarantee, incorporated on 11 July 1996 and registered as a charity on 22 December 2006.

The company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association. Decisions are made in compliance with these constituent documents. The Trustees delegate the day-to-day management of the charity to Executive Director, Naomi Burke-Shyne. Ms Burke-Shyne served as the Executive Director for the reporting period in question.

HRI follows a foundation model of governance in which the Trustees are the members. HRI has no subsidiaries and is not affiliated with a wider network.

All trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 10 to the accounts.

Appointment of trustees

HRI's constituent documents set the minimum number of Trustees as six and the maximum as twelve. Trustees are appointed for three years and may stand for re-election once.

New Trustees are appointed by a decision of the Trustees, passed by a majority of two-thirds of the total number of sitting Trustees, in line with an agreed commitment to diversity of skills and experience. Appointments are recommended following candidate interviews with a Board Vacancies Sub-Committee (comprised of two Trustees and the Executive Director) and made at the meetings of the Trustees.

Trustee induction and training

HRI provides induction to new trustees via a briefing pack based on Charity Commission guidance, an induction meeting with HRI staff, and ongoing direct support.

HRI aims to hold Trustees Skills Refresher trainings biennially (for example with an NCVO trainer), this was postponed in 2020 due to the unusual circumstances of the pandemic.

Related parties and relationships with other organisations

HRI declares two matters pertaining to related parties and relationships:

- HRI employs two staff who are related to a trustee. The staff were appointed via open competition, without any influence of that trustee, and remunerated in accordance with the HRI salary bands, without influence of that trustee.

- In 2020, HRI had a written costs sharing agreement with HIT Projects Limited, for the rental of office space used by HRI employees in Liverpool. There are no outstanding balances. One director of HIT Projects Limited is a trustee– Patrick O'Hare.

Remuneration policy for key management personnel

Salary for staff other than the Executive Director is set using a salary banding system, which is based upon established market rates.

Salary for the Executive Director is set by the Trustees.

Statement of responsibilities of the trustees

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

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

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

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

In so far as the trustees are aware:

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

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.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 December 2020 was 9 (2019:9). The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

Auditor

Sayer Vincent LLP was appointed as the charitable company's auditor during the year and has expressed its willingness to continue in that capacity.

The directors' annual report has been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

The trustees' annual report has been approved by the trustees on 21 June 2021 and signed on their behalf by

Lucy Burns
Chair

Independent examination report

To the members of

Harm Reduction International

Independent examiner's report to the trustees of Harm Reduction International

I report to the trustees on my examination of the accounts of Harm Reduction International for the year ended 31 December 2020.

This report is made solely to the trustees as a body, in accordance with the Charities Act 2011. My examination has been undertaken so that I might state to the trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the trustees as a body, for my examination, for this report, or for the opinions I have formed.

Responsibilities and basis of report

As the charity trustees of the Company you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act')/Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the Company's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Charities Act 2011 ('the 2011 Act').

Independent examiner's statement

Since the Company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accounts in England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1 Accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or

1 The accounts do not accord with those records; or

2 The accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or

3 The accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities; or

Independent examination report

To the members of

Harm Reduction International

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Signed:
Name: Jonathan Orchard FCA
Address: Sayer Vincent LLP, Invicta House, 108-114 Golden Lane, London, EC1Y 0TL
Date: 16 August 2021

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 December 2020

	Notes	Unrestricted £	Restricted £	2020 Total £	Unrestricted £	Restricted £	2019 Total £
Income from:							
Donations and legacies	2	48,005	–	**48,005**	90	–	90
Charitable activities							
Project work	3	271,615	578,285	**849,900**	235,305	495,625	730,930
Conferences & support	3	51	–	**51**	734,075	–	734,075
Investments	4	94	–	**94**	153	–	153
Total income		319,765	578,285	**898,050**	969,623	495,625	1,465,248
Expenditure on:							
Charitable activities							
Project work	5	256,230	459,915	**716,145**	440,779	532,344	973,123
Conference & support	5	98,834	–	**98,834**	411,958	48,892	460,850
Total expenditure		355,064	459,915	**814,979**	852,737	581,236	1,433,973
Net income / (expenditure) before net gains / (losses) on investments		(35,299)	118,370	**83,071**	116,886	(85,611)	31,275
Net income / (expenditure) for the year	7	(35,299)	118,370	**83,071**	116,886	(85,611)	31,275
Transfers between funds		(4,130)	4,130	**–**	(39)	39	–
Net income / (expenditure) before other recognised gains and losses		(39,429)	122,500	**83,071**	116,847	(85,572)	31,275
Net movement in funds		(39,429)	122,500	**83,071**	116,847	(85,572)	31,275
Reconciliation of funds:							
Total funds brought forward		51,374	54,203	**105,577**	(65,473)	139,775	74,302
Total funds carried forward		11,945	176,703	**188,648**	51,374	54,203	105,577

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 27a to the financial statements.

Harm Reduction International

Balance sheet

Company no. 03223265

As at 31 December 2020

	Note	£	2020 £	£	2019 £
Fixed assets:					
Tangible assets	12		**28,419**		34,334
			28,419		34,334
Current assets:					
Debtors	13	**83,536**		60,878	
Cash at bank and in hand		**511,288**		369,550	
		594,824		430,428	
Liabilities:					
Creditors: amounts falling due within one year	14	**(434,595)**		(359,185)	
Net current assets			**160,229**		71,243
Total assets less current liabilities			**188,648**		105,577
Total net assets			**188,648**		105,577
The funds of the charity:	17a				
Restricted income funds			**176,703**		54,203
Unrestricted income funds:					
General funds		**11,945**		51,374	
Pension reserve		–		–	
Total unrestricted funds			**11,945**		51,374
Total charity funds			**188,648**		105,577

The opinion of the directors is that the company is entitled to the exemptions conferred by Section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge the following responsibilities:

(i) The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476

(ii) The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts

Approved by the trustees on 21 June 2021 and signed on their behalf by

Lucy Burns
Chair

Harm Reduction International

Statement of cash flows

For the year ended 31 December 2020

	Note	2020 £	£	2019 £	£
Cash flows from operating activities					
Net income for the reporting period (as per the statement of financial activities)		83,071		31,275	
Depreciation charges		18,947		2,667	
(Gains)/losses on investments		(94)		(153)	
Dividends, interest and rent from investments		–		–	
(Profit)/loss on the disposal of fixed assets		–		–	
(Increase)/decrease in stocks		–		–	
(Increase)/decrease in debtors		(22,658)		269,314	
Increase/(decrease) in creditors		75,410		(80,489)	
Net cash provided by operating activities			154,676		222,614
Cash flows from investing activities:					
Dividends, interest and rents from investments		94		153	
Proceeds from the sale of fixed assets		–		–	
Purchase of fixed assets		(13,032)		(14,334)	
Proceeds from sale of investments		–		–	
Purchase of investments		–		–	
Net cash (used in) investing activities			(12,938)		(14,181)
Change in cash and cash equivalents in the year			141,738		208,433
Cash and cash equivalents at the beginning of the			369,550		161,117
Change in cash and cash equivalents due to exchange rate movements			–		–
Cash and cash equivalents at the end of the year			511,288		369,550

Analysis of cash and cash equivalents and of net debt

	At 1 January 2020 £	Cash flows £	Other non-cash changes £	**At 31 December 2020 £**
Cash at bank and in hand	369,550	141,738	–	**511,288**
Total cash and cash equivalents	369,550	141,738	–	**511,288**

1 Accounting policies

a) Statutory information

Harm Reduction International is a charitable company limited by guarantee and is incorporated in England and Wales.

The registered office address is 61 Mansell Street, Aldgate, London.

b) Basis of preparation

The financial statements have been prepared in accordance with 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) – (Charities SORP FRS 102), The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006/Charities Act 2011.

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

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

c) Public benefit entity

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

d) Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Conference income is recognised as and when the actual event takes place.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

1 Accounting policies (continued)

f) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

g) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

h) Fund accounting

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.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

i) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive 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 raising funds relate to the costs incurred by the charity, as well as the cost of any activities with a fundraising purpose
- Expenditure on charitable activities includes the costs of charitable activities undertaken to further the purposes of the charity and their associated support costs
- Other expenditure represents those items not falling into any other heading

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

1 Accounting policies (continued)

j) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Where such information about the aims, objectives and projects of the charity is also provided to potential donors, activity costs are apportioned between fundraising and charitable activities on the basis of area of literature occupied by each activity.

● Project Work	70%
● Support costs	20%
● Governance costs	10%

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

k) Foreign currencies

Monetary assets and liabilities denominate in foreign currencies are translated into sterling at rates of exchange ruling at the reporting date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction. Exchange gains and losses are recognised in the statement of financial activities.

l) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

m) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

● Fixtures and fittings	25% reducing
● Computer equipment	25% on cost

n) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1 Accounting policies (continued)

o) Short term deposits
Short term deposits includes cash balances that are invested in accounts with a maturity date of between 3 and 12 months.

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

q) Creditors and provisions
Creditors and provisions are recognised where the charity has a present obligation resulting from a past event 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 normally recognised at their settlement amount after allowing for any trade discounts due.

r) 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.

s) Pensions
The charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charity to the fund in respect of the year.

2 Income from donations and legacies

			2020			2019
	Unrestricted		**Total**	Unrestricted		Total
	£		**£**	£		£
Sundry income	82	–	**82**	90	–	90
Furlough grant	47,923	–	**47,923**	–	–	–
	48,005	–	**48,005**	90	–	90

3 Income from charitable activities

	Unrestricted	Restricted	2020 Total	Unrestricted	Restricted	2019 Total
	£	£	£	£	£	£
Project work	24,100	578,285	**602,385**	235,305	495,625	730,930
OSF	217,637	–	**217,637**	–	–	–
Other income from charit:	29,878	–	**29,878**	–	–	–
Sub-total for Project work	271,615	578,285	**849,900**	235,305	495,625	730,930
Conferences & Support	51	–	**51**	734,075	–	734,075
Sub-total for Conferences	51	–	**51**	734,075	–	734,075
Total income from charitable activities	271,666	578,285	**849,951**	969,380	495,625	1,465,005

4 Income from investments

	Unrestricted	Restricted	2020 Total	Unrestricted	Restricted	2019 Total
	£		£	£		£
Bank interest receivable	94	–	**94**	153	–	153
	94	–	**94**	153	–	153

All income from investments is unrestricted.

5 Analysis of expenditure (current year)

		Charitable activities					
	Raising funds £	Project Work £	Conference & support £	Governance costs £	Support costs £	**2020 Total £**	2019 Total £
Staff costs (Note 8)	–	414,355	–	–	–	**414,355**	491,237
Other staff costs	–	7,219	671	–	4,415	**12,305**	2,406
Project expenses	–	58,885	272	–	–	**59,157**	131,126
Travelling costs	–	9,911	–	–	1,010	**10,921**	102,819
Consultancy fees	–	154,631	–	–	9,150	**163,781**	112,840
Recruitment and training costs	–	4,872	–	–	11,344	**16,216**	10,360
Journals and subscription costs	–	1,386	–	–	90	**1,476**	9,515
Meeting expenses	–	1,173	–	3,384	361	**4,918**	11,403
Legal, professional and regulatory	–	–	614	–	–	**614**	6,642
Conference expenses	–	–	2,026	–	–	**2,026**	39,286
Conference scholarships	–	–	–	–	–	–	67,249
Depreciation	–	–	–	–	18,947	**18,947**	2,667
Advertising and promotion costs	–	–	–	–	–	–	25,517
Foreign exchange gains and losse	–	–	–	–	4,626	**4,626**	4,021
Audit and accountancy fees	–	4,050	–	8,783	–	**12,833**	10,578
Repairs and maintenance	–	–	–	–	30	**30**	495
Rent	–	9,175	5,392	–	14,425	**28,992**	38,969
Insurance	–	–	–	–	3,492	**3,492**	3,635
Printing, postage and stationery	–	148		–	339	**487**	10,418
Communications	–	34,065	7,244	–	7,676	**48,985**	51,985
Conference expenses	–	–	–	–	–	–	254,950
Website maintenance and computer running costs	–	2,894	–	–	3,533	**6,427**	31,793
Office expenses	–	1,214	1,814	–	1,363	**4,391**	14,062
	–	703,978	18,033	12,167	80,801	814,979	1,433,973
Support costs	–	–	80,801	–	(80,801)	–	–
Governance costs	–	12,167	–	(12,167)	–	–	–
Total expenditure 2020	–	**716,145**	**98,834**	–	–	**814,979**	
Total expenditure 2019	–	**973,123**	**460,850**	–	–		**1,433,973**

6 Analysis of expenditure (prior year)

		Charitable activities				
	Raising funds £	Project Work £	Conference & support £	Governance costs £	Support costs £	**2019 Total £**
Staff costs (Note 8)	–	491,237	–	–	–	**491,237**
Other staff costs	–	2,406	–	–	–	**2,406**
Project expenses	–	131,126	–	–	–	**131,126**
Travelling costs	–	102,819	–	–	–	**102,819**
Consultancy fees	–	112,807	–	–	33	**112,840**
Recruitment and training costs	–	10,360	–	–	–	**10,360**
Journals and subscription costs	–	1,136	–	–	8,379	**9,515**
Meeting expenses	–	480	–	10,923	–	**11,403**
Legal, professional and regulatory	–	5,382	–	–	1,260	**6,642**
Conference expenses	–	–	39,286	–	–	**39,286**
Conference scholarships	–	–	67,249	–	–	**67,249**
Depreciation	–	–	–	–	2,667	**2,667**
Advertising and promotion costs	–	–	–	–	25,517	**25,517**
Foreign exchange gains and losse:	–	–	–	–	4,021	**4,021**
Audit and accountancy fees	–	–	–	10,578	–	**10,578**
Repairs and maintenance	–	–	–	–	495	**495**
Rent	–	–	–	–	38,969	**38,969**
Insurance	–	–	–	–	3,635	**3,635**
Printing, postage and stationery	–	–	–	–	10,418	**10,418**
Communications	–	–	–	–	51,985	**51,985**
Conference expenses	–	–	–	–	254,950	**254,950**
Website maintenance and computer running costs	–	–	–	–	31,793	**31,793**
Office expenses	–	–	–	–	14,062	**14,062**
	–	857,753	106,535	21,501	448,184	1,433,973
Support costs	–	93,869	354,315	–	(448,184)	–
Governance costs	–	21,501	–	(21,501)	–	–
Total expenditure 2019	–	**973,123**	**460,850**	–	–	**1,433,973**

7 Net income / (expenditure) for the year

This is stated after charging / (crediting):

	2020 £	2019 £
Depreciation	18,947	2,667
Operating lease rentals payable:		
Property	28,992	-
Auditor's remuneration (including VAT):		
Audit	-	10,578
Independent examination	7,200	-
Foreign exchange gains or losses	4,626	4,021

8 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2020 £	2019 £
Salaries and wages	349,137	426,013
Social security costs	34,942	39,651
Employer’s contribution to defined contribution pension schemes	30,276	25,573
	414,355	491,237

The following number of employees received employee benefits (excluding employer pension costs and employer's national insurance) during the year between:

	2020 No.	2019 No.
£60,000 - £69,999	1	1

The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel were £82,298 (2019: £84,069).

The charity trustees were neither paid nor received any other benefits from employment with the charity in the year (2019: £nil). No charity trustee received payment for professional or other services supplied to the charity (2019: £nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £3,384 (2019: £9,194) incurred by 2 (2019: 6) members relating to attendance at meetings of the trustees.

9 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was 12 (2019: 9).

10 Related party transactions

HRI declares two matters pertaining to related parties and relationships:
- HRI employs two staff who are related to a trustee. The staff were appointed via open competition, without any influence of that trustee, and remunerated in accordance with the HRI salary bands, without influence of that trustee.
- In 2020, HRI had a written costs sharing agreement with HIT Projects Limited, for the rental of office space used by HRI employees in Liverpool (valued at HIT £748.95 + VAT per month). There are no outstanding balances. The directors of HIT Projects Limited are related parties: Patrick O'Hare, HRI trustee; Madeleine O'Hare, HRI employee and Lucy O'Hare, HRI employee.

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

11 Taxation

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

12 Tangible fixed assets

	Leasehold property	Fixtures and fittings	Computer equipment	Motor vehicles	**Total**
Cost or valuation	£	£	£	£	**£**
At the start of the year	34,334	2,212	18,829	–	**55,375**
Additions in year	13,032	–	–	–	**13,032**
At the end of the year	47,366	2,212	18,829	–	**68,407**
Depreciation					
At the start of the year	–	2,212	18,829	–	**21,041**
Charge for the year	18,947	–	–	–	**18,947**
At the end of the year	18,947	2,212	18,829	–	**39,988**
Net book value					
At the end of the year	28,419	–	–	–	**28,419**
At the start of the year	34,334	–	–	–	34,334

All of the above assets are used for charitable purposes.

13 Debtors

	2020 £	2019 £
Trade debtors	23,051	6,676
Other debtors	4,567	2,378
Prepayments	33,707	51,824
Accrued income	22,211	–
	83,536	60,878

14 Creditors: amounts falling due within one year

	2020 £	2019 £
Trade creditors	40,618	17,451
Taxation and social security	15,569	7,930
Other creditors	183	2,485
Amounts due for Pensions	13,109	–
Accruals	19,858	16,567
Deferred income (note 17)	345,258	314,752
	434,595	359,185

15 Deferred income

Deferred income comprises grant income received during the year for use in 2021.

	2020 £	2019 £
Balance at the beginning of the year	314,752	414,143
Amount released to income in the year	(314,752)	309,499
Amount deferred in the year	345,258	(408,890)
Balance at the end of the year	345,258	314,752

16a Analysis of net assets between funds (current year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	28,419	–	–	28,419
Current assets	418,122	–	176,703	594,825
Current liabilities	(434,596)	–	–	(434,596)
Net assets at 31 December 2020	11,945	–	176,703	188,648

16b Analysis of net assets between funds (prior year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	34,334	–	–	**34,334**
Current assets	376,225	–	54,203	**430,428**
Current liabilities	(359,185)	–	–	**(359,185)**
Net assets at 31 December 2019	**51,374**	**–**	**54,203**	**105,577**

17a Movements in funds (current year)

	At 1 January 2020 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 December 2020 £
Restricted funds:					
Global Fund/Alliance India	6,565	62,458	(70,487)	4,327	**2,863**
EC Death Penalty	28,895	54,825	(83,523)	(197)	–
Robert Carr Fund	18,743	116,324	(127,361)	–	**7,706**
Open Society Foundation – Emergency	–	1,646	(1,646)	–	–
GSHR 2020: Swiss Federal Office of	–	8,060	(7,197)	–	**863**
GSHR 2020: UNAIDS TSM	–	30,181	(30,181)	–	–
UNAIDS TSM – Sust.Financing	–	9,325	(4,390)	–	**4,935**
Open Society Foundation – SAME	–	56,071	(16,956)	–	**39,115**
EJAF COVID-19	–	23,818	(23,818)	–	–
Robert Carr – GDPI	–	45,057	(10,292)	–	**34,765**
MAC AIDS FUNDS UK	–	75,000	(64,853)	–	**10,147**
Open Society Foundation – LAWYERS	–	85,471	(9,162)	–	**76,309**
Global Fund/Alliance India – Impact	–	10,049	(10,049)	–	–
					–
Total restricted funds	54,203	578,285	(459,915)	4,130	**176,703**
Unrestricted funds:					
General funds	51,374	319,765	(355,064)	(4,130)	**11,945**
Total unrestricted funds	51,374	319,765	(355,064)	(4,130)	**11,945**
Pension reserve	–	–	–	–	–
Total funds	105,577	898,050	(814,979)	–	**188,648**

The narrative to explain the purpose of each fund is given at the foot of the note below.

17b Movements in funds (prior year)

	At 1 January 2019 £	Income & gains £	Expenditure & losses £	Transfers £	At 1 January 2020 £
Restricted funds:					
Global Fund/Alliance India	6,693	48,013	(48,141)	–	**6,565**
EC Death Penalty	110,263	153,732	(235,100)	–	**28,895**
EJAF	9,569	44,936	(54,544)	39	–
Robert Carr	(1,358)	115,521	(95,420)	–	**18,743**
Federal Office of Public Health	3,534	3,839	(7,373)	–	–
PITCH	(18)	24,061	(24,043)	–	–
OSF Death Penalty	11,092	59,005	(70,097)	–	–
TIDES (MAC AIDS)	–	46,518	(46,518)	–	–
Total restricted funds	139,775	495,625	(581,236)	39	**54,203**
Unrestricted funds:					
Total designated funds	–	–	–	–	–
General funds	(65,473)	969,623	(852,737)	(39)	**51,374**
Total unrestricted funds	(65,473)	969,623	(852,737)	(39)	**51,374**
Pension reserve	–	–	–	–	–
Total funds	74,302	1,465,248	(1,433,973)	–	**105,577**

Purposes of restricted funds

Global Fund/Alliance India

Global Fund support for research on the investment in harm reduction in seven countries in Asia.
Transfers from Unrestricted funds, made to agree balance brought forward with donor's audited account,

EC Death Penalty
European Commission funding for Harm Reduction International's research and advocacy related to the abolition of the death penalty for drug offences.
As project closed in March 2020, the transfer is to write off outstanding exchange differences against unrestricted funds.

Robert Carr Fund

Robert Carr funding provides support for HRI's research and advocacy across all teams – public health, human rights, sustainable financing and conference.

Open Society Foundation – Emergency Powers

OSF support for HRI to undertake research and advocacy on the impact of COVID-19 emergency powers on the rights of marginalised populations; part of a global human rights campaign.

GSHR 2020: Swiss Federal Office of Public Health

The Federal Office of Public Health provided a small amount of funding in support of research and documentation of the status of harm reduction in Western Europe, linked to the Global State of Harm Reduction report.

GSHR 2020: UNAIDS TSM

Via the technical support mechanism, UNAIDS supported consultants around the world to undertake research for the Global State of Harm Reduction.

UNAIDS TSM - Sust.Financing

Via the technical support mechanism, UNAIDS supported HRI to undertake analysis on funding for harm reduction in low- and middle-income countries.

Open Society Foundations - SAME

OSF support for HRI to facilitate a regional coordination and advocacy amongst human rights and criminal justice actors in South Asia and the Middle East.

Elton John AIDS Foundation - COVID-19

EJAF funding for HRI to support a partner in Kenya with HIV prevention and harm reduction during the pandemic.

Robert Carr Fund - GDPI
Robert Carr Fund support for a consortium of actors to develop a global drug policy index.

MAC AIDS Fund UK

MAC AIDS Fund support for the Global State of Harm Reduction 2020, and additional research and advocacy for harm reduction with partners in Kenya and Uganda.

Open Society Foundation - LAWYERS

OSF support for HRI to host a global network of lawyers providing services for populations vulnerable to HIV, including advocacy and training.

Global Fund/Alliance India - Impact Report

Global Fund support for a study documenting the impact of the regional advocacy grant.

18 Operating lease commitments payable as a lessee

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods

	Property		Equipment	
	2020	2019	**2020**	2019
	£	£	**£**	£
Less than one year	**36,000**	10,785	**-**	-
One to five years	**72,000**	7,190	**-**	-
Over five years	**-**	-	**-**	-
	108,000	17,975	**-**	-

19 Post balance sheet events

The charity decided to postpone its 2021 conference to April 2023 due to the impact of the Corona Virus and in recognition of the global inequity surrounding vaccine roll out, however, instead of the 2021 Conference, the Charity have plans for an online festival at the end of 2021 ('Constellations'), which will also allow for the celebration of HRI's 25th anniversary.

20 Legal status of the charity

The Charity is controlled by the Trustees.

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.