

Charity registration number 1118290

Company registration number 06038406 (England and Wales)

DEVELOPMENT AID FROM PEOPLE TO PEOPLE UK
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

DEVELOPMENT AID FROM PEOPLE TO PEOPLE UK

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Ms N Karacsony (Chair) Mr K Musonda Mrs M Fuller Miss M Vaz Pita
Key Management Personnel	Miss D Cernusca (General Manager)
Charity number	1118290
Company number	06038406
Registered office	77B Abington Street Northampton NN1 2BH
Auditor	Azets Thorpe House 93 Headlands Kettering Northamptonshire United Kingdom NN15 6BL
Bankers	Santander Bridle Road Bootle Liverpool United Kingdom GIR 0AA
Solicitors	Russell-Cooke Solicitors 2 Putney Hill London United Kingdom SW15 6AB

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DEVELOPMENT AID FROM PEOPLE TO PEOPLE UK

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2024

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

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives and activities

The charity's objectives are:

- To train teachers through innovative and modern methods empowering them to provide high quality education to primary school students in rural areas.
- To initiate and lead community development in the villages.
- To support education in the developing countries.
- To support environmental projects aimed at promoting agricultural development, renewable energy towards reducing the carbon foot print and reuse.

The trustees confirm that they 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 future activities and setting the grant making policy for the year.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Grant making policy

The charity supports organisations whose objectives correspond with the charity's own guidelines. The trustees welcome applications from any charities who meet these criteria and they will be assessed on an individual basis.

In 2024 Development Aid from People to People UK has made a donation of £25,000 towards the Community Development and Environment Project run by HPP India across several Indian States.

India has made significant strides to reduce poverty in 2024, with national reports indicating that extreme poverty has fallen below 5% for the first time. However, despite such progress, India still has a long way to go- many rural and underserved communities continue to face pressing challenges- included limited access to health care, education, clean water, climate change mitigation and sustainable livelihoods. States like Haryana, Uttar Pradesh, Odisha, West Bengal, and part of Maharashtra and Karnataka remain below the national development indicators, even after numerous government and non- profit interventions.

It is within this context that DAPP UK's support of the project becomes particularly meaningful for the Charity.

The Community Development and Environment Project was carried out in both rural and peri-urban areas, using a locally anchored people-centred approach. The project targeted women, youth, children, and farmers, aiming to reduce poverty through interventions in health education, environmental sustainability and economic empowerment. The Project significantly improved community-level resilience and capacity addressing the root causes of poverty and aligning with India's progress toward achieving the UN Sustainable Development Goals particularly SDGs 1 (no poverty), 3 (good health and wellbeing), 4 (quality education), 5 (gender equality), 6 (clean water and sanitation) and 13 (climate action).

DEVELOPMENT AID FROM PEOPLE TO PEOPLE UK

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

During 2024, the Project has generated significant results across key development areas:

- Women's Empowerment: 7,939 women were mobilised into Women's Health Clubs and Self-Help Groups, where they received training and awareness on reproductive health, gender rights, hygiene, and community leadership.
- Health and Sanitation: 18,060 individuals accessed free health services such as general check-ups, cataract surgeries, eye screenings and TB referrals. An additional 958 families gained access to clean drinking water through the installation of solar powered RO systems.
- Skills and Education: Vocational training in tailoring, computing, and beauty services reached 2,447 youth and adults, many of whom transitioned into income-generated activities. Basic literacy sessions were provided to 430 women to strengthen their household management and financial independence.
- Environmental Sustainability: The Project supported the plantation of 11,719 trees and establishment of 334 kitchen gardens, promoting local food security and climate resilience. Over 2,000 farmers were trained in sustainable agricultural practices.
- Access to Services: the project facilitates access to legal identity and social services for 3,667 individuals, enabling them to benefit from government schemes and improve their socio-economic standing.

Achievements and performance

Charitable activities

The charity has received donations totalling £125 (2023: £20,000) during the year ended 31 December 2024. This has been designated as unrestricted funds towards the Charity. The donations have been received from Uppingham School, where several pupils have held a clothing drive to raise funds for DAPP UK and from anonymous donors through Paypal Giving Fund.

Fundraising activities

The shops operated by the charity have generated an income of £1,338,072 (2023: £1,073,474) during the year. Trustees hope this income will show a further increase in the forthcoming year with the existing shops having a good yield and with the general charity and second hand market having become a more popular way of shopping. Additional plans are in place to expand with new retail shops expected to open in the second half of the year.

Financial review

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to three months expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. The charity is currently still working towards meeting this objective.

For the year ending 31 December 2024, the accounts show total incoming resources of £1,349,006 (2023: £1,106,836) of which £1,367,828 (2023: £1,112,133) has been expended, leaving a net operating result of £6,178 before donations.

The result is much lower than had been forecasted due to different reasons. In the first half of the year we have been forced to shut our Hemel store which has impacted the expected turnover and has taken a toll on the result budgeted. Our newly opened Derby store has not reached its full potential, as we have learned that it takes longer for a shop to gain its audience and become stable economically as well maintaining a stable workforce. The shop has started to show improvements with a solid customer base and increased footfall in the early 2025.

In 2024 the Charity has faced a complex financial landscape which has been marked by both progress and strain. We made continuous efforts to keep our brand and image alive and improved to appeal to broader audiences, including younger generations and customers with greater purchasing power. As the cost of living crisis has impacted many of our customers, we have made conscious efforts to keep them returning with different incentives and lower prices.

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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

We've worked on our visual presentation throughout the year, customer experience and store identity. We've put a great focus on the assortment and the quality of the items displayed, working carefully with the donations received to meet the customers expectations. However, like many other charities and companies working in the sector, we faced ongoing challenges from a noticeable decline in the quality of donations and the increase in ultra-fast fashion items being donated.

Rising salary costs also placed pressure on the Charity's finances. We responded by adjusting staff hours where possible while still maintaining productivity and service standards. While we continue to rely on a mix of volunteers and employed staff, the rising cost of living has led to a decline in volunteer numbers in general and their available time spent volunteering.

Store closure

The branch at Hemel Hempstead was forced to close in April 2024, due to the landlord taking possession of the property for redevelopment reasons. This event has taken a toll on the charity's forecasted turnover and general growth, as it has been a quite abrupt closure with too little or no time to relocate in the same area. However, the closure allowed us to reallocate resources efficiently in the other remaining stores and strengthen our financial position. The stock has been transferred to the remaining stores allowing for much lower costs in the coming months. Following the closure we have decided to focus on stabilising the existing shops rather than expanding, as our Derby shop is growing at a slow pace.

Lease Renewals

During the year the Charity has decided to renew the leases for the shops we hold in Northampton and Leicester. With our Northampton shop reaching its 10th anniversary, securing another lease will secure a stable income as the shop had a great financial year in 2024 and has a stable team of staff, volunteers and management. We expect that the Northampton branch will continue to be our flagship store in the next 10 years.

Strategic Focus and Positive Developments

Despite 2024 being a challenging year, we maintained steady income levels across our remaining stores, we have focused on cost-efficiency, continuous brand exposure and image improvements.

The charity and second-hand sector, in general, continues to see a substantial increase in demand and our shops have consistently demonstrated growth year on year, reflecting the effectiveness of our strategies and the dedication of our team. With the continuous decline in the quality of donations, we are focusing on different campaigns to increase the level of clothing donations.

Recognizing the success and potential for further growth, the trustees and the General Manager are planning to expand the number of our shops in the coming years. Our focus will be on establishing a stronger presence in additional towns across the Midlands. This expansion is aimed at enhancing our impact, reinforcing our presence in the region and increasing our revenue streams. At the same time, we are planning an expansion in clothing banks and donations, to ensure that our assortment in the shops meets the demand of our customers and donors.

The online shop run by the charity on eBay has shown to be stable and a good income generator. Its consistent performance has contributed meaningfully to diversification of income streams. The charity recognises the broader trend in consumer behaviour given that the online market is growing rapidly. Our online presence complements our high street operations and offers the potential to reach a broader demographic and younger generations. In 2024 the shop has had a good result, and we have focused on efficiency and more automated methods involving lower costs.

We are confident that in the coming year we will continue making a positive difference in the communities we serve. Our commitment to sustainable change through local engagement and retail innovation remains strong.

Consequently, the trustees believe that the charity remains a going concern.

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

DEVELOPMENT AID FROM PEOPLE TO PEOPLE UK

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

Plans for future periods

Following a year of strategic realignment, the trustees enter 2025 with a focused and ambitious plan aimed at expansion, operational consolidation and increased engagement with the public and our donors.

The charity forecasts a good 2025, with much better systems in place and a better grip of the overall economy.

A major strategic milestone in 2025 is the take-over of the Sorting Centre previously operated by our partner organisation. This transition will enable DAPP to better control the end-to-end process from donation to the shop floor, improve efficiency, consistency and stock quality, explore opportunities to train and engage volunteers and staff. To support both the expansion and the operational goals, the charity will also increase the efforts to get a wider reach and increase the clothing donation from the public and supporters by expanding the clothing donation banks across the country and launching more awareness campaigns in the shops.

Alongside this, the trustees are hopeful of receiving increased levels of donations from several different sources. In the coming year,

DAPP UK aims to make donations towards the Community Development Project in India, focusing on community development and welcome other projects aimed at relief and development in developing countries.

Structure, governance and management

The charity is a company limited by guarantee and is governed by its Memorandum and Articles of Association dated 29 December 2006. It is registered as a charity with the Charity Commission. Anyone can be a member of the company, but such applications require the approval of the directors.

The trustees, who are also the directors for the purpose of company law, and who served during the year were:

Ms N Karacsony (Chair)

Mr K Musonda

Mrs M Fuller

Miss M Vaz Pita

Recruitment and appointment of new trustees

As set out in the Articles of Association, the first trustees shall be those persons notified to Companies House as the first directors of the charity. Trustees are required to retire by rotation at least every three years, and no trustee may serve for more than nine years in total. There shall be a minimum of three trustees, but never exceeding seven trustees at any time.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

Organisational structure

The Charity is managed by the General Manager in conjunction with the Board of Trustees. The board of Trustees and the General Manager are responsible for meeting the aims and the objectives of the Charity. The Trustees are in regular contact and hold frequent internet-based meetings to make key decisions and decide upon the strategic direction of the charity, to review the financial progress and overall performance. The trustees are collaborating closely with the General Manager in the daily running of the Charity by establishing reporting mechanisms to ensure that the Senior Management operates within the scope of meeting the Charity's objectives. These mechanisms include annual budgets approved by the Board, annual goals and strategies, monthly accounts and reports that review the Charity's progress.

Induction and training of new trustees

New trustees undergo an orientation day to brief them on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the decision-making processes, the business plan and recent financial performances of the charity. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

DEVELOPMENT AID FROM PEOPLE TO PEOPLE UK

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) *FOR THE YEAR ENDED 31 DECEMBER 2024*

Auditor

In accordance with the company's articles, a resolution proposing that Azets be reappointed as auditor of the company will be put at a General Meeting.

Disclosure of information to auditor

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

This report has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The trustees' report was approved by the Board of Trustees.

Mrs M Fuller

Trustee

19 September 2025

DEVELOPMENT AID FROM PEOPLE TO PEOPLE UK

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2024

The trustees, who are also the directors of Development Aid from People to People UK for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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; and
- 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 charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DEVELOPMENT AID FROM PEOPLE TO PEOPLE UK

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF DEVELOPMENT AID FROM PEOPLE TO PEOPLE UK

Opinion

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

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2024 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Material uncertainty related to going concern

We draw attention to note 1.2 in the financial statements, which indicates that the Charity incurred an overall deficit of £18,822 during the year ended 31 December 2024. This has resulted in the unrestricted funds of the Charity being overdrawn by £7,333. As stated in note 1.2, these events and conditions indicate that a material uncertainty exists that may cast significant doubt on the Charity's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and 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.

Matters on which we are required to report by exception

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

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

DEVELOPMENT AID FROM PEOPLE TO PEOPLE UK

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF DEVELOPMENT AID FROM PEOPLE TO PEOPLE UK

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

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 of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

DEVELOPMENT AID FROM PEOPLE TO PEOPLE UK

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF DEVELOPMENT AID FROM PEOPLE TO PEOPLE UK

Use of our report

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

Mr Mark Jackson FCA DChA (Senior Statutory Auditor)
for and on behalf of Azets

24 September 2025

Chartered Accountants
Statutory Auditor

Thorpe House
93 Headlands
Kettering
Northamptonshire
United Kingdom
NN15 6BL

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

DEVELOPMENT AID FROM PEOPLE TO PEOPLE UK

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
<u>Income and endowments from:</u>							
Donations and legacies	3	125	-	125	-	20,000	20,000
Other trading activities	4	1,338,072	-	1,338,072	1,073,474	-	1,073,474
Investments	5	2,668	-	2,668	3,362	-	3,362
Other income	6	8,141	-	8,141	10,000	-	10,000
Total income		1,349,006	-	1,349,006	1,086,836	20,000	1,106,836
<u>Expenditure on:</u>							
Raising funds	7	1,290,552	-	1,290,552	1,065,275	-	1,065,275
Charitable activities	8	15,000	20,000	35,000	10,000	-	10,000
Other	10	42,276	-	42,276	36,858	-	36,858
Total expenditure		1,347,828	20,000	1,367,828	1,112,133	-	1,112,133
Net income/(expenditure) for the year/ Net incoming/(outgoing) resources		1,178	(20,000)	(18,822)	(25,297)	20,000	(5,297)
Other recognised gains and losses							
Other gains or losses	16	-	-	-	380	-	380
Net movement in funds		1,178	(20,000)	(18,822)	(24,917)	20,000	(4,917)
Fund balances at 1 January 2024		(8,511)	20,000	11,489	16,406	-	16,406
Fund balances at 31 December 2024		(7,333)	-	(7,333)	(8,511)	20,000	11,489

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

DEVELOPMENT AID FROM PEOPLE TO PEOPLE UK

BALANCE SHEET

AS AT 31 DECEMBER 2024

	Notes	2024 £	£	2023 £	£
Fixed assets					
Tangible assets	17		85,543		93,494
Current assets					
Debtors	18	73,309		70,614	
Cash at bank and in hand		37,351		73,276	
		<u>110,660</u>		<u>143,890</u>	
Creditors: amounts falling due within one year	19	<u>(130,680)</u>		<u>(99,162)</u>	
Net current (liabilities)/assets			(20,020)		44,728
Total assets less current liabilities			65,523		138,222
Creditors: amounts falling due after more than one year	20		(72,856)		(126,733)
Net (liabilities)/assets			<u>(7,333)</u>		<u>11,489</u>
Income funds					
Restricted funds	23		-		20,000
Unrestricted funds			(7,333)		(8,511)
			<u>(7,333)</u>		<u>11,489</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2024, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 19 September 2025

Mrs M Fuller
Trustee

Company registration number 06038406

DEVELOPMENT AID FROM PEOPLE TO PEOPLE UK

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	2024 £	£	2023 £	£
Cash flows from operating activities					
Cash absorbed by operations	27		(3,881)		(63,228)
Investing activities					
Purchase of tangible fixed assets		(15,313)		(49,528)	
Investment income received		2,668		3,362	
Net cash used in investing activities			(12,645)		(46,166)
Financing activities					
Proceeds from borrowings		-		114,000	
Repayment of borrowings		(14,957)		-	
Payment of obligations under finance leases		(4,442)		(2,071)	
Net cash (used in)/generated from financing activities			(19,399)		111,929
Net (decrease)/increase in cash and cash equivalents			(35,925)		2,535
Cash and cash equivalents at beginning of year			73,276		70,741
Cash and cash equivalents at end of year			37,351		73,276

DEVELOPMENT AID FROM PEOPLE TO PEOPLE UK

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies

Charity information

Development Aid from People to People UK is a private company limited by guarantee incorporated in England and Wales. The registered office is 77B Abington Street, Northampton, NN1 2BH.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

The Charity made a deficit in the year of £18,822, resulting in an overall deficit of £7,333 in unrestricted funds and therefore acknowledge the material uncertainty related to going concern. However, the Trustees have considered cashflows and forecasts which show sufficient profits to continue trading for the period of 12 months from the date of approval of these financial statements. On this basis they have deemed it appropriate to prepare the financial statements on the going concern basis assuming the charity will continue in operational existence for a period of at least 12 months from the date of approval.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Gifts in kind for sale or distribution are included in 'Income from: Donations and legacies' at the estimated value the charity would have to pay in the open market for an equivalent item in the accounting period in which the gift is receivable. They are also included within 'Expenditure on: Raising funds' at the same value and time in accordance with the Charities SORP.

DEVELOPMENT AID FROM PEOPLE TO PEOPLE UK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies

(Continued)

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

1.5 Resources expended

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

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

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold improvements	20% on cost (5 year lease term)
Fixtures and fittings	25% reducing balance
Computers	25% on cost
Motor vehicles	25% on cost

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

DEVELOPMENT AID FROM PEOPLE TO PEOPLE UK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies

(Continued)

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Taxation

The charity is exempt from corporation tax on its charitable activities.

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

DEVELOPMENT AID FROM PEOPLE TO PEOPLE UK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies

(Continued)

1.13 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to net income/(expenditure) for the year so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

1.14 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	Unrestricted funds 2024 £	Restricted funds 2023 £
Donations and gifts	125	20,000

4 Other trading activities

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Shop income	1,338,072	1,073,474

DEVELOPMENT AID FROM PEOPLE TO PEOPLE UK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

5 Investments

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Interest receivable	2,668	3,362

6 Other income

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Royalties	8,141	10,000

7 Raising funds

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
<u>Trading costs</u>		
Operating charity shops	549,112	509,535
Staff costs	537,048	436,739
Depreciation and impairment	23,168	15,225
Support costs	181,224	103,776
Trading costs	1,290,552	1,065,275

DEVELOPMENT AID FROM PEOPLE TO PEOPLE UK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

8 Charitable activities

	2024 £	2023 £
Donations	25,000	-
Share of governance costs (see note 9)	10,000	10,000
	<u>35,000</u>	<u>10,000</u>
Analysis by fund		
Unrestricted funds	15,000	10,000
Restricted funds	20,000	-
	<u>35,000</u>	<u>10,000</u>

9 Support costs

	Support costs £	Governance costs £	2024 £	Support costs £	Governance costs £	2023 £
Premises costs	181,224	-	181,224	103,776	-	103,776
Accountancy	-	10,000	10,000	-	10,000	10,000
	<u>181,224</u>	<u>10,000</u>	<u>191,224</u>	<u>103,776</u>	<u>10,000</u>	<u>113,776</u>
Analysed between						
Trading	181,224	-	181,224	103,776	-	103,776
Charitable activities	-	10,000	10,000	-	10,000	10,000
	<u>181,224</u>	<u>10,000</u>	<u>191,224</u>	<u>103,776</u>	<u>10,000</u>	<u>113,776</u>

10 Other

	2024 £	2023 £
Net loss on disposal of tangible fixed assets	96	1,075
Bank charges	17,109	11,995
Telephone and internet	2,155	1,671
Travel	14,340	18,621
Financing costs	8,576	3,496
	<u>42,276</u>	<u>36,858</u>

DEVELOPMENT AID FROM PEOPLE TO PEOPLE UK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

11 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year, but 2 of them were reimbursed a total of £821 of travelling expenses (2023- 0 were reimbursed £0).

12 Employees

The average monthly number of employees during the year was:

	2024 Number	2023 Number
	26	24
Employment costs	2024 £	2023 £
Wages and salaries	505,874	411,390
Social security costs	26,370	19,955
Other pension costs	4,804	5,394
	537,048	436,739

There were no employees whose annual remuneration was more than £60,000.

13 Material other expenditure

On 11 April 2022, one of the charity's landlords agreed to waive a portion of the rent arrears that was payable by the charity. The landlord waived 50% of the rent arrears as of 1 March 2022, resulting in an accounting adjustment of £61,926 credited against the rent charges in the year ended 31 December 2021. The total amount of arrears payable to the landlord at 31 December 2024 is £Nil (2023: £10,146) of which £Nil (2023: £10,146) is due within one year and £Nil (2023: £Nil) is due after one year.

14 Net movement in funds	2024 £	2023 £
Net movement in funds is stated after charging/(crediting)		
Depreciation of owned tangible fixed assets	23,168	15,225
Loss on disposal of tangible fixed assets	96	1,075
Operating lease charges	181,224	103,776

15 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

DEVELOPMENT AID FROM PEOPLE TO PEOPLE UK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

16 Other gains or losses

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Foreign exchange gains	-	(380)

17 Tangible fixed assets

	Leasehold improvements £	Fixtures and fittings £	Computers £	Motor vehicles £	Total £
Cost					
At 1 January 2024	23,394	54,863	14,331	32,244	124,832
Additions	11,777	3,117	419	-	15,313
Disposals	-	-	(192)	-	(192)
At 31 December 2024	35,171	57,980	14,558	32,244	139,953
Depreciation and impairment					
At 1 January 2024	975	16,923	9,409	4,031	31,338
Depreciation charged in the year	6,093	9,965	3,079	4,031	23,168
Eliminated in respect of disposals	-	-	(96)	-	(96)
At 31 December 2024	7,068	26,888	12,392	8,062	54,410
Carrying amount					
At 31 December 2024	28,103	31,092	2,166	24,182	85,543
At 31 December 2023	22,419	37,940	4,922	28,213	93,494

18 Debtors

	2024 £	2023 £
Amounts falling due within one year:		
Trade debtors	3,000	-
Other debtors	43,697	49,061
Prepayments and accrued income	26,612	21,553
	73,309	70,614

DEVELOPMENT AID FROM PEOPLE TO PEOPLE UK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

19 Creditors: amounts falling due within one year

	Notes	2024 £	2023 £
Obligations under finance leases	22	4,343	5,575
Borrowings		47,990	12,280
Other taxation and social security		7,275	5,512
Trade creditors		30,472	42,943
Other creditors		826	908
Accruals and deferred income		39,774	31,944
		<u>130,680</u>	<u>99,162</u>

20 Creditors: amounts falling due after more than one year

	Notes	2024 £	2023 £
Obligations under finance leases	22	19,023	22,233
Borrowings		53,833	104,500
		<u>72,856</u>	<u>126,733</u>

21 Loans and overdrafts

	2024 £	2023 £
Other loans	<u>101,823</u>	<u>116,780</u>
Payable within one year	47,990	12,280
Payable after one year	<u>53,833</u>	<u>104,500</u>

During the year to 31 December 2023 the Charity received a loan of £114,000 from Planet Aid UK for the purpose of opening new stores. The loan is unsecured and bears an interest rate of Bank of England base rate plus 2% p.a. During the year to 31 December 2024 interest of £233 (2023: £nil) was paid. Further interest of £7,210 (2023: £2,755) is unpaid despite it accruing.

22 Finance lease commitments

Future minimum lease payments due under finance leases:

	2024 £	2023 £
Within one year	3,210	5,575
Within two and five years	19,023	22,233
	<u>22,233</u>	<u>27,808</u>

DEVELOPMENT AID FROM PEOPLE TO PEOPLE UK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

22 Finance lease commitments

(Continued)

Finance lease payments represent rentals payable for a vehicle held by the charity. The lease includes a purchase option at the end of the lease period, and no restriction is placed on the use of the asset. The lease term is 4 years on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

23 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			
	Incoming resources ¹	Balance at January 2024	Resources expended	Balance at 31 December 2024
	£	£	£	£
Donations	20,000	20,000	(20,000)	-

24 Analysis of net assets between funds

	Unrestricted Funds 2024 £	Restricted Funds 2024 £	Total Unrestricted Funds 2024 £	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total 2023 £
Fund balances at 31 December 2024 are represented by:						
Tangible assets	85,543	-	85,543	93,494	-	93,494
Current assets/(liabilities)	(20,020)	-	(20,020)	24,728	20,000	44,728
Long term liabilities	(72,856)	-	(72,856)	(126,733)	-	(126,733)
	(7,333)	-	(7,333)	(8,511)	20,000	11,489

DEVELOPMENT AID FROM PEOPLE TO PEOPLE UK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

25 Operating lease commitments

Lessee

Operating lease payments represent rentals payable by the charity for certain of its properties. Leases are negotiated on terms of between one and five years with fixed rental payments.

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2024 £	2023 £
Within one year	155,913	107,000
Between two and five years	454,902	281,250
In over five years	220,623	-
	<u>831,438</u>	<u>388,250</u>

26 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2024 £	2023 £
Aggregate compensation	<u>61,607</u>	<u>56,224</u>

Transactions with related parties

During the year the charity entered into the following transactions with related parties:

The brother of a trustee is employed by the charity on a rolling contract as a maintenance operative. The appointment was made prior to the trustee becoming a trustee and was therefore deemed to be made in open competition. During the year this employee was paid a total £1,390 (2023: £11,282) including employers national insurance and pension.

DEVELOPMENT AID FROM PEOPLE TO PEOPLE UK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

27	Cash generated from operations	2024	2023
		£	£
	Deficit for the year	(18,822)	(5,297)
	Adjustments for:		
	Investment income recognised in statement of financial activities	(2,668)	(3,362)
	Foreign exchange differences	-	380
	Loss on disposal of tangible fixed assets	96	1,076
	Depreciation and impairment of tangible fixed assets	23,168	15,225
	Accrued loan interest	-	2,780
	Movements in working capital:		
	(Increase) in debtors	(2,695)	(25,391)
	(Decrease) in creditors	(2,960)	(48,639)
	Cash absorbed by operations	(3,881)	(63,228)
28	Analysis of changes in net (debt)/funds		
		At 1 January 2024	Cash flows At 31 December 2024
		£	£
	Cash at bank and in hand	73,276	(35,925) 37,351
	Loans falling due within one year	(12,280)	(35,710) (47,990)
	Loans falling due after more than one year	(104,500)	50,667 (53,833)
	Obligations under finance leases	(27,808)	4,442 (23,366)
		(71,312)	(16,526) (87,838)