



A Company Limited by Guarantee and not having a Share Capital

Trustees' Report and Financial Statements
For the year ended 31st March 2021

REGISTERED CHARITY NUMBER: 1077889

REGISTERED COMPANY NUMBER: 03661446 (England & Wales)



www.pumpaid.org



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Pump Aid

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HARNESSING ENTERPRISE - ENDING DEPENDENCY



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

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



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

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



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

Solofina Wilfred from Kasungu, newly trained area mechanic



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

Odetta Mwale of Katchumba village, household pump purchaser



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

Violet Uladi of Machelmba village, irrigation pump purchaser



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

Loveness Kayison, vice-chair of the Chipapasa CBCC committee



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

Sarah Donachie, Deputy Fund Director, UK Aid Direct

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

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

Company Secretary

Matthew Gill

Charity Number

1077889

Company Number

03661446

Registered office and principal address

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

Bankers

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

Statutory Auditors

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

Local Auditors

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

CHAIRMAN'S INTRODUCTION

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

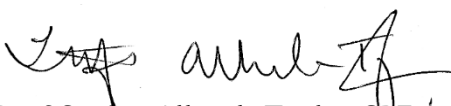
I have described in previous reports how Pump Aid has been steadily repositioning itself away from a traditional water NGO towards a more customer-focussed, social impact business and it has now created small, locally based and locally owned water services businesses in four districts of Malawi, delivering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

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

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

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

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



Prof Stefan Allesch-Taylor CBE

Chairman

13th July 2021

TRUSTEES' REPORT

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

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

VISION, MISSION AND VALUES

Vision

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

Mission

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

Values

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

CHARITABLE PURPOSE

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

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

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

CRITERIA FOR MEASURING SUCCESS

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

RISK MANAGEMENT

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

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

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

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

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

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

GOING CONCERN

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

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

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

ACHIEVEMENTS IN 2020/21

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

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

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

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

1. Enterprise for WASH and agriculture

Our FCDO programme was split into three main strands.

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

And the results exceeded expectations at almost every level.

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

2. WASH for vulnerable populations

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

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

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

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

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

3. The impact of and our response to Covid19

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

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

OBJECTIVES FOR 2021/22

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

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

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

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

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

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

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

STRUCTURE, GOVERNANCE AND MANAGEMENT

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

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

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

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

APPOINTMENT AND TRAINING OF TRUSTEES

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

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

APPROACH TO FUNDRAISING

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

FINANCIAL REVIEW OF 2020/21

INCOME

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

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

Key fundraising successes, in the year, included securing additional funds from FCDO's Covid19 Response Fund for community water point repairs in Mchinji and Kasungu and from FCDO's Malawi Fund for community water point repairs in Mangochi. These were combined with additional funds for water point repairs secured from the Vibrant Village Foundation (in addition to the repurposing of existing funds), the Funding Network and the Waterloo Foundation. These fundraising successes were complemented by first time funding from the James Percy Foundation and additional funding from the Charles Hayward Foundation for the launch of a new CBCC programme. We also enjoyed first time funding from Innovate UK, for a research project to improve the design of our household and irrigation pumps, and the results of our most successful Big Give Christmas Challenge ever.

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

EXPENDITURE

Expenditure on charitable activities in the year was £893,224 (a 30% decrease on the previous year) largely due to the movement restrictions imposed in the UK and Malawi limiting the time we were able to spend with customers/beneficiaries in the field and prohibiting most kinds of local and international travel. This prevented us delivering activities with high levels of external costs, like entrepreneur training and large-scale marketing and promotion events, and led us to focus on activities which we could deliver internally (and, as it happened, more cheaply), like pump monitoring, repair supervision and community hygiene training. This switch was one of the principal drivers of this year's exceptionally high operating surplus.

Pump Aid continues to operate with an extremely small UK central office (just 3.5 FTEs including the Senior Management Team) and we are pleased to note that direct programme expenditure in 2020/21 constituted 90 pence of every pound we spent. This is an astonishing achievement for a charity of our size, particularly when compared to the 75 pence in the pound and less achieved by many of the larger charities in the UK water sector.

RESERVES POLICY

Trustees believe unrestricted reserves are necessary for three reasons:

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

Trustees acknowledge that Covid19 may have an impact on the Charity's income and expenditure in the coming years and they have considered how the Charity might react to that impact and what mitigating actions they might take. They are confident that the Charity has the resources and operational flexibility to cope with whatever impacts can be reasonably expected. Trustees have previously set a minimum unrestricted reserve target of £150,000 and an optimum target of £250,000 or the equivalent of three months direct operating expenses and they believe this remains an adequate level of reserves for the Charity to retain.

CURRENT RESERVES

The free unrestricted reserves figure of £554,557 at March 2021 is more than double Trustees' optimum target and free reserves now stand at their highest level since 2010. While many actions have contributed to this, the two most significant were the restructuring Pump Aid undertook at the start of 2020, which significantly reduced its cost base; and the decision the Board took three years ago to focus on self-supply, which has enabled Pump Aid to secure large amounts of additional funding to help Malawi fight Covid19.

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

ASSET COVER FOR FUNDS

Note 16 sets out an analysis of the assets attributable to the various funds. These assets are sufficient to meet the Charity's obligations on a fund-by-fund basis.

DISCLOSURE OF INFORMATION TO AUDITORS

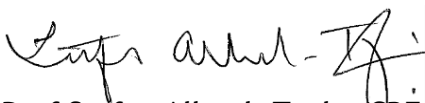
Each of the Directors has confirmed there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed they have taken appropriate steps to identify such relevant information and to establish that the auditors are aware of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

AUDITORS

Audit Consult, a Malawi based independent auditor, was appointed during the prior year to assist with oversight of Malawi operations. They have conducted an audit of the local operations of Pump Aid in Malawi and they will assist with other internal audit assignments in the future.

HW Fisher LLP (the Charity's statutory auditor) have indicated their willingness to continue as auditors to Pump Aid and, in accordance with section 485 of the Companies Act 2006, a resolution proposing they be re-appointed will be put to the Annual General Meeting.

For and on behalf of the board of Trustees



Prof Stefan Allesch-Taylor CBE
Chairman
13th July 2021

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

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

In preparing these financial statements, Trustees are required to:

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

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

Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

INDEPENDENT AUDITOR'S REPORT

To the Members of Pump Aid

Opinion

We have audited the Financial Statements of Pump Aid (the 'charity') for the year ended 31st March 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the Financial Statements:

- give a true and fair view of the state of the charitable company's affairs as at 31st March 2021 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the Financial Statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the Financial Statements is appropriate.

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

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

Other information

The other information comprises the information included in the Trustees' Report, other than the Financial Statements and our auditors' report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the Financial Statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report, which includes the Directors' Report prepared for the purposes of company law, for the financial year for which the Financial Statements are prepared is consistent with the Financial Statements; and
- the Directors' Report included within the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report included within the Trustees' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities, the Trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the Financial Statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

As part of our planning process:

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

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

- Identifying and testing journal entries and the overall accounting records, in particular those that were significant and unusual.
- Reviewing the Financial Statements disclosures and determining whether accounting policies have been appropriately applied.
- Assessing the extent of compliance, or lack of, with the relevant laws and regulations.
- Reviewing documentation such as the charity board minutes for discussions of irregularities including fraud.

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not

accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

HW Fisher LLP

Sailesh Mehta (Senior Statutory Auditor)

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

Date: 10th August 2021

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

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
INCOME					
Voluntary income					
Grants and donations	2	59,564	-	59,564	79,128
Gifts and services in kind	3	-	-	-	2,800
Charitable activities	4	167,974	968,427	1,136,401	1,287,842
Earned income		69,898	-	69,898	-
Net profit on disposal of assets		224	-	224	-
Bank interest receivable		8	-	8	551
TOTAL INCOME	5	297,668	968,427	1,266,095	1,370,321
EXPENDITURE					
Costs of raising funds					
Costs of generating voluntary income and income from charitable activities		48,972	20,988	69,960	85,734
Charitable activities					
Malawi programme		70,965	822,259	893,224	1,270,260
TOTAL EXPENDITURE	6	119,937	843,247	963,184	1,355,994
Transfers between funds	17	128,794	(128,794)	-	-
Net income/(expenditure) and net movement in funds		306,525	(3,614)	302,911	14,327
Reconciliation of funds					
Total funds brought forward		268,046	44,408	312,454	298,127
TOTAL FUNDS CARRIED FORWARD	18	574,571	40,794	615,365	312,454

All income and expenditure is derived from continuing activities.

PRIOR YEAR'S STATEMENT OF FINANCIAL ACTIVITIES
incorporating an Income and Expenditure Account
for the year ended 31st March 2020

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2020 £	Total 2019 £
INCOME					
Voluntary income					
Grants and donations	2	64,984	14,144	79,128	210,161
Gifts and services in kind	3	2,800	-	2,800	5,400
Charitable activities	4	309,003	978,839	1,287,842	999,384
Bank interest receivable		551	-	551	873
TOTAL INCOME	5	377,338	992,983	1,370,321	1,215,818
EXPENDITURE					
Costs of raising funds					
Costs of generating voluntary income and income from charitable activities		60,014	25,720	85,734	90,138
Charitable activities					
Malawi programme		184,946	1,085,314	1,270,260	1,106,365
TOTAL EXPENDITURE	6	244,960	1,111,034	1,355,994	1,196,503
Transfers between funds	17	(162,459)	162,459	-	-
Net income/(expenditure) and net movement in funds		(30,081)	44,408	14,327	19,315
Reconciliation of funds					
Total funds brought forward		298,127	-	298,127	278,812
TOTAL FUNDS CARRIED FORWARD	18	268,046	44,408	312,454	298,127

All income and expenditure is derived from continuing activities.


BALANCE SHEET AT 31st March 2021

REGISTERED COMPANY NUMBER: 03661446 (England & Wales)

	Notes	2021 £	2020 £
FIXED ASSETS			
Tangible assets	11	20,014	26,825
		<u>20,014</u>	<u>26,825</u>
CURRENT ASSETS			
Stocks	12	51,435	43,598
Debtors	13	25,862	48,165
Cash at bank and in hand		578,408	218,815
		<u>655,705</u>	<u>310,578</u>
Less: CURRENT LIABILITIES			
Creditors: Amounts falling due within one year	14	(60,354)	(24,949)
NET CURRENT ASSETS		<u>595,351</u>	<u>285,629</u>
NET ASSETS			
Total assets less total liabilities		<u>615,365</u>	<u>312,454</u>
Represented by:			
Restricted funds		40,794	44,408
Unrestricted funds		574,571	268,046
TOTAL FUNDS CARRIED FORWARD		<u>615,365</u>	<u>312,454</u>

The notes on pages 22 to 29 form part of these Financial Statements, which have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The Financial Statements were approved for issue by the Trustees on 13th July 2021 and signed on their behalf by:



Prof Stefan Allesch-Taylor CBE
Chairman

CASH FLOW STATEMENT for the year ended 31st March 2021

	2021 £	2020 £
Reconciliation of net movement in funds to net cash flow from operating activities		
Net movement in funds	302,911	14,327
Bank interest	(8)	(551)
Depreciation	15,143	15,028
(Profit) / Loss on the disposal of fixed assets	(224)	4,339
(Increase) in stock	(7,837)	(26,224)
Decrease in debtors	22,303	26,060
Increase / (Decrease) in creditors	35,405	(9,210)
	367,693	23,769
Cash flows from investing activities		
Bank interest received	8	551
Proceeds from the disposal of fixed assets	365	-
Payments to acquire fixed assets	(8,473)	(32,994)
	(8,100)	(32,443)
Change in cash and cash equivalents in the reporting period	359,593	(8,674)
Cash and cash equivalents at the beginning of the year	218,815	227,489
Cash and cash equivalents at the end of the year	578,408	218,815
Cash balances are held in the following locations		
United Kingdom	343,933	77,267
Overseas	234,475	141,548
CASH BALANCES at 31st MARCH 2021	578,408	218,815

Analysis of changes in net debt

The charity had no net debt during the year

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st March 2021

1. ACCOUNTING POLICIES

Legal status of the Charity

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

Basis of accounting

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

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

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

Pump Aid operates in Malawi as a registered NGO under the name of Pump Aid Malawi. Results of this operation have been consolidated into Pump Aid's financial statements on a line by line basis.

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

Preparation of the financial statements on a going concern basis

As stated on page 7 of the Trustees' Report, Trustees believe there are no material uncertainties that call into doubt the Charity's ability to continue as a going concern and the financial statements have therefore been prepared on the basis that the Charity is a going concern.

In reaching this conclusion, Trustees have considered the effect of Covid19 on the Charity which, to date, has been largely positive. Pump Aid's reputation for flexibility and its ability to deliver whatever the circumstances has led FCDO in the UK and Malawi and a number of UK and US foundations to permit the Charity to repurpose previously given grants towards its community water point repair programmes and/or allocate additional funding towards this vital work. This has enabled the Charity to redeploy staff from activities the pandemic has made impossible onto programmes that are both deliverable and fundable. Because Pump Aid's future income is much less dependent on government funding than some of the larger NGOs, the outlook for 2021/22 is also better for Pump Aid than it is for many others. In fact the Charity has started to receive requests from funders to apply for funds, as its reputation spreads and more funders want to fund the innovative approaches it is pioneering.

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

While the pandemic has undoubtedly caused some disruption to the Charity's fundraising and delivery, Trustees are confident that Pump Aid can continue as a going concern for a period of at least twelve months from the date of approval of these Financial Statements.

Functional currency

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

Income

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

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

- Grants and donations are included on a receivable basis
- Income from charitable activities (which includes grants and contract income) is included on a receivable basis, except where the donor specifies that the income must be used in a particular year or imposes conditions which have to be fulfilled before the charity becomes entitled to it.
- Gifts of labour are valued at the cost of a comparable commercial service and gifts of materials are valued at the prevailing market rate.
- Investment income comprises income on short term deposits and is included when received.

Expenditure

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

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

Expenditure is classified under the following activity headings:

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

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

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

Critical accounting judgements and estimation uncertainty

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

Pension costs

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

Operating leases

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

Tangible fixed assets

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

Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value. The charity has elected to apply the provisions of Section 11 'Basic

Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Stock

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

Debtors and prepayments

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

Cash at bank and in hand

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

Creditors and provisions

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

Foreign currency translation

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

Fund accounting

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

Generic pump installation, repair or maintenance and CBCC sponsorship is included in unrestricted income because, in sponsoring a pump or a CBCC, a donor is neither buying a pump nor paying for a specific CBCC. Though the Charity may, at some future date, ascribe a specific pump or CBCC to a donor this is solely for the purposes of acknowledging their support and maintaining their interest and in no way conveys ownership or accountability.

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

2. GRANTS AND DONATIONS

	Unrestricted Funds	Restricted Funds	Total 2021	Unrestricted Funds	Restricted Funds	Total 2020
	£	£	£	£	£	£
Roland Fox and Colette Flanagan	16,600	-	16,600	-	-	-
Grants and donations of less than £10,000	55,902	-	55,902	56,740	14,144	70,884
Gift Aid	7,812	-	7,812	8,244	-	8,244
Grants and Donations received in the year	80,314	-	80,314	64,984	14,144	79,128
Grants deferred into the following year	(20,750)	-	(20,750)	-	-	-
Total Grants and Donations	59,564	-	59,564	64,984	14,144	79,128

3. GIFTS AND SERVICES IN KIND

The Charity receives voluntary support both in the UK and overseas. Gifts of labour have been valued at the cost of a comparable commercial service and gifts of materials at the prevailing market rate.

	Total 2021	Total 2020
	£	£
International volunteers and interns	-	-
Labour	-	2,800
Total Gifts and Services in Kind	-	2,800

4. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted Funds	Restricted Funds	Total 2021	Unrestricted Funds	Restricted Funds	Total 2020
	£	£	£	£	£	£
Government grants						
UK Foreign, Commonwealth & Development Office	-	432,731	432,731	-	454,888	454,888
Concern Worldwide	-	69,537	69,537	-	135,085	135,085
Innovate UK	-	35,264	35,264	-	-	-
Other income						
James Percy Charitable Foundation	-	105,702	105,702	-	-	-
Medicor Foundation	-	100,000	100,000	-	100,000	100,000
Vibrant Village Foundation	-	79,314	79,314	-	108,692	108,692
Rotork PLC	-	40,000	40,000	-	24,000	24,000
Waiakea Springs	47,388	-	47,388	52,203	-	52,203
Thirsty Planet	35,183	-	35,183	139,001	-	139,001
The Funding Network	23,268	-	23,268	-	-	-
Waterloo Foundation	-	22,500	22,500	-	20,000	20,000
Charles Hayward Foundation	-	14,700	14,700	-	-	-
Aspect Capital	13,000	-	13,000	60,400	-	60,400
Grants and donations of less than £10,000	56,735	68,679	125,414	57,399	136,174	193,573
Grants and Donations received in the year	175,574	968,427	1,144,001	309,003	978,839	1,287,842
Grants deferred into the following year	(7,600)	-	(7,600)	-	-	-
Total Income from Charitable Activities	167,974	968,427	1,136,401	309,003	978,839	1,287,842

5. TOTAL INCOME ANALYSIS

	Unrestricted Funds	Restricted Funds	Total 2021	Unrestricted Funds	Restricted Funds	Total 2020
	£	£	£	£	£	£
Strategic programme areas						
Community water, hygiene and sanitation	227,770	-	227,770	377,338	60,242	437,580
WASH for vulnerable populations	-	123,902	123,902	-	188,368	188,368
Enterprise for WASH and agriculture	69,898	562,387	632,285	-	744,373	744,373
Enterprise for repair and maintenance	-	282,138	282,138	-	-	-
Total Grants and Donations	297,668	968,427	1,266,095	377,338	992,983	1,370,321

6. EXPENDITURE (including Gifts and Services in Kind)

	Staff costs	Operational costs	Total 2021	Staff costs	Operational costs	Total 2020
	£	£	£	£	£	£
Costs of generating voluntary income	59,645	10,315	69,960	69,330	16,404	85,734
Charitable expenditure						
Malawi programme	393,805	469,109	862,914	547,131	685,066	1,232,197
Governance costs	16,872	13,438	30,310	24,608	13,455	38,063
Total Expenditure	470,322	492,862	963,184	641,069	714,925	1,355,994

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

7. STAFF COSTS (excluding Gifts and Services in Kind)

	Total 2021	Total 2020
	£	£
Gross emoluments	392,898	537,712
Employer's social security costs	11,627	16,199
Pension contributions	37,792	51,647
Health insurance for staff in Malawi	28,005	35,511
Total Staff Costs	470,322	641,069

Key management personnel (KMP) of the Charity comprise the Trustees and the Joint Chief Executives. Remuneration of KMP (including employer's social costs) was £152,507 (2020: £155,422). One employee earned between £60,000 and £70,000 in the year (2020: one) and one employee earned between £70,000 and £80,000 in the year (2020: none).

All staff salaries are benchmarked against similar roles in similar sized organisations. The salaries of KMP are set by the Board with reference to market data for each individual role.

In Malawi, the Charity operates a defined contribution pension scheme, whose assets are held in an independently administered fund and in the UK it makes contributions to any personal pension scheme which meets its obligations under auto enrolment. Contributions payable by the Charity in the year amounted to £22,717 (2020: £35,544), these included contributions of £5,725 (2020: £7,000) payable by the Charity on behalf of higher paid staff.

	Total 2021	Total 2020
Average number of staff excluding trustees		
Based in Africa	23.5	26.5
Based in the United Kingdom	3.5	4.7
Total Staff	27.0	31.2

8. GOVERNANCE COSTS

	Total 2021 £	Total 2020 £
Governance costs comprise		
Staff costs	16,872	24,608
Statutory auditor's remuneration	8,250	8,000
Local auditor's remuneration	2,657	1,764
Premises, office costs and travel	2,531	3,691
Total Governance Costs	30,310	38,063

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

9. TRUSTEES' EMOLUMENTS AND REIMBURSED EXPENSES

No payments were made to any of the Charity's Trustees in respect of their role as trustees during the financial year (2020: £nil) and no Trustees were reimbursed expenses (2020: £nil).

One trustee (Dave Waller) who has previously worked for a major NGO in Malawi has been engaged to support the development of the Charity's enterprise activities. Dave Waller was paid through the Charity's UK payroll system and his total salary, NI and pension costs aggregated to £3,592. His employment complied with all aspects of UK charity regulation and he was excluded from any meetings at which his contract was discussed.

10. CORPORATION TAX

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

11. FIXED ASSETS

	Land	Fixtures and Equipment	Motor Vehicles	Total 2021
	£	£	£	£
Cost or valuation at 1 st April 2020	1,232	32,038	147,625	180,895
Additions during period	-	3,205	5,268	8,473
Disposals during period	-	(20,227)	(10,298)	(30,525)
Cost or valuation at 31st March 2021	1,232	15,016	142,595	158,843
Accumulated depreciation at 1 st April 2020	-	26,283	127,787	154,070
Charge for the year	-	3,877	11,266	15,143
Depreciation on disposals	-	(20,086)	(10,298)	(30,384)
Accumulated depreciation at 31st March 2021	-	10,074	128,755	138,829
Net book value at 31st March 2021	1,232	4,942	13,840	20,014
Net book value at 1st April 2020	1,232	5,755	19,838	26,825

12. STOCKS

	Total 2021	Total 2020
	£	£
Stocks represent fuel and materials used for building pumps		
Pump building materials	49,084	36,930
Tools	21	27
Fuel	609	4,565
Well digging materials	1,721	2,076
Total Stocks	51,435	43,598

13. DEBTORS

	Total 2021	Total 2020
	£	£
Trade debtors	9,343	38,948
Less: provision for doubtful debts	-	(18,202)
Staff debtors	6,893	9,448
Other debtors	8,116	1,799
Prepayments	1,510	7,393
Accrued income	-	8,779
Total Debtors	25,862	48,165

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

14. CREDITORS (amounts falling due within one year)

	Total 2021	Total 2020
	£	£
Trade creditors	9,415	4,170
Taxes and social security costs	1,525	4,238
Provision for redundancy and restructuring	9,889	7,254
Audit fees	11,175	9,287
Deferred income	28,350	-
Total Creditors	60,354	24,949

15. MOVEMENT IN DEFERRED INCOME

	Total 2021 £	Total 2020 £
Deferred income at 1 st April 2020		
Amounts released from previous years	-	-
Incoming resources deferred in the year	28,350	-
Deferred income at 31st March 2021	28,350	-

16. MOVEMENT IN FUNDS

2021	Balance at 1 st April 2020 £	Income £	Transfers between programmes £	Expenditure £	Balance at 31 st March 2021 £
PROGRAMME CATEGORY					
Community water, hygiene and sanitation					
Unrestricted funds	268,046	227,770	128,794	(50,039)	574,571
WASH for vulnerable populations					
Restricted funds	-	123,902	-	(83,108)	40,794
Enterprise for WASH and agriculture					
Restricted FCDO/UKAID funds	-	215,218	-	(215,218)	-
Other restricted funds	44,408	347,169	(128,794)	(262,783)	-
Unrestricted funds	-	69,898	-	(69,898)	-
Enterprise for repair and maintenance					
Restricted FCDO/UKAID funds	-	217,514	-	(217,514)	-
Other restricted funds	-	64,624	-	(64,624)	-
Total Movement in Funds	312,454	1,266,095	-	(963,184)	615,365
FUND CATEGORY					
Unrestricted funds	268,046	267,668	128,794	(119,937)	574,571
Restricted funds	44,408	968,427	(128,794)	(843,247)	40,794
Total Movement in Funds	312,454	1,266,095	-	(963,184)	615,365
2020					
	Balance at 1 st April 2019 £	Income £	Transfers between programmes £	Expenditure £	Balance at 31 st March 2020 £
PROGRAMME CATEGORY					
Community water, hygiene and sanitation					
Restricted FCDO/UKAID funds	-	60,243	-	(60,243)	-
Other unrestricted funds	298,127	377,338	(162,459)	(244,960)	268,046
WASH for vulnerable populations					
Restricted FCDO/UKAID funds	-	50,894	-	(50,894)	-
Other restricted funds	-	137,474	-	(137,474)	-
Enterprise for WASH and agriculture					
Restricted FCDO/UKAID funds	-	343,751	-	(343,751)	-
Other restricted funds	-	400,621	162,459	(518,672)	44,408
Total Movement in Funds	298,127	1,370,321	-	(1,355,994)	312,454
FUND CATEGORY					
Unrestricted funds	298,127	377,338	(162,459)	(244,960)	268,046
Restricted funds	-	992,983	162,459	(1,111,034)	44,408
Total Movement in Funds	298,127	1,370,321	-	(1,355,994)	312,454

17. TRANSFERS BETWEEN FUNDS / PROGRAMMES

Most of the Charity's restricted funds are received in respect of its enterprise and rural nursery (CBCC) programmes, which are often the subject of multi-year grant agreements that specify the dates on which grant instalments will be paid. For operational reasons, grant-funded activities are

sometimes delivered earlier than the grant agreements presumed and, when this happens, funds are transferred from unrestricted reserves in the year in which the activity takes place and returned to unrestricted reserves in the year in which the related grants are received.

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds	Restricted Funds	Total 2021	Unrestricted Funds	Restricted Funds	Total 2020
	£	£	£	£	£	£
Fund balances at 31 st March represented by:						
Tangible fixed assets	20,014	-	20,014	26,825	-	26,825
Current assets	614,911	40,794	655,705	266,170	44,408	310,578
Current liabilities	(60,354)	-	(60,354)	(24,949)	-	(24,949)
Fund balances at 31st March	574,571	40,794	615,365	268,046	44,408	312,454

19. COMMITMENTS UNDER OPERATING LEASES

	Total 2021	Total 2020
	£	£
The Charity has vacated its London office It has no other lease or contract commitments.		
Within one year	-	459
Between two and five years	-	-
Total Commitments	-	459

20. RELATED PARTY TRANSACTIONS

The Charity's Chairman has made an irrevocable commitment to the Charity's bankers to personally guarantee the Charity's overdraft facility of £125,000 (2020: £125,000). The Chairman receives no personal benefit from this arrangement and there are no other related party transactions, other than that disclosed in note 9.

21. SUBSIDIARY COMPANIES

The Charity has a wholly owned UK registered subsidiary, Beyond Water Limited (Company Number: 7387428), with an issued share capital of one share held by the Charity and Beyond Water Limited has a wholly owned Malawi registered subsidiary, Beyond Water Malawi (Company Number: 01756706), with an issued share capital of one share held by Beyond Water Limited. Both subsidiaries were dormant during 2020/21 and began trading during 2021/22.

GLOSSARY OF TERMS AND ABBREVIATIONS

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