



A Company Limited by Guarantee and not having a Share Capital

Trustees' Report and Financial Statements

For the year ended 31st March 2022



REGISTERED CHARITY NUMBER: 1077889

REGISTERED COMPANY NUMBER: 03661446 (England & Wales)



www.pumpaid.org



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Pump Aid

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HARNESSING ENTERPRISE - ENDING DEPENDENCY



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

Sarah Donachie, Deputy Fund Director, UK Aid Direct



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

Hon Lobin Lowe MP, Malawi Minister of Agriculture



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

Violet Uladi of Machedemba village, irrigation pump purchaser



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

Selina Phiri, an area mechanic in Kasungu



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

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



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

Odetta Mwale of Katchumba village, household pump purchaser



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

Loveness Kayison, vice-chair of the Chipapasa CBCC committee



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

Ruth Davison, Judge, UK Charity Awards



LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

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

Company Secretary

Matthew Gill

Charity Number

1077889

Company Number

03661446

Registered office and principal address

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

Bankers

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

UK Auditors

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

Malawi Auditors

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

CHAIRMAN'S INTRODUCTION

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

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

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

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

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

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

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

Stefan Allesch-Taylor

Prof Stefan Allesch-Taylor CBE

Chairman

11th November 2022

TRUSTEES' REPORT

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

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

VISION, MISSION AND VALUES

Vision

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

Mission

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

Values

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

CHARITABLE PURPOSE

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

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

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

ACHIEVEMENTS IN 2021/22

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

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

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

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

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

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

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

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

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

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

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

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

OBJECTIVES FOR 2022/23

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

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

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

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

Pump Aid Malawi will directly deliver:

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

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

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

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

CRITERIA FOR MEASURING SUCCESS

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

RISK MANAGEMENT

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

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

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

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

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

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

STRUCTURE, GOVERNANCE AND MANAGEMENT

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

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

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

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

APPOINTMENT AND TRAINING OF TRUSTEES

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

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

APPROACH TO FUNDRAISING

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

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

GOING CONCERN

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

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

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

FINANCIAL REVIEW OF 2021/22

Income

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

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

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

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

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

Expenditure

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

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

RESERVES POLICY

Trustees believe unrestricted reserves are necessary for three reasons:

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

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

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

Current Reserves

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

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

DISCLOSURE OF INFORMATION TO AUDITORS

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

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

AUDITORS

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

For and on behalf of the board of Trustees

Stefan Allesch-Taylor

Prof Stefan Allesch-Taylor CBE

Chairman

11th November 2022

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

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

In preparing these financial statements, Trustees are required to:

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

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

INDEPENDENT AUDITOR'S REPORT

To the Members of Pump Aid

Opinion

We have audited the Financial Statements of Pump Aid (the 'charity') for the year ended 31st March 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the Financial Statements:

- give a true and fair view of the state of the charitable company's affairs as at 31st March 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the Trustees' Report, other than the Financial Statements and our auditors' report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the Financial Statements does not cover the other information and, except to the extent otherwise explicitly stated in our report,

we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the Financial Statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of Trustees

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

Auditor's responsibilities for the audit of the financial statements

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

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

As part of our planning process:

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

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

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

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

Use of our report

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

Carol Rudge

Carol Rudge (Senior Statutory Auditor)

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

Date: 11th November 2022

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

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

All income and expenditure is derived from continuing activities.

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

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

All income and expenditure is derived from continuing activities.

BALANCE SHEET AT 31st March 2022

REGISTERED COMPANY NUMBER: 03661446 (England & Wales)

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

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

Stefan Allesch-Taylor

Prof Stefan Allesch-Taylor CBE
Chairman

CASH FLOW STATEMENT for the year ended 31st March 2022

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

Analysis of changes in net debt

The charity had no net debt during the year

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st March 2022

1. ACCOUNTING POLICIES

Legal status of the Charity

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

Basis of accounting

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

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

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

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

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

Preparation of the financial statements on a going concern basis

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

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

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

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

Functional currency

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

Income

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

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

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

Expenditure

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

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

Expenditure is classified under the following activity headings:

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

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

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

Critical accounting judgements and estimation uncertainty

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

Pension costs

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

Operating leases

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

Tangible fixed assets

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

Financial instruments

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

Stock

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

Debtors and prepayments

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

Cash at bank and in hand

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

Creditors and provisions

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

Foreign currency translation

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

Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the Charity. Restricted funds are donations which the donor has specified are to be used solely for specific projects or for specific aspects of the Charity's work to be delivered in specific locations.

2. DONATIONS AND VOLUNTARY INCOME

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

3. INCOME FROM CHARITABLE ACTIVITIES

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

4. EXPENDITURE ANALYSIS

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

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

5. STAFF COSTS

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

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

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

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

6. GOVERNANCE COSTS

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

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

7. TRUSTEES' EMOLUMENTS AND REIMBURSED EXPENSES

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

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

8. CORPORATION TAX

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

9. FIXED ASSETS

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

10. STOCKS

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

11. DEBTORS

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

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

12. CREDITORS (amounts falling due within one year)

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

13. MOVEMENT IN DEFERRED INCOME

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

14. TRANSFERS BETWEEN FUNDS / PROGRAMMES

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

15. MOVEMENT IN FUNDS

2022	Balance at 1 st April 2021	Income	Transfers between programmes	Expenditure	Balance at 31 st March 2022
	£	£	£	£	£
RESTRICTED FUNDS					
WASH for vulnerable populations	40,794	184,188	-	(166,088)	58,894
Enterprise for WASH and agriculture					
Restricted FCDO/UKAID funds	-	11,674	-	(11,674)	-
Other restricted funds	-	30,714	-	(30,714)	-
Enterprise for repair and maintenance	-	212,678	-	(212,678)	-
Movement in Restricted Funds	40,794	439,254	-	(421,154)	58,894
UNRESTRICTED FUNDS	574,571	572,944	-	(569,940)	577,575
Movement in Total Funds	615,365	1,012,198	-	(991,094)	636,469
2021					
	Balance at 1 st April 2020	Income	Transfers between programmes	Expenditure	Balance at 31 st March 2021
	£	£	£	£	£
RESTRICTED FUNDS					
WASH for vulnerable populations	-	123,902	-	(83,108)	40,794
Enterprise for WASH and agriculture					
Restricted FCDO/UKAID funds	-	215,218	-	(215,218)	-
Other restricted funds	44,408	347,169	(128,794)	(262,783)	-
Enterprise for repair and maintenance					
Restricted FCDO/UKAID funds	-	217,514	-	(217,514)	-
Other restricted funds	-	64,624	-	(64,624)	-
Movement in Restricted Funds	44,408	968,427	-	(843,247)	40,794
UNRESTRICTED FUNDS	268,046	297,668	128,794	(119,937)	574,571
Movement in Total Funds	312,454	1,266,095	-	(963,184)	615,365

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

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

17. COMMITMENTS UNDER OPERATING LEASES

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

18. RELATED PARTY TRANSACTIONS

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

19. SUBSIDIARY COMPANIES

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

20. POST BALANCE SHEET EVENTS

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

GLOSSARY OF TERMS AND ABBREVIATIONS

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