

Annual Report and Accounts

2024 - 2025

Practical **ACTION**



Contents

Welcome from the Chair and Chief Executive	2
Trustees' and Directors' Annual Report	
Building the conditions for lasting change	(
Our reach and impact	8
Partners and supporters: powering change together	10
How we were funded in 2024-25	1
Impact stories	12
Fit for the future	20
Strategic Report	22
Summary of income and expenditure	2
Governance and Administration	2,
How we manage our affairs	30
Corporate directory	32
Independent Auditor's Report	34
Financial Statements	3'

Front cover image: Joyce Sikwese, clean energy entrepreneur and co-founder of Green Impact Technologies, with farmer Michael in Malawi. Through the Global Distributors Collective, Practical Action supports companies like Joyce's to deliver solar pumps and other equipment to farmers in remote areas. With reliable irrigation and training in new techniques, Michael grows stronger crops, earns more at the market, and feeds his family. Together, local enterprise and Practical Action's support are helping farmers build security for the future.

✓ In Nepal, Laxmi is overjoyed to have found a way to turn a simple, sustainable material into a reliable source of income. Using grass that grows locally, she weaves baskets by hand and sells them at local markets. Laxmi has been able to set up and grow a thriving business - an activity that's often seen as the preserve of men in her community. By using traditional skills and local materials, she's earning her own income, supporting her family, and showing that women can be successful business owners too.

Welcome from the Chair and Chief Executive

Steering with purpose

I was honoured to take up the role of Chair of Trustees in December 2024. This appointment reflects Practical Action's commitment to inclusive leadership and the diversity of voices that shape the organisation. Leadership transitions are important moments, and the Board and I have approached this one with care and commitment. Our focus has been on continuity, clarity and ambition, ensuring that while change is embraced, the values and mission remain constant.

This has also been a year of important choices. Governance for Practical Action has meant steering through uncertainty with steadiness, keeping long-term priorities in view even as global disruption has intensified. The world around us is shifting rapidly in politics, in the climate and in the funding landscape. The role of Trustees is to provide stability in this context, while also encouraging the organisation to be bold and adaptive for the future.

That is why the Board's collective effort this year has centred on guiding Practical Action into the first phase of its new Resilient Futures Strategy to 2030. This strategy sets out a clear direction: addressing the root causes of poverty and inequality while helping people adapt to the realities of the climate crisis. Our role as Trustees is to ensure this strategy is well delivered. That means asking the right questions, scrutinising risks and ensuring resources are used wisely. It also means supporting leadership and staff to innovate, to learn and to build the partnerships that make change possible.

For me, governance is not an abstract responsibility. It is about ensuring that Practical Action is accountable to the people it serves, as well as to its supporters and partners. Our duty is to safeguard the mission for the long term, holding the organisation to the highest standards of accountability while ensuring it has the freedom to adapt.

The Board is guided by values-led decision making, grounded in principles of climate justice, gender equity and local leadership. These commitments are not optional extras. They are central to how lasting change is achieved.

Looking forward, we are committed to strengthening our own practice. Diversity, inclusion and transparency will remain priorities, so that the governance of the organisation reflects the realities and perspectives of the people and places where it works. In doing so, we aim to keep Practical Action resilient, responsive and ambitious in a world where the challenges are immense but the opportunities for positive change are just as real.

There is much to celebrate from this year. Not only in the achievements of programmes, but in the resilience and creativity of staff, partners and the people we work with. I want to thank my fellow Trustees for their commitment, and to express my gratitude to everyone who supports Practical Action. Together, we will ensure the organisation remains true to its mission, ready for the future and steadfast in its commitment to people and planet.





Sazini Mojapelo, Chair of the Board of Trustees

A defining year in a turbulent world

This has been a year of disruption. Growing conflict, more frequent and extreme climate events, and major shifts in the funding environment have created uncertainty across the international development and climate community. Cuts from key donors, particularly USAID, had significant consequences for many organisations within it.

Against this backdrop, our teams and partners showed remarkable determination and creativity. Together, we supported people to drive positive change, while also preparing Practical Action for the challenges and opportunities ahead.

As our 2021–2025 strategy ended, we built on its achievements to prepare for what comes next. Over those four years, six million people saw tangible improvements in their lives. Another 33 million were reached through shifts in policies, markets and systems. We secured the largest grant in our history, leading a consortium that brings together indigenous organisations, mission aligned conservation and development organisations, and national and local governments across Peru and Ecuador. We also exceeded our targets for flexible funding and deepened the partnerships that make this possible.

Whether it is farming that works for people, planet and rural economies in East Africa, carbon finance and climate insurance in Nepal, or energy reaching last-mile communities around the world, our work is grounded in the knowledge and leadership of those most affected by poverty and injustice. Later in the report you can read more about how this approach works in practice and the impact it has made. You'll see how it's built on long-term partnerships, shaped by local priorities, and designed to create lasting change.

We have also invested in our own readiness, so that Practical Action can deliver more. This has meant developing leadership across the organisation, upgrading systems and strengthening how we measure impact. With these foundations in place, we are better able to influence wider change and respond with agility.

Looking ahead to our 2025–2030 strategy, we're drawing on proven experience in climate resilience, energy, waste, sustainable agriculture and locally led development. By combining these strengths, we aim to support people to adapt to change, prepare for shocks and influence the systems that shape their lives.

The challenges facing international development today are real, and in many ways deepening. But we are not standing still. Our ambition is clear: by 2030, we will reach 10 million people, guided by a new impact framework that puts locally led action and equity at the centre. We are working to unlock more finance, influence more systems and back solutions that meet the urgency of today's crises. We're strengthening and extending our partnerships and raising our ambition – challenging ourselves and our sector to go further on equity, locally led development and lasting impact.

I'm incredibly proud of the commitment, creativity and courage that have brought us this far, and of what we have achieved together. Thank you to everyone who has been part of the journey – partners, colleagues, and friends around the world. And to our supporters in particular, we are deeply grateful. Your trust and generosity make our work possible and continue to inspire us every day. If there is one thing we know in today's unpredictable world, it is that the work we do together is needed now more than ever.



Sara Black

Sarah Roberts, Chief Executive Officer

Building the conditions for lasting change

As our 2021-2025 strategy ended in March, we looked at how change has taken root both in people's lives and in the systems that shape their futures.

Thanks to our projects, in the places we work people's livelihoods are more secure. More people have a say in local decisions. Public services are improving. Policies are becoming more inclusive. And in many places, practical solutions are being adapted, expanded and led by the people who use them.

Our 2021-25 impact figures tell part of the story

people experienced improvements in their lives through our projects

people were reached through our projects

and wider partnerships

people reached through systemic changes in policy and markets



▲ María and Roldán cast their nets in a community fish farm in San Antonio, Peruvian Amazon. The ponds provide food and income while easing pressure on wild river species.

It's how change happened that really matters. New business models are bringing clean energy to places beyond the grid. Local knowledge is shaping early warning systems to prepare for climate extremes. Young entrepreneurs are transforming how food is grown, distributed and sold. And more people are influencing the decisions that affect their lives.

As we spent time preparing our new strategy, we also took time to reflect. Teams across the organisation reviewed results and shared lessons. We looked at where our influence made the greatest difference, what helped unlock long-term outcomes, and what we need to do differently to stay effective in a fast-changing world.

This learning helped us refine our Theory of Change, strengthen the way we measure impact, and reaffirm the principles that guide our work. These tools will keep us focused on what drives real, lasting results.

With our new Resilient Futures Strategy to 2030, we're boosting our added value and our proven methodologies and solutions. We'll continue to challenge the systems and structures that hold people back, from how markets function to who gets to make decisions. And we'll keep building the partnerships that make this kind of change possible.

We close this chapter with momentum. Locally-led solutions have delivered real results and started to shift the systems around them. The next chapter is already underway - one that builds on what we've learned and sets our sights higher.

Our results are reported through two measures: reach and impact. Reach refers to the number of people our work touches, whether directly, indirectly through families and partners, or through changes in policies and systems. Impact reflects where people's lives have measurably improved as a result of our programmes.



Our reach and impact

The impact of our 2021–2025 strategy reflects both the scale of our reach and the progress people have led. The figures below show how locally rooted solutions are improving lives and challenging the conditions that drive poverty and climate vulnerability. They also lay the groundwork for our next ambition: reaching 10 million people by 2030.

Expanding energy access

Since 2021, 3.4 million people have gained improved access to energy, including 1.8 million in 2025. This has meant more people lighting their homes and powering their businesses. In 2024–25, this progress was driven by the expansion of the Women in Energy Enterprises in Kenya (WEEK) project and improved services across all refugee camps in Rwanda. Looking ahead, we'll focus on working with people still living without energy and linking energy access to food production, storage and small-scale enterprise.

Transforming agriculture in complex settings

Since 2021, our agriculture work has reached 5.3 million people. In the past year, 596,000 people accessed training, tools or support, and 619,000 reported improved incomes and greater food security as a result. These changes are happening in challenging places. In Bolivia, we supported nature-based recovery after devastating wildfires, while in Sudan, we launched farming projects in new areas, to cope with the effects of conflict and climate change. As we look to 2030, we're now developing new ways to track the benefits of regenerative farming and strengthening our focus on resilient rural livelihoods.

Cities that can cope and thrive

Since 2021, 709,000 people have accessed cleaner water, better hygiene or improved waste services, including 552,000 in 2024-25 . These changes mean safer living conditions, better health and more dignity in everyday life. We've also sharpened our focus on urban resilience, particularly in Kenya, Senegal and Bangladesh, where we're reducing open burning of waste and strengthening waste systems. This work will continue, with greater emphasis on tackling risks in fast-growing urban areas.

Built-in climate resilience

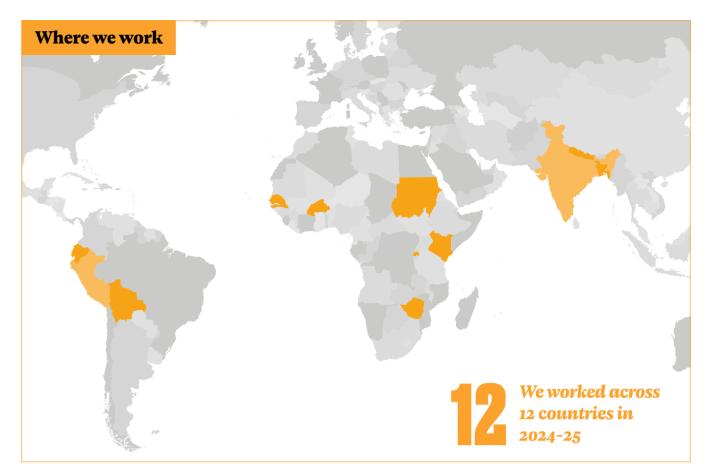
Since 2021, 1.3 million people have been better protected from floods, landslides and other climate threats, including 875,000 in the last year. With more accurate early warnings and access to climate information, people can make informed decisions to protect themselves, their families and their livelihoods. Strategic partnerships, including with the Zurich Climate Resilience Alliance, have helped us extend this work across Peru, Bolivia, Senegal, Nepal and Bangladesh. By 2030, climate resilience will be built into everything we do.

Inclusion at the core of change

Women and girls face some of the greatest barriers to safety, opportunity and voice, especially where poverty and climate risk intersect. Since 2021, women and girls have made up 58% of those whose lives have improved and 53% of everyone reached.

Gender isn't the only barrier. We know poverty is shaped by many forms of exclusion, including age, disability, ethnicity and displacement. In the next strategy cycle, we're investing in the expertise to strengthen inclusion across all areas of our work and ensuring those most affected by inequality help shape the decisions that affect their lives. This commitment will remain central as we move toward our 2030 ambition.







✓ In Bangladesh, Rehana now gets flood alerts on her phone, giving her village time to prepare, protect their homes and animals, and stay safe together.

▲ After fires and floods in Bolivia devastated his coffee crop, Federico replanted and adapted his methods, showing resilience and commitment to protecting his land.

Partners and supporters: powering change together



▲ Staff from Riviera Travel and community members clean up Auji River in Kisumu, Kenya.

Every milestone we reached this year was made possible by the people and organisations who believe in how we work. From long-standing institutional partners to thousands of individual supporters, their trust and funding has helped us go further, adapt faster and stay focused on long-term solutions, even as challenges change.

Our global partnerships continued to grow in strength and shared purpose. As members of the Zurich Climate Resilience Alliance, we're part of a transformative effort to strengthen community resilience to extreme weather events, from floods to extreme heat, in some of the world's most vulnerable places. This collaboration is helping shift how early warning systems are designed, how risk is communicated, and how people are supported to take action.

We're incredibly grateful to players of People's Postcode Lottery. Their flexible funding of £500,000 has allowed us to test new ideas, support bold innovations and drive

10



▲ Community members working at a construction site during the donor visit at Kassala, Sudan.

progress across our work. It's helped people around the world adapt to the impacts of climate change on their lives and livelihoods.

Alongside these partnerships, and many more with trusts, grant-makers and companies who fund and champion our work, we've also seen steady and generous support from individuals who share our vision. Across the UK, people gave through regular donations, campaigns, appeals and legacy gifts.

That commitment was especially clear in the powerful response to our urgent year-end appeal, launched after the sudden closure of USAID. In just a few days, supporters raised £125,000 to help plug the gap and keep critical work on track. These contributions exceeded expectations and gave us the flexibility to act where it mattered most. At a moment of unexpected and brutal cuts, people stood with us and with the values we work to uphold.



How we were funded in 2024-25

This year's funding mix gave us the resources to deliver at scale and adapt with purpose. With over 33.1 million raised, our income remained diverse and resilient, allowing us to keep driving progress, even in a more complex external environment.

Funding partnerships driving global change

We secured £14m of new grant commitments. During the year we drew down £19m of grant income and £2.7m of restricted donations as we delivered the projects for which grants had been secured over multiple years.

Unrestricted income unlocking flexibility

We saw encouraging results in individual giving. We're deeply grateful to the supporters, trusts and companies whose flexible support helped us raise £10.4 million this year. This vital income surpassed our targets and enabled us to respond to changing needs and back innovative solutions.

- £2.9 million from regular donations
- £2.0 million from major donors, companies and trusts
- £1.9 million from cash giving
- £0.9 million from Gift Aid

These funds supported action across all themes and regions. We're especially grateful to our growing community of supporters in the UK and beyond

Legacies that live on

Gifts in wills provided £2.5 million in legacy income this year. This is a powerful expression of shared values and long-term commitment to our mission.

Consultancy and publishing income

Our network of technical experts generated £0.9 million by supporting businesses, institutions and governments with consultancy, knowledge services and publishing. This work strengthens our role as both a delivery partner and a trusted voice in climate and development.

Other income

Additional income of £0.22 million was generated through interest and other sources.

Grants & Awards

Total income

Consultancy and Publishing

10.4M Donations

Impact stories Global

LOCAL ACTION, GLOBAL SHIFTS

Across Asia, Africa and Latin America, we support change led by the people most affected by poverty, inequality and the climate crisis. In the following pages, you'll find stories from each region that show how solutions grounded in local realities can improve both present and future, with the right support and partnerships in place.

But local progress alone isn't enough. The scale and urgency of today's challenges demand broader change. That's why we also work at a global level: helping evolve policies, direct investment and share learning across borders. By linking real-world solutions to the systems that shape them, we help ensure that what works locally can grow, last and reach further.

Global Distributors Collective: Small businesses driving big change

In remote areas, access to solar lights, clean cookstoves or safe water filters can mean the difference between opportunity and exclusion. Yet these essentials are still out of reach for millions. That's where the Global Distributors Collective (GDC), hosted by Practical Action, is making a difference.

The GDC brings together more than 250 last-mile distribution businesses across 45 countries. These are local enterprises that sell life-changing products and recruit and train sales agents from their own communities, reaching customers far from traditional markets and helping reshape the systems that enable access.

44M

GDC members have reached over 44 million people since 2018 In 2024-25:

- Over 150 members took part in training and knowledge-sharing events, including a major inperson gathering in Zambia. These opportunities help entrepreneurs build the skills, confidence and networks they need to grow their businesses and impact.
- 11 distributors received funding through the GDC's Innovation Launchpad, using it to test new ideas, from e-commerce pilots to repair and maintenance services. These experiments improve how distributors operate and offer insights others can adapt and scale.
- The GDC launched a new Access to Finance strategy and Investment Catalyst Facility to make small loans more viable and easier to access. This work aims to get capital flowing to the businesses best placed to deliver impact - those with deep local roots and a clear understanding of what their customers need.

This is the story behind the numbers: a global network of locally rooted businesses solving real problems and changing how essential products reach the people who need them most. To date, GDC members have reached over 44 million people, demonstrating that when last-mile businesses thrive, entire communities move forward.



▲ Eveless is bringing light and opportunity to her community in Mtambo, Malawi. As a sales agent with Village Solar, she is proving how women entrepreneurs can power change for their families and communities.

Zurich Climate Resilience Alliance: Local action with global influence

Climate shocks are hitting harder, more often, and in ways that overlap and intensify. The Zurich Climate Resilience Alliance, of which Practical Action is a founding member, is rising to meet this challenge with urgency and ambition.

In 2024, the Alliance expanded its scope beyond floods to also include heatwaves, wildfires and climate risks in fast-growing cities. We've helped shape this evolution by working closely with partners to deepen its impact and sharpen its focus.

At the heart of our work are early warning systems that start with people. Across Latin America, Africa and South Asia, we co-created alerts, risk maps and preparedness plans with communities and institutions. These tools help people anticipate risks and act early, saving lives and protecting livelihoods. Through our Missing Voices approach, they also reflect the knowledge, priorities and lived realities of those most at risk because they've been involved in designing them from the start.

Since 2013, our flood resilience work has helped more than 1.5 million people strengthen their preparedness. Now, Phase 3 aims to reach 2 million more by 2027 and support change that benefits up to 40 million people by 2035.



▲ In Khulna, Bangladesh, Cyclone Preparedness Programme volunteers Trideep and Ram use the Disaster Alert for Bangladesh app to plan for upcoming risks.

Digital tools help people strengthen early warning systems and build resilience.

The results are already visible:

- In Bangladesh, over 169,000 people now receive timely, tailored alerts via the Disaster Alert App
- In Nepal, our advocacy for improved early warning systems has led authorities to embed early warning systems in national disaster strategies, including SMS alerts that reach more people, faster
- Regional bodies are adopting people-centred models, while our leadership is influencing global initiatives such as the Early Warnings for All campaign and the Risk-informed Early Action Partnership (REAP).
- In the Andes and Amazon, our work ranges from open-source early warning systems now used by authorities in Peru, to Indigenous-led wildfire resilience efforts in Bolivia, and national advisory roles in Ecuador where anticipatory action and early warnings are being built into disaster governance.

We continue to lead the Alliance's work on early warning systems, knowledge and communications. Our technical expertise supports partners across emerging challenges, from managing poly-crises to scaling early action and advancing climate risk insurance. New funding from partners including the Asian Development Bank, the UK Foreign, Commonwealth & Development Office, Citi Foundation, Swiss Re Foundation and the Global Centre for Adaptation is helping to take this further.

These global efforts show what is possible when local expertise shapes global action. They improve outcomes while challenging the rules and structures behind them, expanding what people can do, and what institutions are ready to support.

 13

Impact stories Africa

SHAPING FOOD SYSTEMS THAT LAST

Across Africa, we're working alongside farmers, entrepreneurs and institutions to build food systems that are fairer, more sustainable and resilient.

Our work connects farmers to markets, supports regenerative and climate-resilient practices, influences policy and moves power to producers. As this strategy cycle ends, we're proud of what has been achieved. From Sudan to Zimbabwe, and across East and West Africa, people are leading their own change, with Practical Action as a trusted partner. This is changing how agriculture works, who it includes and what it makes possible.

Farmers are restoring soil health using organic fertilisers. Women are building formal dairy businesses powered by clean energy. Young people are gaining access to credit and stepping into leadership. And governments are recognising the value of locally led solutions.

Abutation centre

In Sudan, conflict and climate shocks have left agricultural systems fragile and fractured, progress often begins with rebuilding trust. With more than 12 million people displaced by the civil war, we've supported displaced people and their host communities to keep growing food, access reliable inputs and re-establish local networks in the most challenging environments.

This year, more than 3,200 farmers planted high-quality sorghum, millet and sesame seeds, instead of relying on seeds saved from previous harvests, a common practice that, over time, leads to weaker crops and lower yields. Women are leading the way, making up two-thirds of participants in farmer field schools. These improvements mark a return to possibility, where farmers are reclaiming their role as decision-makers and local systems are beginning to recover.

That same spirit of locally led change is reshaping systems across the continent.

In Rwanda, women in refugee and host communities are moving from subsistence to running thriving enterprises. With our support, including training and solar-powered fridges, they have launched milk storage and sales businesses, earning more, mentoring others and gaining visibility in a sector long dominated by men. Many are also joining farmer field schools, where women now make up over 60% of participants. Some are farming for the first time, while others are growing new businesses. This work brings together food production, clean energy and women's leadership in ways that build both income and a stronger voice in their communities. In a context where women's roles are often limited, these are promising signs of deeper change taking root.

◀ In Sudan, Ekram turned her business training into opportunity, reviving an indigenous women's group and writing a sweet potato cookbook.



In Burkina Faso and across West Africa,

smallholder farmers are choosing cleaner, more efficient technologies. Solar pumps, biodigesters and improved cookstoves are replacing diesel equipment. With training and links to trusted suppliers, many are now investing in these technologies themselves. We've helped build the confidence and knowledge that make this possible. At the same time, energy companies and banks are adapting, offering products and payment plans that reflect the realities of rural life. This shift shows that markets are beginning to work for those who have long been left out.

In Kenya, a generation of young people is stepping into leadership and reshaping how food systems work. Youth savings and loan groups are opening access to financial services, creating space for enterprise and independence. We've worked closely with young people, women and people with disabilities to build their confidence, skills and ability to lead green businesses. Banks are beginning to respond, designing credit products that reflect their needs as rural entrepreneurs. Regenerative farming is also gaining traction. In Kakamega, smallholders are creating and using organic fertiliser made from recycled waste to restore soil health and cut input costs. And in Embu, a gender action plan we helped develop is now guiding county energy planning, with women's voices shaping public decisions and investments in the systems that affect their lives.

These examples reflect a wider pattern. Across the continent, people are adopting new practices while also influencing how institutions respond. That's also clear in Zimbabwe, where farmers have focused on regenerative agriculture and achieved strong results using organic fertilisers and sustainable soil practices, even in the face of erratic rainfall. Their success became the basis for national field days, where policymakers saw first-hand what climate-resilient farming can achieve. Farmers are leading this change, putting their experience, leadership and determination into action.

These changes are not happening in isolation. Across the region, we're seeing stronger markets, more inclusive policies and greater power in the hands of people sustaining rural economies. They are leading the way by adopting new tools and shaping how markets function, how resources are allocated and how decisions are made. We help make this possible by connecting people with what they need to lead, by amplifying what works and by linking local solutions to wider systems.

These results were made possible by the World Food Programme, the Swedish International Development Cooperation Agency, the Embassy of Sweden, Mastercard Foundation and the King Charles III Charitable Fund, alongside many partners across Africa.

Impact stories Asia

FROM FLOOD RESPONSE TO CLIMATE READINESS

Across Asia, people are no longer waiting for disasters to strike. With Practical Action as a partner, they are planning ahead by strengthening public systems, embracing new tools and taking the lead in building long-term climate resilience.

In Bangladesh and Nepal, floods can arrive with little warning, sweeping away homes, crops and incomes in hours. The human and economic cost is devastating, especially for those living in low-lying or remote areas where support is slow to reach.

We're helping local innovation and leadership strengthen the public services, policies and infrastructure that people rely on to stay safe and recover quickly. This means making sure early warnings are timely and trusted, planning is proactive, and tools like mobile banking and climate insurance are within reach. By moving from crisis response to long-term preparation, people are gaining greater control over their lives and livelihoods.

Our early work focused on helping people act ahead of floods and cyclones. Over time, that focus grew into a joined-up approach that connects public planning,

Over

5,000

smallholder farmers have purchased climate insurance through women-led cooperatives local governance, digital access, income diversification and financial protection. In both countries, we're supporting change that is community-led, government-backed and designed to last.

In Bangladesh, this approach is saving lives. In 2024, over 90 percent of people who received alerts for floods, cyclones and heatwaves took early action. Local disaster committees have been activated across three municipalities with formal terms of reference, inclusive leadership and stronger coordination. Women are taking on key roles, ensuring the realities of family life and everyday risk are reflected in disaster plans - perspectives often missing when decisions are made from above.

Nationally, we're supporting collaboration between government and civil society to improve climate response. For families who once faced disaster with no warning and no safety net, this is life-changing. Now, farmers are gaining access to risk-based insurance, and bio-dykes made from natural materials are protecting riverbanks from erosion. Early warnings no longer arrive too late to act. Instead, they're part of a wider system that helps people plan, protect what matters and recover faster.

In Nepal, communities are taking this further.

Disaster management committees are now formally recognised and central to public planning. In Panchpokhari and Helambu, local governments have used their own budgets to establish Emergency Operation Centres, embedding preparedness into official structures.

Digital tools are opening new opportunities. More than 3,100 women have gone from informal cash systems to mobile banking, improving financial safety and autonomy. Many are now peer champions,



helping others gain confidence with digital finance. At the same time, families are using SMS weather alerts to make daily decisions about farming, travel and safety based on timely, trusted information.

People are also finding new ways to manage financial risk. In flood-prone areas, over 5,000 smallholder farmers have purchased climate insurance through women-led cooperatives. This is Nepal's first unsubsidised risk-based insurance product and its uptake signals growing trust in long-term protection.

This work is connecting local action with national systems and global learning to build resilience that is practical, inclusive and here to stay.

With thanks to the Gates Foundation, the Global Center on Adaptation, the Netherlands Enterprise Agency, the UK Department for Energy Security and Net Zero, the United Nations Development Programme, Jersey Overseas Aid and the Global Green Growth Institute, alongside many partners across Asia.

▶ Geeta, a digital champion, from the Rolpa District of Western Nepal accesses finance and agricultural information from mobile applications. She also teaches fellow farmers how to use digital wallets and mobile applications providing agricultural information.



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Impact stories *Latin America*

INDIGENOUS LEADERSHIP DRIVES CLIMATE ACTION

In Latin America, Indigenous leadership is shaping a different kind of climate response. One grounded in deep knowledge of land, culture and community. From the Andes to the Amazon, Indigenous groups are protecting ecosystems, restoring soils and growing food sustainably.

In Bolivia, Peru and now Ecuador, we are working in partnership with Indigenous organisations to support this leadership. Together, we're building flood early warning systems in local languages, expanding solar irrigation, and unlocking funding for long-term resilience rooted in territory, tradition and self-determination.

In Bolivia, Quechua, Aymara and Tacana communities are combining ancestral knowledge with practical innovation. Women are co-designing early warning systems for floods that reflect local realities and are delivered in Indigenous languages. Farmers are regenerating soils using traditional techniques. Solar irrigation is improving food production while reducing reliance on diesel. Communities are also launching eco-businesses that link environmental stewardship to income, helping people earn a living while protecting their land.

This work is strengthening local governance too. In 20 Tacana communities, Risk Management Officers, many of them women, are now part of formal governance structures. A community-led monitoring system is influencing how land and resources are managed. These solutions are embedding Indigenous values and priorities into everyday systems and decisions.

In Peru and Ecuador, we promoted the professionalisation of nine Amazonian indigenous organisations, including human capital training, with an impact on the inclusion and informed and effective participation of indigenous peoples in climate management and financing.

In Peru, we included more than 2,000 small coffee producers in a platform that allows them to receive incentives for carbon capture in the trees planted alongside their coffee plants; and with the La Prosperidad de Chirinos Cooperative (Cajamarca), we developed the first deforestation–free coffee accreditation system, enabling them to export their production by successfully complying with the due diligence requirements of European companies.

These changes are opening space for women's leadership too. In Bolivia, six women-led enterprises were internationally recognised for their Route of the Tacana Women tourism initiative, which combines cultural preservation with environmental protection and economic opportunity. These women are earning income while redefining who leads and how.

Indigenous leadership is helping communities adapt to climate impacts. It's also transforming how climate action is governed, financed and sustained.

With thanks to the UK Department for Environment, Food and Rural Affairs, the Swiss Agency for Development and Cooperation, the Flemish Fund for Tropical Forests, the French Development Agency, Lloyd's Register Foundation and the Canada Fund for Local Initiatives at Global Affairs Canada, alongside many partners across Latin America.



Fit for the future

As we step into our 2025–2030 strategy, we are ready to go further. Our ambition is to reach 10 million people and shift systems that affect millions more. To do this, we are ready to lead where we can, join forces where we must, and inspire others to act. The future demands courage, creativity and collaboration, and we invite you to be part of it.



▲ Solar power means these farmers in Burkina Faso can water their crops with water pumped from underground, helping them grow food even during droughts. Their families are healthier and they have produce to sell at market.

We're evolving how we work to match the scale of today's challenges

Across the places where we work, climate extremes, conflict and political instability are becoming more frequent and more interconnected. At the same time, global funding for climate action, equality and inclusion is shrinking. That's why we're designing and delivering programmes with greater flexibility, rooting delivery in local realities, and building the kind of agility that has kept our work moving through decades of uncertainty. It also means working faster and smarter to diversify our funding base: reducing reliance on bilateral donors, strengthening partnerships with foundations, and exploring new forms of finance.



▲ This bustling market in Nigalpani, Nepal was set up with our support.

Farmers have the opportunity to sell their produce to more people and customers have a better choice of nutritious vegetables to keep their families healthy.

Local leadership is shaping the way forward

Our founder E.F. Schumacher said, "An ounce of practice is generally worth more than a ton of theory." We've always believed the best solutions are practical, hands-on and locally led, and we're being honest about where we can go further. Across our regions and teams, we're reviewing roles, structures and partnerships to ensure that power, decision-making and resources flow to those closest to the work. This is both a reflection of our values and a deliberate change in how we operate.



▲ In Palmeras, Ecuador, Raquel Antún leads a gathering of Shuar women through the TSAPAU association, sharing ancestral knowledge in a country where Practical Action is beginning to establish partnerships.

We're helping move proven solutions into the global mainstream

Approaches developed with communities, from regenerative agriculture and inclusive early warning systems to clean energy and climate finance, are now shaping global frameworks, national policies and donor strategies. Our role goes beyond project delivery. We help demonstrate what works and support others to scale it, which is why systems change is a core aim of every programme we deliver and central to our 2030 ambition.

Our model is evolving to stay resilient and relevant

We're adapting how we finance and sustain our work. This includes combining larger, more complex grants with stronger cost recovery, better risk management and more flexible income. These changes are helping us remain stable in volatile environments while staying ambitious about the change we want to see.

The next strategy builds on strength and aims for deeper, wider impact

We're not starting from scratch. We're building on what works and going further. That means doubling down on locally led systems change and focusing all our work at the intersection of poverty and the climate crisis. We're placing greater emphasis on climate, nature and equity, and working closely with others who share our urgency. The challenges ahead are bigger than any one organisation can solve, but we're ready to play our part at scale. We're scaling what works, deepening our roots and raising our sights. We're not here to do more of the same. We're here to shift the system. By 2030, our aim is not just to expand our work, but to make sure more people can thrive in the face of change.

We're clarifying our voice to reflect who we are and where we're going

Work is underway to refresh our brand narrative and visual identity, making our purpose clearer and our story more compelling. We want to be easier to understand and more powerful to connect with for funders, partners and the people who support us. Real change is never achieved alone. The future demands courage, and we are ready to play our part.

Strategic Report – Financial Affairs



Newly appointed Chief Operating Officer, Chris Kelly reviews our finances over 2024-25

In an external environment that has witnessed substantial changes in funding and financing patterns in the latter part of the financial year amidst intensifying climate events, Practical Action delivered higher income in the year ending March 2025 compared to the previous year. Alongside this Practical Action is accelerating a process of transformation, to reflect our need to be ready for our next five year strategic period within the context of a rapidly changing funding environment.

Income and fundraising

Total income was £33.1m for the year ended March 31st 2025, a 10% increase in the previous year.

Restricted income for the year was £21.9m (2024 £17.1m), an increase of 28%. Our most significant donors in the year are shown in note 3 of the accounts. The award from Defra (UK Department for Environmental, Food and Rural Affairs as shown in note 19 in the annual accounts was responsible for the main increase in income.

Unrestricted income for the year ended March 2025 was

£11.2m, 14% below of the previous year. This was mainly driven by a reduction in consultancy services which previously formed a significant part of our unrestricted income stream by value.

Expenditure

Total expenditure was £32.4m for the year, which is an increase of £1.8m from the previous year.

Total restricted expenditure increased by £3.4m to

£21.1m reflecting our success in grant applications in previous years.

Unrestricted expenditure reduced £1.6m to £11.2m compared to £12.8m in the previous year.

Balance Sheet (before pension liability)

Growth in the charity's net assets, which rose by £0.54 million to £8.74 million, was due to two key factors: an increase in expected donor payments and a reduction in liabilities, especially tax and accrued expenditure.

The charity's total assets consequently grew by £0.27 million to £16.65 million, while creditors were reduced from £8.17 million to £7.88 million. For the wider group, a similar pattern emerged, with net assets increasing by £0.69 million to £8.79 million. Group total assets experienced a smaller increase of £0.13 million, reaching £17 million, while group creditors fell from £8.77 million to £8.14 million

Reserves

Total group reserves for the year ended 31st March 2025 were £8.4m of which £2.1m were restricted and £6.3m were unrestricted. Restricted reserves relate to funds tied to multi-year grants for use in future years.

Unrestricted reserves comprise fixed assets and general funds.

Free unrestricted reserves, excluding amounts related to fixed assets, remained at £5.7m, within our target range of £4.9m-£5.9m. We will continue to balance the need to invest to deliver growth and to build our reserves to support higher grant funding secured in line with our strategic aims.

Free reserves are held for the following purposes

- Working Capital: these funds are required to provide working cash and pre-financing for normal operations during the course of the year.
- Fundraising: to honour expenditure commitments in the event that fundraising targets are missed.
- Grant repayment: to be able to repay donors or inject additional money into projects if there were a failure to meet grant conditions.

- Foreign exchange: to support our programming in the short term when the currencies in which we receive income lose value.
- Business continuity: to support core activities, such as business development.

Pension Scheme

The valuation of Practical Action's pension scheme at March 31st, 2025, for the purposes of FRS 102, showed a deficit of £344k. The above deficit has been disclosed separately within unrestricted funds in line with FRS 102. Recovery contributions have been agreed with the Pension Regulator.

Policy for sub-award grants

We work in partnership with several organisations globally and this is an important part of our work.

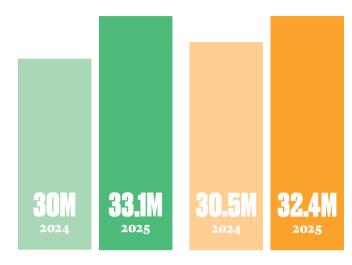
During the financial year we granted £4m (2024: £1.6m) to our partners to support delivery of programs.

The increase in grants to partners was primarily achieved in Latin America where we worked with other organisations to deliver the bio-landscape program. Due diligence is carried out, and we track and monitor funds against agreed deliverables. Partners are contracted to follow our policies and observe our standards in a range of areas including safeguarding and financial management.

Significant Events

The substantial reduction of USAID funding globally has impacted our programmes – and we envisage it will continue to have an impact going forwards as there is increased competition for funding.

We were sorry to have to let go 16 of our staff from across our offices in Nepal and Peru as a direct result of USAID funding cuts. We have re-deployed other staff, and are grateful to our committed supporters who have helped to meet some of the shortfall in funding created by the USAID withdrawal.



Total income increased 10% in the last 12 months

Total expenditure increased 6% in the last 12 months

Looking Forward

Growth in income and careful cost management leave us in the position of being able to invest in areas to help us grow and to build reserves to support a growth in grants.

In 2024/25 we secured new grants and awards of £14.2m compared to a previous year total of £35.6m. The large variance is mainly driven by the Biodiverse Landscapes Fund grant from Defra (£14.3m*) which was secured in 2023. While we are continuing to focus on ambitious large scale opportunities, this demonstrates how a small number of large scale grants can alter the outcome from one year to the next. As many grants are for multi-year funding commitments, a key focus is on how funding is projected to flow across futures years, and the countries where we work, and on how to mitigate the associated risks.

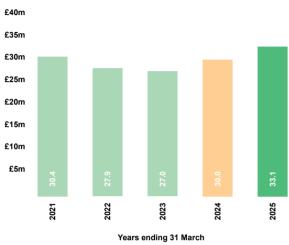
Going Concern

Practical Action adopted a proactive and prudent approach in 2025, paying close attention to the risks posed to income and to expenditure and level of reserves. We anticipate keeping reserves within the target range and so retaining considerable financial resilience against future uncertainty. We are therefore confident that the organisation remains a going concern.

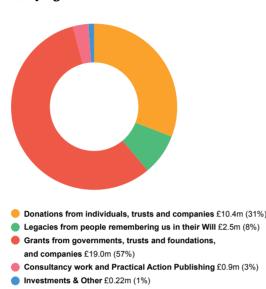
 23

Summary of income and expenditure

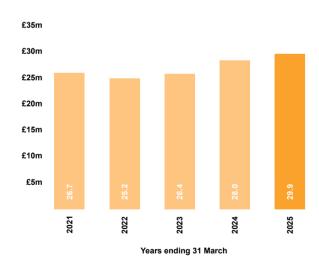
Total annual income



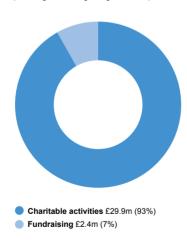
2024-25



Total expenditure on charitable activities (£m)



2024-25
(including fundraising and governance)



We explain what we mean by charitable activities and how we allocate costs on pages 37-39

Governance and administration

The Board of Trustees

Practical Action is a registered charity (registered in England and Wales, reg. number 247257) and a company limited by guarantee (CRN 00871954).

The Board of Trustees (who are also Directors of Practical Action for the purposes of company law) govern the organisation in line with its Articles of Association, vision, mission, values, aims, and charitable objectives and provide overall policy direction. They are responsible for overseeing the management of all Practical Action's affairs and delegate day-to-day management of the organisation to the Chief Executive. The Board of Trustees has a formal schedule of matters reserved for its consideration and approval. These matters are included in our Delegation of Authority policy. These matters include, but are not limited to, the approval of the organisation's objectives, strategic aims, and business plans, the approval of group policies, annual reports, and accounts; the appointment and removal of Trustees, Members, and the Chief Executive. The Board of Trustees also approves expenditure beyond the Chief Executive's delegated authority.

The Trustees are appointed and elected or re-elected for a term (usually three years), according to procedures set out in our Articles of Association, which is our governing document. In the absence of any exceptional circumstances, Trustees serve for a maximum period of six years. Trustee recruitment is conducted by the Governance and People Committee of the Board and is undertaken with an external recruitment agency, with additional public advertising on our website, a variety of sector websites, and on social media. The Board of Trustees may appoint a person to be a Trustee either to fill a vacancy or as an additional Trustee. We had 11 Trustees at the end of 2024-25.

We provide an induction programme and materials for each new Trustee, covering all aspects of the role and the organisation. All Trustees are encouraged to attend external training events and seminars to enhance their skills. These events help provide Trustees with a greater understanding of their legal responsibilities and allow them to discuss emerging issues affecting the sector. In accordance with standard commercial practice, the organisation has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors, or omissions. The insurance provides cover up to £5,000,000 on any one claim and the cost for the period ended 31 March 2025 was £27,000 + insurance tax premium.

The Board of Trustees is responsible for the overall management and control of the organisation and meets at least four times a year. Trustees are not remunerated and receive no benefits from the organisation, other than the fact that Practical Action pays for Trustee Indemnity Insurance. The Trustees are allowed to claim travel and accommodation expenses after attending face-to-face meetings.

The Board delegates day-to-day decision-making and operations to the Chief Executive and the Global Leadership Team, in accordance with an approved delegation of authority policy and schedule of delegations.

The Board of Trustees has created two committees of the Board. Each committee includes members of the Board of Trustees and may include additional members appointed for their specialist knowledge. These Committees are:

The Finance, Audit, and Risk Committee

This Committee oversees matters of financial control and performance, external and internal audit, fraud, whistleblowing, and organisational risk. It also maintains an oversight of the organisation's fundraising plans and activities.

The Governance and People Committee

This Committee reviews the composition and effectiveness of the Board and subsidiary companies, as well as overseeing the Trustee recruitment process. It also oversees the terms and conditions of employment of the Global Leadership Team and considers reports from the organisation's International Remuneration Committees.

Subsidiaries and associated organisations

The Charity has two wholly owned primary purpose trading subsidiaries registered in England and Wales: Practical Action Publishing Limited and Practical Action Consulting Limited. It also has a subsidiary registered in Senegal, known as Practical Action Consulting Senegal.

Practical Action Publishing Limited has partnered with more than 250 organisations for over 50 years to publish over 2000 books and 3000 journal articles informed by the latest development perspectives. We continue to be a trusted voice in international development publishing; championing accessible, evidence-based knowledge that drives sustainable solutions from grassroots to policy and amplifies the voices of practitioners and communities worldwide.

We are committed to publishing print and ebooks as sustainably as possible, using responsibly sourced paper and a network of local print-on-demand services around the world, to help us minimise environmental impacts – our print and digital models have the additional advantage of enabling us to reach regions and communities that have traditionally proved to be difficult or too expensive to deliver knowledge resources to.

Last year our resources were accessed 995,000 times, a growth in the previous year of 138%, with 68% of access originating from outside of the UK, Europe, US and Australia, making a real-world impact in addressing global development challenges.

Practical Action Consulting Limited provides technical assistance consultancy services to governments, NGOs, aid agencies, research institutions and the private sector, in areas closely aligned with our change ambitions. Practical Action (the Charity) now carries out the activities of Practical Action Consulting Limited in the UK directly.

Practical Action Consulting Limited has registered several development consultancy subsidiaries under the Practical Action Consulting name globally (the trademark being licensed from Practical Action). These subsidiaries have been set up to further the aims and objectives of Practical Action.

Practical Action Consulting Private Limited Nepal
 private limited company registered in Nepal.
 Practical Action Consulting Limited UK has a 51% shareholding and 49% is held by Nepali nationals in trust.

- Practical Action Consulting (India) Private Limited private limited company registered in India.
- Practical Action Consulting Limited UK has a 99.67% shareholding and 0.33% is held by an Indian national in trust.
- Practical Action Consulting Bangladesh Limited private limited company registered in Bangladesh Practical Action Consulting Limited UK has a 99% shareholding in the company.
- Practical Action Consulting S.A.C. private limited company registered in Peru. Practical Action Consulting Limited UK holds 49% shareholding. This company is currently dormant.
- Practical Action Consulting Rwanda registered as a branch of Practical Action Consulting Limited UK.
- Practical Action Consulting Senegal provides consultancy services to governments, NGOs, aid agencies, research institutions and the private sector across the ECOWAS region of West Africa.
- Practical Action Consulting Limited Malawi dormant private company limited by guarantee registered in Malawi. Practical Action Consulting Limited UK is one of the two members of the company.

We have two dormant subsidiaries held to protect our previous company names: Intermediate Technology Development Group Limited (CRN 1017062) and Intermediate Technology Publications Limited (CRN 6424984).

ATS Property Holdings (Pvt) Ltd. was established as a private limited company registered in Sri Lanka to purchase our office premises there. It was deemed appropriate to do this through a locally registered, wholly owned subsidiary rather than the Charity itself. Subject to local clearance and prudent asset management, the process of deregistration will begin.

We are also affiliated with two locally registered overseas entities carrying the Practical Action name. Practical Action is registered as an International Non-Governmental Organisation in Kenya and has a board comprising two Kenyan nationals and three directors nominated by Practical Action in the UK. Two of these Practical Action nominees are from the Executive. As Practical Action exerts significant influence and control over this entity; for accounting purposes, this entity is included in the Group's consolidated accounts as a branch office.

The Practical Action Foundation was incorporated in Delhi as a locally registered not-for-profit company. All the directors are Indian nationals, neither directly connected to Practical Action nor does Practical Action hold a shareholding in this not-for-profit company. It is therefore not included in our Group consolidated accounts. Practical Action and Practical Action Consulting Limited (based in the UK) work with the Practical Action Foundation.

Charity Governance Code

We are committed to the highest standards of governance and strive to make continuous improvements in line with the principles outlined in the Charity Governance Code.

Annual safeguarding training is a requirement for all trustees and new trustees who joined the board at the end of 2024 and completed their safeguarding training early in 2025. The Trustees confirm that the Charity is taking positive steps towards working in line with the Code in all ways where it is practical to do so.

Statement of Directors' duties

As Company Directors, the Trustees must act in a way they consider to be in good faith and most likely to promote the success of the company for the benefit of all its members, both in the current period and in the long term. In discharging their duties above, the directors of the charity carefully consider, among other matters, the impact of their decisions on various stakeholder groups.

The groups we consider in this regard are our employees, community participants, funders, delivery partners, and the broader community in which we operate. The directors recognise that building strong relationships with our stakeholders will help us to deliver our long-term strategy in line with our core values and operate the business in a sustainable way. We are committed to conducting business responsibly. The directors do not believe that any key decisions were made during the year that required specific reference and had a significant impact on any of the company's stakeholder groups.

23,537
people supported us
with a gift in 2024-2025

Our approach to raising funds from the public

We're fortunate to have many members of the public who support our work and we take our responsibility to them very seriously. Our Supporter Promise, which is published on our website, contains our commitments to supporters of being honest, accountable, and respectful in our communication. We also commit to protecting our supporters' privacy and putting supporters in control of how we contact them, making it easy for them to change the frequency and channels of communication.

We are registered with the Fundraising Regulator and we comply with the regulatory standards for raising funds including the Charities Act 2011, the Charities (Protection and Social Investment) Act 2016, the Data Protection Act 2018, and the Privacy and Electronic Communications Regulations 2003.

We have a complaints procedure that is published on our website. We received eight complaints relating to fundraising activities in 2024–25. These concerned the frequency of mailings, inaccurate terminology, and asking people who make regular gifts for additional ad hoc donations. We didn't receive any complaints that needed to be escalated.

Our fundraising and supporter services teams keep up to date with regulation and best practice and work to our Supporter Fundraising Policy and the accompanying compliance handbook. These cover topics including current fundraising regulations, data protection, accepting and refusing donations, protecting vulnerable people, and complaints procedures. This also ensures that if we feel or are advised that a person is vulnerable our systems are updated so they are no longer sent any mailings or requests for support.

The Finance, Audit and Risk Committee has an oversight role in fundraising. When working with a third party or partner organisation for fundraising purposes, we work closely with them to make sure they meet our own high standards of practice. During the reporting period, we worked with two third-party Professional Fundraising Organisations who promoted payroll giving on our behalf and one which recruited regular givers by telephone.

In 2024-25, 23,527 people supported us with a gift. 1,527 of these were new donors. Thanks to pledges from committed givers and other donors, at the start of 2025-26, we're confident that 41% of our public fundraising target is already secured.

27

Remuneration and staff engagement

We remain committed to attracting and retaining skilled staff who are primarily motivated to work with us because of our mission. Our remuneration approach is based on the principles of fairness, transparency, and alignment with local markets, aspiring to pay staff close to the market median of relevant benchmarks for similar roles in comparable organisations.

We are currently refreshing our global approach to careers and reward, developing a framework that enables greater consistency, transparency, and equity across all roles and locations. While our existing remuneration policy remains in place, this work reflects our commitment to building a future-focused, globally aligned system that recognises both role and contribution.

Our pay system is designed to be free from bias and to promote equitable remuneration for all employees regardless of sex, race, religion, ethnic or national origin, caste, tribe, belief, age, marital or civil partnership status, pregnancy, caring responsibilities, sexual orientation, gender identity or disability.

Remuneration Committees at the management level remain accountable for determining pay scales, benefits, and cost-of-living awards. These decisions are guided by local benchmarking, inflation, recruitment and retention data, affordability, financial performance, and employment market trends.

The Governance and People Committee of the Board provides oversight and holds these committees to account. Remuneration of the Executive Directors is approved by the Governance and People Committee, with the Chief Executive Officer's remuneration requiring full Board approval.

We continue to promote inclusive practices and value the richness of perspectives and experiences that a global workforce brings.

We aim to build a culture of meritocracy, openness, and respect where people feel heard, recognised, and supported as individuals. We promote equality of opportunity, actively oppose discrimination in all forms and support affirmative action where appropriate.

Staff engagement remains central to our success, and we regularly gather feedback on the employee experience through surveys and other channels to inform ongoing improvements in our people practices.

Global Gender Pay Gap Data Analysis

The global gender pay gap analysis indicates a 2% mean pay gap in favour of women.

Despite men making up 55% of our global workforce, the mean pay gap remains in favour of women. This is influenced by the higher proportion of women both at leadership level and in offices with relatively higher salaries, most notably the UK (60%), Bolivia (59%) and Peru (57%).

We will continue to focus our efforts on initiatives that support gender balance and equitable progression, including the expansion of our Women Trainee Programme in Nepal. This programme supports young professionals from socially excluded groups in advancing their careers.



Safeguarding

We continue to take a proactive, organisation-wide approach to safeguarding, ensuring our policies, culture, and practices reflect the highest standards of prevention, response and accountability. Our Safeguarding Policy remains subject to Board approval and the Chair of the Governance and People Committee, Shivani Wadhwa, remains our safeguarding designated trustee.

Our global policies on recruitment, pre-employment screening and referencing remain a core part of our safer recruitment framework designed to prevent individuals who pose a risk from entering our organisation. Additionally, we are now members of the Misconduct Disclosing Scheme, which is an international initiative aimed at preventing perpetrators of abuse from moving between organisations undetected.

All new joiners are required to complete safeguarding training, and our staff refresher training remains mandatory. Our e-learning and face-to-face training this year have been updated to reflect our strengthened internal investigation framework, which is now fully embedded in policy and partner training resources.

Our Safeguarding Communities Framework, which went live last year continues to be rolled out across our locations, with a focus on locally led approaches to prevention, reporting and community engagement.

We continue to prioritise and actively promote awareness of our safeguarding reporting mechanisms, and people are encouraged to report concerns, including through an external anonymous reporting service. Appropriate ways to respond to issues raised are in place to investigate concerns and, where appropriate, deal with safeguarding misconduct, including using disciplinary action.

Transparency is a core part of our commitment to safeguarding. We record, report, and publish the number and nature of safeguarding complaints received across the organisation. Regular reports are submitted to the Governance and People Committee, with details of the concerns and actions taken.

During the 2024-25 reporting period, we have received no new safeguarding issues. There were two initial incidents reported, both of which were reviewed in line with our procedures and, upon further investigation, were found not to be safeguarding issues.

Section 172 Governance disclosure on carbon reporting

Practical Action is deeply concerned about climate change and its effects on everyone, especially marginalised, low-income people and families. Core to all Practical Action's work is an ambition to safeguard the planet today and for the benefit of future generations. As well as our programming and influencing work, Practical Action aims to keep its carbon footprint as small as possible. This means exploring ways to reduce the footprint, while still being able to carry out work effectively.

The organisation achieves this by monitoring and managing the emissions of greenhouse gases generated by its operations. Practical Action programmes are designed with the aim of protecting and improving the environment.

Practical Action has undergone a carbon footprint baselining process and developed an organisational carbon reduction plan. Every year, we will continue to measure our footprint and report progress against our baseline. The key findings being measured include flights (both international and national), vehicle usage, gas and electricity consumption, and paper usage.

29

	2023-24	2024-25
UK Energy consumption used to calculate emissions (kWh)		
Energy consumption breakdown (kWh)		
Gas	85,572	95,617
Electricity	67,004	37,498
Associated greenhouse gas emissions (kgCO2 equivalent)		
Gas	17,340	19,381
Electricity	13,873	6,637
Total associated greenhouse gas emissions (kg CO2 equivalent)	31,213	26,018
Intensity Ratio (kg CO3 equivalent per square feet)	3.01	2.71

Notes on electricity figures:

This year's electricity use (in kWh) has decreased. This reflects reduced office occupancy, a cooler summer, and the removal of some equipment, including a copier.

Calculation for intensity ratio: kgCo2e divided by office size - 9591 sq. ft. (2024 - 10,350 sq. ft.)

How we manage our affairs

How our activities deliver public benefit

The Trustees have read the Charity Commission's Summary Guidance PB1, PB2 and PB3 for Charity Trustees on the Public Benefit Requirement and discussed as a Board the main principles contained within the Guidance. They consider that they have complied with the duty (set out in Section 17(3) of the Charities Act 2011) to have due regard to public benefit guidance published by the Commission. In exercising their powers and duties as Trustees, the Board considers that the organisation's strategies, aims, and activities, which it has put in place, are for the public benefit. This is fundamental to all areas of our operation, including undertaking current activities, planning future activities, and measuring outcomes. The Trustees' and Directors' Annual Report and Strategic Report outline the main activities conducted by the organisation this year, with a focus on our work with poor women and men in developing countries, where we have country and regional programmes.

Risk management

Every quarter, the Global Leadership Team reviews and updates the group-level risk register, which is then reviewed by the Finance, Audit, and Risk Committee on behalf of the Board. Country teams also regularly update their risk registers. This ensures that the risks to which the organisation are exposed are properly identified. Mitigation strategies are in place for all key risks, and these are continually monitored to ensure compliance with management's risk appetite. The Group has a wellestablished system of internal controls that governs its operations. The Internal Audit function assesses the adequacy and effectiveness of these controls through a risk-based internal audit programme. Overseas offices are audited every two to three years per a trusteeapproved plan. The Finance, Audit and Risk Committee reviews all reports and receives Group-wide quarterly updates on the progress of agreed action points.

Principal Risks

The conflict in Sudan continued to be a major disruptor in 2024-25. As last year, we have had to give increased attention to the security of our staff, many of whom are now refugees or Internally Displaced Persons.

Nevertheless, we have continued to attract funding and deliver important work.

We operate in many countries which are politically volatile or where there is significant civil unrest. This year, we witnessed a sudden change in government in Bangladesh, which interrupted our work for several weeks. There was an attempted coup in Bolivia and political protests in Kenya. We continue to reinforce security protocols.

Towards the end of the year, the new US administration made massive cuts to USAID. While our exposure was limited, we are still trying to recoup the expenditure we had already made. At the same time, several European governments (including the UK) announced significant cuts to their aid budgets. This is likely to be a continuing trend, so we'll ensure we have well diversified funding sources.

In 2024-25, we had reasonable success in raising restricted (programme) funding, following two very positive years. Our immediate future pipeline is strong, but we are very aware the lower levels of funding will significantly increase competition. Unrestricted income from fundraising was on budget but will continue to decrease slightly as a proportion of our overall income, and our new business model addresses this shifting balance.

Efficient programme implementation and strong financial management are areas of on-going focus. We significantly increased our "burn rates," meaning that we can claim our full entitlements from donors.

We continue to evolve the balance of roles away from the UK, ensuring greater leadership, responsibility, and accountability in Africa, Asia, and Latin America. We have focused strongly on a programme of inclusive leadership training internationally to develop our next generation of leaders.

Safeguarding remains a risk we are focused on. We have a safeguarding group comprising key roles across the organisation, which meets regularly. We have a rolling programme of safeguarding training for all staff, partners, and communities. This year, we trained a panel of investigators who will assess any incidents that emerge.

Trustees' responsibilities for the financial statements

The Trustees (who are also Directors of Practical Action for the purposes of company law) are responsible for preparing the Trustees' Annual Report and Accounts (which includes the Annual and Strategic Reports being the Companies Act Directors' Report) for each financial year, which give an accurate and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of affairs of the Charity and Group and of the results of the Group for that period. In preparing those financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently.
- Follow applicable accounting standards, subject to any material departures disclosed and explained in the notes to the financial statements.
- Make sound judgments and estimates that are reasonable and prudent.
- Prepare the financial statements on a going-concern basis, unless it is inappropriate to presume that the charitable group will continue in operation.

The Trustees confirm that they have complied with the above requirements in preparing the financial statements.

The Trustees are responsible for maintaining 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 statement complies with the Companies Act 2006. Trustees are also responsible for safeguarding the assets of the Charity and the Group, and hence for taking reasonable steps to prevent and detect fraud and other irregularities. In accordance with company law, as the company's directors, we certify that:

As far as each director is aware, there is no relevant audit information* of which the company's auditors are unaware.

Each director has taken all the steps (such as making enquiries of other directors and the auditors and any other steps required by the director's duty to exercise due care, skill and diligence) that he or she ought to have taken in his or her duty as a director, to make himself or herself aware of any relevant audit information* and to establish that the company's auditors are aware of that information.

* Relevant audit information is defined as: "information needed by the company's auditors in connection with preparing their report."

Auditors

A resolution will be proposed at the Annual General Meeting that our current auditors Crowe U.K. LLP be re-appointed as auditors of the organisation for the ensuing year.

The Trustees are pleased to present the Trustees' Report and Accounts for the Charity for the year ended 31 March 2025, which have been prepared in accordance with the Charity Statement of Recommended Practice – SORP 2015 and the Companies Act 2006.



▲ Through our renewable energy work in Malawi, Generet's school is now powered by a hydro-electric grid. This has changed how the school day works and opened up new opportunities for every child who studies there.

Corporate directory

Legal and administrative details

Charity name: Practical Action. Practical Action is a company limited by guarantee and is a Charity.

Charity number: 247257

Company number: 00871954

Registered office: The Robbins Building, 25 Albert Street, Rugby, Warwickshire, CV21 2SD

Auditors: Crowe U.K. LLP, Statutory Auditor, Fourth Floor, St James House, St James' Square, Cheltenham, GL50 3PR

Bankers: Barclays Bank plc, North Street, Rugby, Warwickshire, CV21 2AH

Executives

Global leadership team

Chief Executive Sarah Roberts

Fundraising, Marketing and **Communications Director** Rachel Hudson

Chief Operating Officer Rachel Parr

(resigned July 2024), Alex Bush

(Interim: appointed July 2024, resigned March 2025),

Chris Kelly

(appointed March 2025)

Impact, Innovation and **Influence Director** Simon Hotchkin

Africa Director

Roselyn Akinyi Walender

Asia Director Ayan Banerjee

Latin America Director

Alicia Quezada

Country Directors

Bangladesh Country Director

Ishrat Shabnam (appointed September 2024)

Bolivia Country Director

Shirley Pazos (appointed July 2024)

Ecuador Country Representative

Balvanera Cruz

Kenya Country Director

Susan Maina

Nepal Country Director

Pooja Sharma

Peru Country Director

Pamela Girano (appointed September 2024)

Rwanda Country Director

Denyse Umubyeyi

Senegal and Burkina Faso **Country Director**

Amadou Barry (appointed October 2024) **Sudan Country Director**

Muna Eltahir

Zimbabwe Focal Point

Henry T. Muchedzi

Trustees 2024-25

Martin Tyler (Vice-Chair)¹

Practical Action is a charitable company and so its directors are also its Trustees for the purpose of charity law. The Trustees serving during the year and since the year-end were as follows:

Sazini Mojapelo (Chair)¹ (appointed April 2024)

Shiyani Wadhwa* 1

Ian Thornton

(stood down December 2024)

Bill Liao 1

Jane Sloane 1 Fayezul Choudhury* 1 2 (appointed July 2024)

Matthew Haikin Claire Ireland²

(appointed July 2024)

(appointed July 2024) Rachel Sibande (stood down October 2024)

Aki Temeseva²

Isabel Studer Noguez

(appointed July 2024)

Mourad Wahba²

Hope Chigudu1

(stood down October 2024)

Graham Young 12

(stood down December 2024)

Kev

1. Member of Governance and People Committee

2. Member of Finance, Audit and Risk Committee

denotes Chair of the Group/

Committee

This report, which incorporates the Trustees' and Directors' Annual Report and Strategic Report, was approved by the Board on 2nd October 2025.

Sazini Mojapelo

Chair of the Board of Trustees

Independent Auditor's Report to the Members of Practical Action

Legal and administrative details

Opinion

We have audited the financial statements of Practical Action (the "charitable company") and its subsidiaries (the "group") for the year ended 31 March 2025 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Charity Balance Sheets, the Consolidated Cash Flow Statement, and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and **United Kingdom Accounting** Standards, including Financial Reporting Standard 102 The **Financial Reporting Standard** applicable in the UK and Republic of Ireland (United Kingdom **Generally Accepted Accounting** Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the charitable company's affairs as at 31 March 2025 and of the group's 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group 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 trustee's 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 charitable company'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 trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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 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 and the strategic 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 strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or 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:

- the parent company has not kept adequate accounting records; or
- the parent company 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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 31, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members including component audit teams. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, including financial reporting legislation and the Charity SORP (FRS 102), and local tax regulations. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and

35

regulations that do not have a direct effect on the financial statements but compliance with which might be necessary to the group's ability to operate or to avoid a material penalty. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We also considered the opportunities and incentives that may exist within the group for fraud. We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of grant, legacy and consultancy income, and the override of controls by management. Our audit procedures to respond to these risks included designing and performing procedures over grant, legacy and consultancy income, enquiries of management, internal audit, component Auditors and the Finance, Audit and Risk Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing regulatory correspondence with the Charity Commission, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are

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

Tara Westcott

Senior Statutory Auditor For and on behalf of Crowe U.K. LLP Statutory Auditor Cheltenham

16th October 2025

Financial statements

Consolidated statement of financial activities for the year ended 31 March 2025

(incorporating the income and expenditure statement)

				Total	Total
	Note	Unrestricted £'000	Restricted £'000	2025 £'000	2024
Income and endowments from:	Note	£ 000	£ 000	£ 000	£'000
Donations and legacies	3	10,213	2,724	12,937	11,378
Charitable activities	3	862	19,125	19,987	18,276
Investments	3	61	4	65	52
Other income	3	81	70	151	315
Total income and endowments	3	11,217	21,923	33,140	30,021
Resources Expended					
Expenditure on raising funds	4	2,434	-	2,434	2,525
Total expenditure on raising funds		2,434	-	2,434	2,525
Expenditure on charitable activities:					
Energy that transforms	4	2,298	4,266	6,564	9,567
Farming that works	4	1,559	5,936	7,495	8,635
Cities fit for people	4	271	2,471	2,742	1,625
Resilience that protects	4	1,653	7,490	9,143	6,307
Knowledge that inspires	4	1,452	34	1,486	630
Other	4	1,541	958	2,499	1,259
Total expenditure on charitable activities		8,774	21,155	29,929	28,023
Total expenditure	4	11,208	21,155	32,363	30,548
Net gain on investment assets	8	6	-	6	31
Net income / (expenditure)		15	768	783	(496)
Actuarial (loss)/ gain on defined benefit pension scheme	17	(199)	-	(199)	157
Net movement in funds		(184)	768	584	(339)
Balance brought forward 1 April		6,532	1,326	7,858	8,197
Fund balances carried forward as at 31 March	15, 16	6,348	2,094	8,442	7,858

37

The notes on pages 37 to 62 form part of these financial statements.

Consolidated and charity balance sheets at 31 March 2025

	Note	2025 £'000	Group 2024 As restated £'000	2025 £'000	Charity 2024 As restated £'000
Fixed assets					
Intangible assets	7	9	23	-	-
Tangible assets	7	1,104	959	1,088	947
Investments	8	493	484	493	487
Programme investments	8	-	-	29	29
Total fixed assets		1,606	1,466	1,610	1,463
Current assets					
Stock	10	103	88	1	-
Debtors	11	7,447	6,908	7,714	6,943
Cash at bank and in hand	12	7,858	8,414	7,328	7,973
Total current assets		15,408	15,410	15,043	14,916
Creditors: amounts falling due within one year	13	(8,141)	(8,769)	(7,881)	(8,172)
Net current assets		7,267	6,641	7,162	6,744
Provisions for liabilities and charges	14	(87)	(6)	(34)	(6)
Net assets before pension liability		8,786	8,101	8,738	8,201
Defined benefit pension scheme liability	17	(344)	(243)	(344)	(243)
Net assets after pension liability		8,442	7,858	8,394	7,958
Funds Restricted	15	2,094	1,326	2,094	1,326
Unrestricted fixed assets	15	568	430	568	430
Revaluation reserve	15	97	91	97	91
General funds		5,683	6,011	5,635	6,111
Unrestricted funds net of pension liability	15	6,348	6,532	6,300	6,632
Total Funds	15	8,442	7,858	8,394	7,958

The net surplus for the financial year dealt within the financial statements of the parent charity was £436k (2024: £686k deficit).

The notes on pages 37 to 62 form part of these financial statements.

The financial statements were approved by the board on 2nd October 2025.

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Martin Tyler Trustee Fayezul Choudhury

Trustee

Company Number: 00871954

Consolidated cash flow statement for the year ended 31 March 2025

	Note	2025 £'000	2024 £'000
Cash flows from operating activities:			
Net cash (used in) operating activities	18	(133)	(2,130)
Cash flows from investing activities:			
Dividends, interest and rents from investments		65	52
Purchase of property, plant and equipment		(488)	(337)
Proceeds from the sale of property, plant and equipment		-	12
Net cash (used in) investing activities		(423)	(273)
Change in cash and cash equivalents in the reporting period Cash and cash equivalents at the beginning of the reporting period		(556) 8,414	(2,403) 10,817
Cash and cash equivalents at the end of the reporting period	12	7,858	8,414

The notes on pages 37 to 62 form part of these financial statements.

Notes on financial statements

Practical Action is a company registered and incorporated in England and Wales, limited by guarantee, without share capital and governed by its Articles of Association dated 21 February 1966 and last amended on 8 December 2021. The company registered a change in name on 25 September 2009 with registration number 871954. The company was registered as a charity with the Charity Commission on 26 April 1966 (charity number 247257). The principal address and registered office is The Robbins Building, 25 Albert Street, Rugby, Warwickshire, CV21 2SD. The principal activity is to use technology to challenge poverty in developing countries and enable communities to build on their skills and knowledge to produce sustainable and practical solutions, thus improving their lives and protecting the world around them.

The organisation is a Public Benefit Entity.

1. Accounting policies

The financial statements have been prepared under the historical cost convention as modified by the revaluation of fixed asset investments, and are in accordance with applicable law, the Companies Act 2006, applicable accounting standards and the 2019 Statement of Recommended Practice ('SORP') for Accounting and Reporting by Charities.

The financial statements have been prepared in accordance with Financial Reporting Standard 102 (FRS 102).

The following principal accounting policies have been applied:

Going concern

We have set out in the Trustees' report a review of financial performance and the group's reserves position. We have adequate financial resources and are well placed to manage the business risks. Our planning process, including financial projections for the next three financial years, has taken into consideration the current economic climate and its potential impact on the various sources of income and planned expenditure.

We have a reasonable expectation that we have adequate resources to continue in operational existence for the foreseeable future. We believe that there are no material uncertainties that call into doubt the group's ability to continue. The financial statements have therefore been prepared on the basis that the group is a going concern.

Basis of consolidation

The consolidated financial statements incorporate the results of Practical Action and all of its subsidiary undertakings as at 31 March 2025 using the acquisition method of accounting. The results of subsidiary undertakings are included from the date of acquisition.

No statement of financial activities is presented for the charitable company alone as the results of the subsidiary companies are separately identified within the group accounts and the charitable company is exempt from presenting such a statement under section 408 of Companies Act 2006. The group net income includes a net surplus from the charitable company itself of £0.4m (2024 net deficit: £0.7m).

Income

accruals basis in the period in which the charity is entitled to income where the amount can be measured with reasonable certainty. Where the entitlement to project or grant income is performance related the income is recognised when the conditions for entitlement have been fulfilled. Legacies are recognised when receipt is reasonably certain and the amount is quantifiable. We recognise a legacy on the earlier of notification by the executors that a payment can be made following the agreement of the estate's accounts, notification by the executors that payment will be made or receipt of a distribution from the estate. Where funds are received net of tax, and tax is recoverable, the income is recognised gross at the time of receipt. Gifts in Kind - Donated goods and services are recognised in the financial statements, as both income and expenditure, at a reasonable estimate of their value in the period in which they are donated.

Income is accounted for on an

Resources expended

Expenditure is accounted for on an accruals basis and is recognised when there is a legal or constructive obligation to pay. Expenditure on charitable activities includes the direct cost of planning, staffing and operating both UK and overseas activities. It also includes support costs, which represent costs of providing the infrastructure and organisational services that support the charitable activities. It also includes governance costs.

Basis of allocation of costs

The majority of costs are directly attributable to specific charitable activities. The remaining support costs relate to more than one activity and are apportioned across charitable activities and fundraising costs based on the level of expenditure of these activities.

Fundraising costs

This is the money we spend on activities to generate donations and legacies, including the costs of keeping donors informed about our work and the administration of gifts. Costs are made up of salaries of people working in our fundraising, marketing and supporter care teams and the direct costs of running fundraising campaigns. They do not include the cost of bidding for grants and contracts shown in the financial statements as income from charitable activities.

Governance costs

Governance costs consist of the statutory and organisational costs of operating as a charitable company.

The costs are made up of a percentage of salaries for management, company secretarial/legal costs, internal and external audit costs, meeting costs for

strategic leadership team and trustees (including travel costs) and an apportionment of support costs.

Tangible fixed assets

Tangible fixed assets are stated at cost less any provisions for depreciation and impairment. Impairments are calculated such that the carrying value of the tangible fixed assets is the lower of its cost compared with the higher of its net realisable value and its value in use.

All fixed assets costing more than £500 are capitalised. The cost of fixed assets which have been acquired and held in the UK and International programmes is their purchase cost, together with any incidental expenses on acquisition.

Depreciation is provided to write off the cost, less estimated residual values, of all fixed assets, except freehold property spread evenly over their expected useful lives. It is calculated at the following rates:

Motor vehicles	33.3% per annum
Computer equipment	33.3% per annum straight line
Fixtures and fittings	20.0% per annum straight line

Intangible fixed assets

Intangible assets are stated at cost less any provisions for amortisation and impairment. Impairments are calculated such that the carrying value of the intangible assets is the lower of its cost compared with the higher of its net realisable value and its value in use.

All intangible assets costing more than £500 are capitalised. The cost of intangible assets which have been acquired and held in the UK and International programmes is their purchase cost, together with any incidental expenses on acquisition.

Amortisation is provided to write off the cost, less estimated residual values, of all intangible assets. It is calculated at 20.0% per annum on a straight line basis.

Investments

Investments are shown at market value. Unrealised and realised investment gains or losses are shown net on the face of the statement of financial activities.

Stocks

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

Debtors

Debtors are measured at cost less any impairment.

Cash at bank and in hand

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty or notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than 3 months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

41

Pension costs

Practical Action Employee Benefits Scheme

The charity has accounted for pension costs in accordance with FRS 102. The charity operates a defined benefits scheme in the UK, which was closed to contributions in 2002. The scheme is a registered pension scheme under chapter 2 Part 4 of the Finance Act 2004. The assets of the scheme are held separately from the assets of the charity, being represented by units in a segregated fund managed by an external investment manager.

The group also operates a defined contribution pension scheme. Contributions to this scheme are charged to the statement of financial activities in the year in which they become payable.

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 the settlement value, with the exception of bank loans which are subsequently measured at amortised cost using the effective interest rate method.

Foreign currencies

Transactions in foreign currencies are recorded using the rate of exchange ruling at the time of the transaction. Monetary balances held at the year-end are retranslated at the rate prevailing at that date. No provision is made against balances held which could not readily be converted to sterling as these are only held to be used in the short term in that country. Gains or losses on translation of foreign currencies are treated as credits/charges to the project for which the currency is held.

Restricted funds

Where funds are received for specific purposes set out by the donor or implied by the terms of appeal, these are shown as restricted income in the statement of financial activities. Expenditure for the purposes specified is applied against the income and any amounts unexpended at the balance sheet date are shown within restricted funds. Deficits at the balance sheet date represent amounts expended in advance of anticipated funding.

Unrestricted funds

The Trustees, at their discretion, may set aside funds to cover specific future costs. Such funds are shown as designated funds within unrestricted funds. Where the Trustees decide such funds are no longer required for the purposes intended, they may be released by

transfer to general unrestricted funds. Unrestricted funds which are not designated are held in accordance with Practical Action's reserves policy. In order to monitor this policy, funds represented by functional fixed assets are identified separately on the face of the balance sheet within unrestricted funds.

Termination costs

Redundancy and termination costs only occur where absolutely necessary and are accounted for on an accruals basis when the commitment to terminate a post has been made.

Operating leases

The annual rentals on operating leases are charged to the statement of financial activities on a straight line basis over the term of the lease.

Taxation

Practical Action is a registered charity and as such is potentially exempt from taxation of its income and gains to the extent that they fall within the charity exemptions in the Corporation Taxes Act 2010 or Section 256 Taxation of Chargeable Gains Act 1992. No UK corporation tax charge has arisen in the year.

Irrecoverable VAT is chargeable to the projects using the partial exemption method.

2. Critical accounting judgements and key sources of estimation uncertainty

In the application of the charity's accounting policies, which are described in Note 1, Trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects the current and future periods.

The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are described in the accounting policies and are summarised below:

Pension liabilities

The charity recognises its liability to its defined benefit pension scheme which involves a number of estimations as disclosed in the Pensions note 17. A liability of £344k (2024: £243k) has been recognised at the year end.

Income recognition on grants

The charity recognises grant income when the conditions for entitlement have been fulfilled.

Accrued and deferred income

The charity recognises cash received in advance as a deferred income liability in the balance sheet. Where the conditions to recognise grant income are met but the amount due has not been notified to the donor, the charity recognises the income as an accrual.

43

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3. Income and endowments

The table below lists funders who contributed over £250,000 to charitable activities carried out in 2024-25. These contributions are shown in line with our income recognition policy (Note 1 Accounting Policies).

Our accounting policy is to recognise income when the conditions for entitlement have been fulfilled and so this may differ from amounts received from these and other funders in this period.

			Total	Total
	Unrestricted	Restricted	2025	2024
	£'000	£'000	£'000	£'000
Bill & Melinda Gates Foundation	-	299	299	294
British International Investment (BII)	-	-	-	779
Carbon Trust	-	-	-	527
Danish International Development Agency (DANIDA)	-	612	612	302
EnDev	-	-	-	326
Department for Environment, Food & Rural Affairs (DEFRA)	-	2,638	2,638	-
European Union (EU)	-	1,085	1,085	-
Foreign, Commonwealth and Development Office (FCDO)	-	2,163	2,163	917
German Technical Cooperation Agency (GIZ)	-	713	713	379
Green Climate Fund	-	350	350	-
Grundfos Foundation	-	-	-	102
IKEA Foundation	-	7	7	729
International Livestock Research Institute (ILRI)	-	487	487	-
International Potato Center	-	257	257	356
Jersey Overseas Aid (JOA)	-	355	355	377
Livelihoods Venture	-	819	819	581
Mastercard Foundation	-	2,151	2,151	2,101
Netherlands Enterprise Agency (RVO)	-	551	551	-
Old Dart Foundation	-	-	-	185
People's Postcode Lottery	575	-	575	125
Swedish International Development Cooperation Agency (Sida)	-	1,449	1,449	2,673
Swiss Agency for Development and Cooperation (SDC)	-	265	265	-
United Nations Development Programme (UNDP)	-	-	-	555
United Nations Environment Programme (UNEP)	-	-	-	1,102
USAID	-	792	792	-
USAID Bureau for Humanitarian Assistance (BHA)	-	1,104	1,104	1,767
World Vegetable Centre	-	456	456	-
Zurich Insurance Company Ltd and its Z Zurich Foundation	-	2,529	2,529	625
Other (donations under £250k)	10,642	2,841	13,483	15,219
Total	11,217	21,923	33,140	30,021

			Total	Total
	Unrestricted	Restricted	2025	2024
	£'000	£'000	£'000	£'000
Donations and legacies				
Donations	7,700	2,724	10,424	7,699
Legacies*	2,513	-	2,513	3,679
Total donations and legacies	10,213	2,724	12,937	11,378
Charitable activities				
Grant income	94	18,987	19,081	16,224
Consultancy and publishing income	768	138	906	2,052
Total charitable activities	862	19,125	19,987	18,276
Income from investments				
Rental	25	-	25	-
Interest	36	4	40	52
Total investments	61	4	65	52
Other income				
Other income	81	70	151	315
Total other	81	70	151	315
Total	11,217	21,923	33,140	30,021

^{*}Approximately £3,960k (2024: £2,808k) of residuary and £47k (2024: £32k) of reversionary legacies had been notified to the charity before 31 March 2025 but have not been recognised as income in the year as they do not meet the Practical Action income recognition criteria.

Gifts in Kind

During the year ended 31 March 2025 Practical Action received gifts in kind totalling £96k (2024: £223k).

Volunteers

Practical Action does not have a volunteer programme, volunteer requests are dealt with on an individual basis. In the year Practical Action worked with no volunteers (2024: nil)

4. Total resources expended

	Grants payable	Direct costs	Support costs	Total 2025	Total 2024
	£'000	£'000	£'000	£'000	£'000
Fundraising	-	2,152	282	2,434	2,525
Charitable activities:					
Energy that transforms	477	5,327	760	6,564	9,567
Farming that works	846	5,779	870	7,495	8,635
Cities fit for people	378	2,045	319	2,742	1,625
Resilience that protects	402	7,681	1,060	9,143	6,307
Knowledge that inspires	-	1,315	171	1,486	630
Other	1,947	(131)	237	2,053	755
Governance	-	394	52	446	504
Total expenditure on charitable activities	4,050	22,410	3,469	29,929	28,023
Total resources expended	4,050	24,562	3,751	32,363	30,548

Support costs represent the costs for management and administration which is made up of Chief Executive, Marketing and Communications, Finance, People and Culture (Human Resources), Facilities and Services and Information Technology shared (central) costs. Support costs are allocated across the charitable activities in proportion to direct cost. This represents the most appropriate view of the support costs for Practical Action.

Support costs	2025 £'000	2024 £'000
CEO's Office	331	205
Marketing and Communications	616	510
Finance	667	1,268
IT	600	607
People & Culture	717	798
Facilities and Services	388	341
Other *	432	76
Total support costs	3,751	3,805

^{*} Other costs includes depreciation, UK pension service costs, VAT annual rate adjustment, re-structuring and other exceptional costs.

Total expenditure on charitable activities (inclusive of support costs)	Total 2025 £'000	Total 2024 £'000
Charitable activities:		
East Africa	5,930	7,346
Latin America	6,144	3,276
South Asia	4,421	3,841
Southern Africa	835	1,973
Bangladesh	2,386	2,008
Sudan	3,375	2,923
West Africa	992	1,075
International programme work	5,400	5,077
Governance costs	446	504
Total expenditure on charitable activities	29,929	28,023

International direct programme work includes our global policy, Practical Action Consulting and Publishing work.

During the year ended 31 March 2025, Practical Action made grants to partner organisations. Grants payable to partner organisations are considered to be part of the costs of activities in the furtherance of the objects of the charity because much of the charity's programme activity is carried out through grants to partner organisations that support long-term, sustainable benefits for a community, which are monitored by the charity.

Total Grants to partners greater than £200k £'000	Total 2024 £'000
Carbon Trust 325	-
DECOS -	389
DEPROSC-Nepal 226	221
SNV Netherlands Development Organisation 300	-
World Wildlife Fund (WWF) 378	-
Other 2,821	944
Total 4,050	1,554
Amounts payable to the auditor 2025 £'000	2024 £'000
Group audit fees 64	62
Additional fees 11	13
Non-UK audit costs 8	9
Tax advice 7	5
Other services 12	11
Total 102	100

5. Employees

Sta M.C. and	2025	2024
Staff Costs Control of the Control of the Costs Control of the Costs Control of the Costs	£'000	£'000
Wages and salaries	11,465	10,116
Social security costs	452	689
Pension costs (employee benefit scheme)	248	169
Pension (stakeholder scheme)	730	819
Staff end of service costs*	118	387
Redundancy, ex gratia and termination costs**	29	152
Total emoluments of employees	13,042	12,332
Other staff costs ***	(33)	41
Total staff costs	13,009	12,373

*In order to meet local employment regulations, 'end of service' payments are made to employees in country programmes when they leave employment with Practical Action. The amount of the payments are determined by the salary and length of service of the employees. Staff end of service costs change each year based on the accrued entitlement.

^{***} Other staff costs consists of temporary and agency staff.

Average number of full time equivalent employees	2025 Number	2024 Number	Average number of employees	2025 Number	2024 Number
Eastern Africa	84	72	Eastern Africa	84	80
Latin America	92	75	Latin America	92	85
South Asia	62	58	South Asia	62	58
Southern Africa	26	32	Southern Africa	26	32
Bangladesh	75	61	Bangladesh	75	61
Sudan	46	36	Sudan	46	36
UK	86	91	UK	93	98
Total	471	425	Total	478	450

During the year, employees earning more than £60,000 pa fell into the following bands:

	2025	2024
	Number	Number
£60,001 - £70,000	13	6
£70,001 - £80,000	5	2
£80,001 - £90,000	1	2
£90,001 - £100,000	2	2
£100,001 - £110,000	1	3
£110,001 - £120,000	1	-
£120,001 - £130,000	1	-

The total cost of remuneration for the CEO during the year was £117,526 (2024: £113,006).

Benefits are accruing to 14 (2024: nine) higher-paid employees under Practical Action's stakeholder pension scheme, which is open to all eligible employees. Employer contributions of £146k (2024: £28k) have been made into this stakeholder scheme for these higher-paid employees. Within Practical Action's Employee Benefits Scheme, benefits are accruing for no (2024: none) higher-paid employees.

The cost of key management personnel, which are considered to be the Global Leadership Team (GLT) as listed on page 32 was £761k in 2024/25 (2023/24: £684k). This represented 9 people in 2024/25 (2023/24: 7).

Salaries and benefits of the Strategic Leadership Team (SLT) are overseen by the Board's Governance and People Committee in line with the policy and principles for all staff pay. These are considered by the Committee annually.

The Trustees receive no remuneration for their services. Expenses totalling £1k (2024: £nil) were reimbursed to 3 Trustees (2024: none) during the year for travel and subsistence costs for meetings.

Indemnity insurance is provided for Trustees which is incorporated into a Professional Indemnity policy for the Organisation at a total cost of £30k (2024: £30k).

^{**} Redundancy, ex gratia and termination costs of £30k relating to 1 member of staff were charged in the year (2024: £152k relating to 8 members)

6. Net income from trading subsidiaries and summary balance sheets

The results of the principal trading subsidiaries are summarised below:

	Practical Action Consulting 2025	PAC India* 2025	PAC Nepal Private Ltd* 2025	PAC Malawi* 2025	PAC Bangladesh* 2025	PAC Peru* 2025	Practical Action Publishing 2025
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Income	34	236	496	-	1	-	303
Expenditure	(86)	(265)	(471)	-	(38)	-	(349)
Net (loss) / profit	(52)	(29)	25	-	(37)	-	(46)
Income per subsidiary accounts	34	236	496	-	1	-	303
Less: grants from parent charity	(18)	(203)	-	-	-	-	(50)
	16	33	496	-	1	-	253
Expenditure per accounts	(86)	(265)	(471)	-	(38)	-	(349)
Less: group charges	18	232	-	-	-	-	232
	(68)	(33)	(471)	-	(38)	-	(117)
Net effect on group results for the year	(52)	(232)	25	-	(37)	-	(136)
Summary Balance She	et						
Fixed Assets	-	-	3	-	11	-	9
Investment	32	-	-	-	-	-	-
Net current assets/ (liabilities)	(163)	55	244	(124)	56	12	145
Net Assets / (liabilities)	(131)	55	247	(124)	67	12	154
Called Up share capital	-	28	31	-	7	13	-
Profit & loss account	(131)	27	216	(124)	60	(1)	154
Surplus/(deficit) on shareholder funds	(131)	55	247	(124)	67	12	154

^{*} These entities are subsidiaries of Practical Action Consulting Limited registered in the UK.

	Practical Action Consulting 2024	PAC India* 2024	PAC Nepal Private Ltd* 2024	PAC Malawi* 2024	PAC Bangladesh* 2024	PAC Peru* 2024	Practical Action Publishing 2024
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Income	1,023	29	342	-	75	-	462
Expenditure	(800)	(22)	(337)	-	(65)	-	(496)
Profit/(loss)	223	7	5	-	10	-	(34)
Income per subsidiary accounts	1,023	29	342	-	75	-	462
Less: grants from parent charity	(20)	-	-	-	-	-	(50)
Net income	1,003	29	342	-	75	-	412
Expenditure per accounts	(800)	(22)	(337)	-	(65)	-	(496)
Less: group charges	-	-	-	-	-	-	40
Net expenditure	(800)	(22)	(337)	-	(65)	-	(456)
Net effect on group results for the year	203	7	5	-	10	-	(44)
Summary Balance She	et						
Fixed Assets	1	-	6	-	-	-	24
Investment	65	-	-	-	-	-	-
Net current assets/ (liabilities)	(420)	(80)	219	(124)	83	12	(238)
Net Assets / (liabilities)	(354)	(80)	225	(124)	83	12	(214)
Called Up share capital	-	29	31	-	10	13	-
Profit & loss account	(354)	(109)	194	(124)	73	(1)	(214)
Surplus/(deficit) on shareholder funds	(354)	(80)	225	(124)	83	12	(214)

^{*} These entities are subsidiaries of Practical Action Consulting Limited registered in the UK.

7. Intangible and tangible assets

Group and Charity Intangible fixed assets	Total £'000
Cost	
At 1 April 2024	105
Additions	-
At 31 March 2025	105
Amortisation	
At 1 April 2024	82
Charge for the year	14
At 31 March 2025	96
Net Book Value (NBV)	
At 31 March 2024	23
At 31 March 2025	9

Group Tangible fixed assets	Freehold and leasehold Property	Motor Vehicles	Computer Equipment	Furniture and Other Equipment	Total
	£'000	£'000	£'000	£'000	£'000
Cost					
As at 1 April 2024	128	2,386	1,849	1,319	5,682
Additions	-	258	142	88	488
Disposals	(8)	-	(40)	(1)	(49)
At 31 March 2025	120	2,644	1,951	1,406	6,121
Depreciation					
As at 1 April 2024	-	1,846	1,615	1,262	4,723
Charge	-	163	128	30	321
Disposals	-	-	(27)	-	(27)
At 31 March 2025	-	2,009	1,716	1,292	5,017
Net Book Value (NBV)					
As at 31 March 2024	128	540	234	57	959
As at 31 March 2025	120	635	235	114	1,104

Charity Tangible fixed assets	Freehold and leasehold Property	Motor Vehicles	Computer Equipment	Furniture and Other Equipment	Total
	£'000	£'000	£'000	£'000	£'000
Cost					
As at 1 April 2024	128	2,386	1,789	1,319	5,622
Additions	-	258	129	88	475
Disposals	(8)	-	(35)	(1)	(44)
At 31 March 2025	120	2,644	1,883	1,406	6,053
Depreciation					
As at 1 April 2024	-	1,846	1,567	1,262	4,675
Charge	-	163	119	30	312
Disposals	-	-	(22)	-	(22)
At 31 March 2025	-	2,009	1,664	1,292	4,965
Net Book Value (NBV)					
As at 31 March 2024	128	540	222	57	947
As at 31 March 2025	120	635	219	114	1,088

8. Investments

	Group	Group As restated	Charity	Charity As restated
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Cash Investments				
Common investment fund	493	487	493	487
Investment bonds	-	(3)	-	-
Total	493	484	493	487
Programme investments				
Programme investments	-	-	29	29
Total	-		29	29
Reconciliation of Common investment fund:				£'000
Historical Cost				
Opening balance at 1 April 2024				487
Additional investment				-
Realised gain				6
Closing balance at 31 March 2025				493

The following were subsidiary undertakings at the end of the year and have all been included in the consolidated financial statements, except Dormant Companies:

	Country of incorporation	Proportion of voting rights and ordinary share capital held	Nature of business
Practical Action Consulting Limited (Reg. No. 00952705) The Robbins Building, 25 Albert Street, Rugby, Warwickshire, England, CV21 2SD	England	100%	Consultants for agriculture and industry
Practical Action Publishing Limited (Reg. No. 01159018) Address as above	England	100%	Publishers and booksellers
Intermediate Technology Publications Limited (Dormant company Reg. No. 06424984) The Robbins Building, 25 Albert Street, Rugby, Warwickshire, England, CV21 2SD	England	100%	Publishers and booksellers
Intermediate Technology Development Group Limited (Dormant company Reg. No. 01017062) The Robbins Building, 25 Albert Street, Rugby, Warwickshire, England, CV21 2SD	England	100%	Developers of agriculture and industrial machinery
ATS Property Holdings Private Limited (Dormant company Reg. No. Sri-Lanka PV 6894), 5 Lionel Edirisinghe Mawatha, Kirulapone, Colombo 5. Sri Lanka	Sri Lanka	100%	Property purchase, lease moveable, immoveable property
Practical Action Consulting Private Limited (Reg. No. Kathmandu, 117858/070/071) Indira House, House No.1114, Panipokhari Hill, Kathmandu, Nepal	Nepal	49% PAC 51% PA	Consultants for agriculture and industry
Practical Action Consulting (India) Private Limited (Reg. No. Delhi, CIN U74999DL2014FTC272886, Plot No: H-4, BJB Nagar, Lewis Road, Bhubaneswar –751014, Odisha, India	India	99.9% PAC 0.1% PAC staff	Consultants for agriculture and industry
Practical Action Consulting Limited (Reg. No. 14654) Area 6, Plot 130, P.O. Box 30108, Lilongwe, Malawi	Malawi	100%	Consultants for agriculture and industry
Practical Action Consulting Bangladesh Limited (Reg. No. C-130198/2016) House 28/A, Road 5, Dhanmondi, Dhaka –1205, Bangladesh	Bangladesh	99% PAC 1% PA staff	Consultants for agriculture and industry
Practical Action Consulting S.A.C Limited (Reg. No. 20601238200) Centro Empresarial Peruano Suizo Av. Aramburú 166 Of. 2A, Miraflores, Lima, Perú	Peru	49% PAC 51% PA staff	Consultants for agriculture and industry

9. Prior Year Adjustment

Included within the comparative figures of these financial statements are adjustments to Cash Investments and Cash at Bank, to derecognise an interest bearing instant access bank account balance as a Cash Investment and recognise it as Cash at Bank.

The effect on the prior year Balance Sheet is a decrease of £453k in the Investments balance and a £453k increase in the Cash at bank balance.

10. Stock

	Gro	ир	Cha	Charity	
	2025	2024	2025	2024	
	£'000	£'000	£'000	£'000	
Finished goods	96	84	1	-	
Work in progress	7	4	-	-	
Total	103	88	1	-	

11. Debtors

	Group		Charity		
	2025	2024	2025	2024	
	£'000	£'000	£'000	£'000	
Trade debtors	3,174	2,776	2,961	2,349	
Prepayments & accrued income	3,721	3,622	3,626	3,119	
Amounts owed to the charity by the group	-	-	586	1,065	
Other debtors	552	510	541	410	
Total	7,447	6,908	7,714	6,943	

12. Cash at bank and in hand

	Group		Charity	
	2025	2024 as restated	2025	2024 as restated
	£'000	£'000	£'000	£'000
Cash at bank in UK	4,864	5,274	4,853	5,258
Cash at bank overseas	2,988	3,111	2,225	2,687
Petty cash	6	29	250	28
Total	7,858	8,414	7,328	7,973

13. Creditors: amounts falling due within one year

	Group		Charity	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Trade creditors	1,779	943	1,645	728
Payments received in advance *	3,938	3,787	3,921	3,731
Accruals	872	1,350	821	1,147
Taxation and social security	57	404	25	387
Other creditors	1,495	2,285	1,469	2,179
Total	8,141	8,769	7,881	8,172

^{*}Payments received in advance represent grants received in advance of the period to which they relate. The analysis of such payments is shown below:

	Group £'000	Charity £'000
	£ 000	£ 000
Balance brought forward	3,787	3,731
Released to income	(3,787)	(3,731)
Received in year	3,938	3,921
Balance carried forward	3,938	3,921

14. Provisions

Group	Balance at 1 April 2024 £'000	Provision created £'000	Provision utilised £'000	Balance at 31 March 2025 £'000
Project issues	3	5	-	8
Other	3	133	(57)	79
Total	6	138	(57)	87

Charity	Balance at 1 April 2024 £'000	Provision created £'000	Provision utilised £'000	Balance at 31 March 2025 £'000
Project issues	3	5	-	8
Other	3	79	(56)	26
Total	6	84	(56)	34

15. Funds note

	Balance at 1 April 2024 £'000	Incoming resources	Expenditure and charges	Transfers in/(out)	Balance at 31 March 2025 £'000
Designated reserves					
Fixed asset fund	430	-	-	138	568
Revaluation reserve	91	-	-	6	97
Free reserves	6,011	11,217	(11,401)	(144)	5,683
Total unrestricted funds	6,532	11,217	(11,401)	-	6,348
Restricted funds					
Energy that transforms	-	4,266	(4,266)	-	-
Farming that works	-	5,936	(5,936)	-	-
Cities fit for people	-	2,471	(2,471)	-	-
Resilience that protects	758	8,274	(7,490)	7	1,549
Other	16	976	(992)	-	-
Restricted fixed assets	552	-	-	(7)	545
Total restricted funds	1,326	21,923	(21,155)	-	2,094
Total funds	7,858	33,140	(32,556)	-	8,442
	5.1	T	- 10.	Т	D-1

	Balance at 1 April 2023 £'000	Incoming resources	Expenditure and charges £'000	Transfers in/(out) £'000	Balance at 31 March 2024 £'000
Designated reserves					
Fixed asset fund	946	-		(516)	430
Revaluation reserve	60	-	-	31	91
Free reserves	5,200	12,951	(12,625)	485	6,011
Total unrestricted funds	6,206	12,951	(12,625)	-	6,532
Restricted funds					
Energy that transforms	(11)	5,740	(5,729)	-	-
Farming that works	32	5,901	(5,933)	-	-
Cities fit for people	47	1,123	(1,170)	-	-
Resilience that protects	1,582	3,911	(4,430)	(305)	758
Other	341	395	(473)	(247)	16
Restricted fixed assets	-	-	-	552	552
Total restricted funds	1,991	17,070	(17,735)	-	1,326
Total funds	8,197	30,021	(30,360)	-	7,858

The revaluation reserve represents the difference between the historic cost of the Common Investment Fund and the year-end valuation. Transfers to the revaluation reserve represent a £6k increase in the value of the Common Investment Fund during the year.

The fixed asset funds represent the net book value of tangible and intangible assets originally funded from free or restricted reserves. Transfers into/out of a fixed asset fund represent capital additions less disposal proceeds and depreciation. Fixed asset fund transfers are funded by / contribute to the associated free or restricted fund.

The free reserves represent the funds of the charity not designated for particular purposes.

The restricted funds represent the funds that can only be used for donor specific activities within the organisation's charitable aims and objectives. The Zurich funded programs makes up the majority of the restricted fund balance carried forward at 31 March 2025

16. Total funds

	Unrestricted fund £'000	Restricted funds £'000	Total 2025 £'000
Fixed assets	568	545	1,113
Investments	493	-	493
Stock	103	-	103
Debtors	4,930	2,517	7,447
Cash at bank and in hand	4,827	3,031	7,858
Creditors: amount due within one year	(4,221)	(3,920)	(8,141)
Provisions for liabilities and charges	(8)	(79)	(87)
Pension liability	(344)	-	(344)
Total funds	6,348	2,094	8,442

	As restated Unrestricted fund £'000	Restricted funds £'000	As restated Total 2024 £'000
Fixed assets	430	552	982
Investments	484	-	484
Stock	88	-	88
Debtors	4,284	2,624	6,908
Cash at bank and in hand	6,532	1,882	8,414
Creditors: amount due within one year	(5,040)	(3,729)	(8,769)
Provisions for liabilities and charges	(3)	(3)	(6)
Pension liability	(243)	-	(243)
Total funds	6,532	1,326	7,858

17. Pension costs and FRS 102

Practical Action Employee Benefits Scheme

The charity operates a defined benefits scheme in the UK which was closed to new members in 2002. The charity has accounted for pension costs in accordance with FRS 102. The scheme is a registered pension scheme under chapter 2 Part 4 of the Finance Act 2004. The assets of the scheme are held separately from the assets of the charity, being represented by units in a segregated fund managed by an external investment manager. At 1 April 2023, the latest full valuation date, the actuarial value of the schemes assets was 78% of the value of past service liabilities on an ongoing (SFO) basis. The market value of the scheme's assets at the valuation date was ε 7,743k, excluding money purchase AVCs. As a result of the scheme deficit at the valuation date, the trustees and the charity agreed that the charity would make a deficit contribution of ε 87,300 in January 2024 plus monthly deficit contributions of ε 9,700 from January 2024 to March 2029 inclusive. The scheme trustees and the charity also agreed that the charity would pay contributions to the scheme in respect of expenses and levies at the rate of ε 4,415 per month from January 2024, increasing by 2.5% pa with the first such increase applying from 1 April 2024. The full valuation has been updated to 31 March 2025 by a qualified independent actuary.

The charity and group are aware of the Virgin Media vs NTL Pension Trustees II Limited Court of Appeal judgement which may give rise to adjustments to the scheme. At present the legal process is incomplete and therefore we are unable to quantify any potential liabilities.

Principal actuarial assumptions at the Balance Sheet date:

	2025	2024
Discount Rate	5.50%	4.90%
Inflation (RPI)	3.40%	3.40%
Inflation (CPI)	2.40%	2.90%
Future Salary Increases	3.40%	3.40%
Revaluation in Deferment	2.40%	2.40%
Pension Increases RPI (0,5)	3.15%	3.15%
Pension Increases Fixed 3	3.00%	3.00%
Mortality		
- Base Table	S3PXA	S3PXA
- Allowance for Future Improvements	CMI2023[1%]	CMI2022[1%]

Practical Action Employee Benefits Scheme

	2025 £'000	2024 £'000
Present value of funded obligations	(7,246)	(7,747)
Fair value of plan assets	6,902	7,504
Deficit per FRS102	(344)	(243)
Amounts in the balance sheet:		
Liabilities	(344)	(243)
Net liability	(344)	(243)

Changes in the present value of the defined benefit obligation:

	2025 £'000	2024 £'000
Opening defined benefit obligation	7,747	8,284
Interest cost	369	387
Benefits paid	(397)	(406)
Remeasurement gains	(473)	(518)
Defined benefit obligation at end of year	7,246	7,747

Changes in the fair value of the scheme assets:

	2025 £'000	2024 £'000
Opening fair value of scheme assets	7,504	7,793
Interest Income	361	367
Remeasurement losses	(672)	(361)
Employer contributions	170	169
Benefits paid	(397)	(406)
Expenses paid	(64)	(58)
Fair value of scheme assets at the year end	6,902	7,504
The actual return on the scheme assets in the year	(311)	6

Amounts included within the Statement of Financial Activities:

	2025 £'000	2024 £'000
Expenses	(64)	(58)
Interest on net liability	(8)	(20)
Total amount charged within net outgoing resources	(72)	(78)
Actual return on plan assets less interest	(672)	(361)
Experience gain on liabilities	13	147
Change in assumptions	460	371
Actuarial (loss) / gain recognised	(199)	157
Total (loss) / gain recognised in the statement of financial activities	(271)	79

18. Reconciliation of net income to net cash inflow from operating activities

2025 £'000	2024 £'000
783	(496)
(6)	(31)
(65)	(52)
335	268
22	22
(15)	43
(539)	662
(547)	(2,455)
(101)	(91)
(133)	(2,130)
	2'000 783 (6) (65) 335 22 (15) (539) (547) (101)

19. Additional grant and donation disclosures

The disclosures below relate to special conditions in specific grant agreements to publish the annual project funding value in the statutory accounts.

Foreign Commonwealth and Development Office

	Contract Number	Funding 2025 £'000	Funding 2024 £'000
Project funding details required by FCDO			
DFID aid match appeal Nepal	205210-279	395	656
Building climate and conflict resilient livelihoods	205210–259	12	196
MRV tools for forests, land use and agriculture	MRV/34	491	67
Total		898	919

IKEA Foundation Grants

	Contract Number	Funding 2025 £'000	Funding 2024 £'000
Project funding details required by IKEA Foundation			
TREYL	G- 1808-1160	7	729
Total		7	729

Department for Environment, Food & Rural Affairs

	Funding 2025 £'000	Funding 2024 £'000
Biodiverse Landscapes Fund Andes/Amazon	1,346	116
BLF Accelerate Spend	1,292	33
Total	2,638	149

United Nations Environment Programme (UNEP)

	Contract Number	Funding 2025 £'000	Funding 2024 £'000
Project funding details required by UNEP			
Creating the enabling conditions for eliminating open burning of waste through regional roadmaps and city pilots	24-016- WST-22-001	106	-
Total		106	-

Swiss Agency for Development and Cooperation (SDC)

	Funding 2025 £'000	Funding 2024 £'000
Project funding details required by SDC		
Strengthening the early warning early action system	131	189
Anticipation in Ecuador and the Andean region	101	11
Early warning and early action on multiple climate hazards	34	-
Total	266	200

20. Commitments under operating leases

As at 31 March 2025, the group had commitments under non-cancellable operating leases as set out below:

	2025 Land & Buildings £'000	2024 Land & Buildings £'000
Operating leases which expire		
Within one year	196	256
In two to five years	305	485
In over five years	-	-
	501	741

The net income for the year has been stated after charging £345k (2024: £365k) for the hire of assets under operating leases.

21. Related party transactions

Details of the subsidiaries of the Practical Action Group are disclosed in note 8. Subsidiary grants paid and charges claimed by the charity along with gift aid received by the charity from the subsidiaries are disclosed in note 6.

Practical Action Consulting Limited received a management costs grant of £18k (2024: £20k) from the charity, was charged a management fee of £18k (2024: £11k) and subsidiary activity costs totalling £208k (2024: £41k) by the charity and transferred £369k (2024: £214k) to the group cash pooling facility. At the year end, Practical Action Consulting Limited owed the charity £536k (2024: £753k).

PAC Nepal Private Limited recharged £18k (2024: £0) of charity activity costs to the charity. The charity recharged no (2024: £10k) of subsidiary activity costs to PAC Nepal Private Limited. At the year end, PAC Nepal Private Limited owed the charity £30k (2024: £20k).

PAC India received a management costs grant of £203k (2024: £11l) from the charity, was charged payroll costs totalling £61k (2024: £11l) and subsidiary activity costs totalling £11l (2024: £3k) by the charity and charged the charity £2k (2024: £11l) of charity activity costs. At the year end, PAC India owed the charity £58k (2024: £138k).

PAC Bangladesh owed the charity £31k (2024: £45k) at the year end.

PAC Malawi owed the charity £132k (2024: £132k) at the year end.

Practical Action Publishing Limited received a management costs grant of £50k (2024: £50k) from the charity, was charged payroll costs totalling £188k (2024: £200k) and subsidiary activity costs totalling £112k (2024: £422k) by the charity and transferred £77k (2024: £102k) to the group cash pooling facility. At the year end, Practical Action Publishing Limited owed the charity £613k (2024: £567k). Practical Action and Practical Action Pension Scheme Trustee Limited have a Trustee in common.

At 31 March 2025 the total provision recognised by the charity for related party debt is £814k (2024: £590k).

22. Financial instruments

	2025 £'000	2024 £'000
Financial instruments measured at fair value through profit and loss	493	487

The income, expense, gains and losses in respect of financial instruments are summarised below:

Gain/(Loss) on financial instruments measured at fair value through profit and loss	2025 £'000	2024 £'000
Financial instruments measured at fair value at the start of the year:	487	456
Gain / (loss)	6	31
Financial instruments measured at fair value through profit and loss at the end of the year	493	487

23. Comparative statement of financial activities for the year ended 31 March 2024

	Unrestricted £'000	Restricted £'000	Total 2024 ε'000
Income and endowments from:			
Donations and legacies	10,654	724	11,378
Charitable activities	1,926	16,350	18,276
Investments	52	-	52
Other income	319	(4)	315
Total income and endowments:	12,951	17,070	30,021
Resources Expended			
Expenditure on raising funds	2,523	2	2,525
Total expenditure on raising funds	2,523	2	2,525
Expenditure on charitable activities:			
Energy that transforms	3,836	5,731	9,567
Farming that works	2,702	5,933	8,635
Cities fit for people	454	1,171	1,625
Resilience that protects	1,877	4,430	6,307
Knowledge that inspires	624	6	630
Other	797	462	1,259
Total expendiature on charitable activities	10,290	17,733	28,023
Total expenditure	12,813	17,735	30,548
Net gain/(loss) on investment assets	31	-	31
Net income / (expenditure)	169	(665)	(496)
Actuarial loss on defined benefit pension scheme	157	-	157
Transfers between funds			
Net movement in funds	326	(665)	(339)
Balance brought forward 1 April 2023	6,206	1,991	8,197
Fund balances carried forward as at 31 March 2024	6,532	1,326	7,858



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