



Annual Report and Accounts

2023 - 2024

Practical Action | Company Reg. No. 871954
Reg Charity No. 247257 | Year ended 31 March 2024

**Practical
ACTION**



Our vision is for
**A WORLD THAT WORKS
BETTER FOR EVERYONE**

In Kenya, young farmers are using sustainable techniques to earn a living from agriculture while protecting natural resources.

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Some numbers in the Trustees' and Directors' Annual Report and Strategic Report sections have been rounded.

Front cover image: With our help, Adita in Peru has developed the skills and confidence to lead a cooperative of coffee farmers to increase their profits while protecting natural resources.

Welcome from the Chair and Chief Executive

Welcome to Practical Action's Annual Report for 2023-24. As we reflect on the past year, we see the world facing ever more frequent and severe climate shocks. 2023 was the hottest year on record, resulting in more drought, famine, floods, and failed crops. These issues disproportionately impact communities already vulnerable to poverty. Political instability and conflicts, such as those in Sudan, are affecting millions of people in countries where we work.

In light of these escalating global challenges, the work we do alongside communities so that they can change their lives is needed more than ever. The partnerships we're involved in to change the systems that keep people poor and vulnerable are just as vital.

Despite many challenges, communities we have been working with have seen significant progress towards more resilient and sustainable livelihoods. Our powerful partnerships have improved food security, increased incomes and access to essential services, facilitated adaptation to climate change, and achieved better outcomes for women.

“As we approach the final year of our five-year strategic plan, we continue to increase our impact. We've made significant contributions to the lives of over six million people in the communities where we work. By collaborating closely with communities and working with a range of partners and decision-makers, together we are building robust systems that deliver for people vulnerable to poverty and climate change. These systems are designed to withstand changing environmental and socio-political landscapes.”



We've continued to have success with larger, multi-year grants, securing £36 million in new funding for programmes running through to 2030. The largest of these, from the UK Government's Department for Environment, Food & Rural Affairs (DEFRA) Biodiverse Landscapes Fund and the Z Zurich Foundation, illustrate important directions for us.

The Biodiverse Landscapes Fund will allow us to lead a consortium taking an integrated approach to increase biodiversity and improve livelihoods for people who live in and around the Andes Amazon, and to connect an important conservation corridor across Peru and Ecuador. Our partners include indigenous peoples' organisations and national and international conservation and development organisations. These types of partnerships, linking into government and long-term development and conservation approaches, are crucial to all our futures.

Meanwhile, our long-running partnership with the Z Zurich Foundation and diverse partners is expanding to build resilience to a range of climate impacts, building on a 10-year track record in flood resilience.

We ended the year in a good financial position. Our income grew to £30.0m from £27.0m in the previous year, driven by effective fundraising during 2023-24 and substantial grant commitments in 2022-23. These strong grant commitments have continued this year, giving us significant funding for important partnerships over the next five years. Levels of unrestricted income have remained consistent, although cash donations have slightly declined. These unrestricted donations are critical for allowing the organisation to grow and invest in new opportunities, and we are working hard to address this decline. We've increased our unrestricted free reserves, essential given the growing instability of our external context.

Our achievements this year have been fuelled by the creativity, curiosity, and unwavering dedication of our global teams. We've invited colleagues from around the world to share stories of our work, highlighting our collaborations with funders, donors, and partners, and the impact of these efforts. You can read those

inspiring stories in this report. The relentless pursuit of improvement and innovative approaches by our teams have brought us closer to realising our vision of a world that works better for everyone. We extend our heartfelt gratitude to everyone driving change with us.

We're delighted to have appointed five new Trustees, including Sazini Mojapelo, our first Chair of the Board from Africa. Sazini is an experienced social impact executive whose vision and expertise will guide us as we scale up our operations and enhance our impact. Sazini joined our board in April 2024 and will assume the role of Chair following our 2024 Annual General Meeting. Martin will be standing down as Chair of the Board, having initially stepped up to the role on an interim basis in 2022, and will remain on the Board as a Trustee. The whole organisation thanks him for his tenure as Chair and his continued service on the Board of Trustees.

In 2024-25 we will be developing our next five-year strategy. Our focus will be on scaling up impact with local, national, and international partners, and enhancing our joint capability to drive systemic change that supports locally led development.

We've made significant strides over the past year, and the journey ahead is filled with challenges and opportunities. Our commitment to growing impact and securing sustainable funding that supports communities to build their resilience and delivers systemic change is stronger than ever. Alongside our dedicated teams, partners, and supporters, we're passionate about creating a world that works better for everyone.

Thank you for your continued support and partnership.

Martin Tyler,
Chair of the
Board of Trustees

Sarah Roberts,
Chief Executive Officer


HOPE NEEDS ACTION

Throughout this annual report, you'll read stories that showcase our comprehensive approach to driving systemic change. From classrooms in Peru powered by renewable energy to women in rural Nepal using digital technology, and waste workers in Bangladesh creating wealth from rubbish, these stories reflect our broader mission.

We're enabling and scaling community-led solutions while also working to transform the systems that impact the most vulnerable. By collaborating with partners, influencing policy, and addressing the root causes of poverty, we're paving the way for long-lasting, sustainable change on a global scale.

Our programmes work holistically across our expertise areas to tackle systemic problems effectively, ensuring that our initiatives are comprehensive and impactful.

Our four core areas of expertise are:

 Sustainable agriculture

 Water, sanitation and waste

 Energy access

 Climate resilience

Our holistic approach

At a time when climate change threatens to undo years of progress against poverty, Practical Action's work is more crucial than ever. The communities we work with face increasingly intense challenges such as extreme weather events, economic instability, social upheaval, and persistent gender inequality. These issues demand immediate, effective responses to prevent further deepening of poverty.

Increasingly we're refining our focus towards building thriving lives and livelihoods with people on the frontlines of poverty and climate change.

We're committed to taking a gender transformative approach in all aspects of our work. Whether through pioneering projects or impactful outreach efforts, we collaborate with communities to create programmes that amplify the voices of women and girls.

We were founded by radical economist and philosopher E.F. 'Fritz' Schumacher, who believed in solutions suited to context and living within the planet's means. Rooted in our Schumacher heritage, we emphasise practical solutions for real-world problems. We draw on this legacy to stay relevant to today's challenges, believing, as Schumacher did, that hope needs action.

How we achieve impact

Developing solutions

We work alongside communities, partners and change makers with diverse expertise and knowledge to discover and catalyse inclusive, ingenious, and practical solutions that enable people to sustainably improve their livelihoods and enhance their resilience to shocks and stresses.



Demonstrating pathways

We scale solutions to create a credible body of evidence and demonstrate that pathways to positive change can be sustained. We continue our work until we've demonstrated clear pathways for systemic change and lasting impact, ensuring a responsible transition when we step away.



Driving transformation

We think big and engage stakeholders who can effect systemic change throughout our work. We amplify the knowledge of the communities we serve, influencing decision makers at all levels to adopt the policies, business practices and investment strategies that sustain change. By focusing here, we extend our impact way beyond our immediate reach.



Our tagline, "Big Change Starts Small," builds on the heritage of Schumacher's groundbreaking book *Small is Beautiful*. It also embodies our proven, practical strategy for transformative impact. You'll see this philosophy brought to life through the inspiring stories you'll read in this report.

Our reach and impact

As an organisation committed to creating large-scale impact, we believe it's important to measure and report our progress transparently.

We continuously assess the reach of our activities across different groups of people. While these groups may overlap, this approach allows us to understand how many people we have potentially benefited.

Between 2021-2024, we reached 6.4 million people through our projects and programmes. This is through working with partners, through family members and across communities.

Between 2021-2024, we reached 29 million people through influencing, policy and practice work. This is by working with NGOs, government institutions, businesses and enterprises to adopt new approaches and catalyse systemic transformation.

In 2023-24:

982K

Our knowledge sharing platforms were accessed 982k times

2.3M

We reached 2.3m people through their families, community or local partners (1.3m women)

4.8M

We reached 4.8m people through the NGOs, governments and businesses who adopted our approaches. (2.5m women)

12

We worked across 12 countries.



976,000

Globally, our energy work has had an impact on over 976,000 people. This improved access to energy means more people can continue to work after dark, start new businesses or safely cook using an electric cookstove.



157,000

157,000 people now have improved food security, an improved income, or both, thanks to the adoption of sustainable agriculture methods.



693,000

693,000 people are now protected by high quality early warning systems or climate information services, giving them vital notice in the event of a landslide, flooding or climate shock – saving lives and livelihoods.



497,000

497,000 people have improved urban services, including better access to hygiene and sanitation services, improved solid waste management and improved water services.

Our Global Network of Partners and Supporters

We achieve change through the energy and generous support of like-minded individuals and collaborations with forward-thinking partners, governments, and businesses. Working together with communities in the poorest parts of the world, we help them tackle their toughest challenges. When we unite around shared goals, big change really is possible. **Thank you!**

Pulling together in a time of crisis

Nowhere is the value of our global network of partners and supporters more important than in our response to the crisis in Sudan. More than one year into the conflict, which began in April 2023, the situation continues to worsen. Existing political and ethnic tensions have been exacerbated, plunging the country into one of the biggest humanitarian emergencies of our times. Over 12 million people have been forced to flee their homes due to the widespread violence, and over half of the country's 25 million population require aid. The conflict has severely disrupted resources and infrastructure among the communities we work with and beyond, with 80% of health facilities in Sudan non-functional, leading to widespread disease outbreaks.



In Sudan, local communities are coming together to construct dams, with volunteers working side by side to pass rocks and strengthen the dam walls. Despite the challenges of war, their collective effort has already resulted in the completion of three dams, providing much-needed water security.



Messages of hope and solidarity from our supporters.

“
I am truly amazed by the wonderful work you are all doing to help the people of Sudan and am full of admiration. I send you all my love, prayers and good wishes.”

Elizabeth,
Practical Action Supporter



We're incredibly proud to have been able to keep our work in Sudan going in the face of armed conflict and displacement. The whole Practical Action community rose to the challenge - our incredible team in Sudan, the communities we work with, and our dedicated supporters, key donors, and funders. Their relentless efforts ensure that we can continue to make a difference, even in the most challenging circumstances.

Helping to provide drinking water, The Wadi El Ku Water Resources Management (IWRM) project in Darfur is nearing completion in several areas despite the ongoing security issues. The UK AidMatch funded project, set to conclude in late 2024, has already established farmer field schools, equipping people with climate-adaptive skills and tools, enabling them to sustain their livelihoods amidst the turmoil. This progress is a testament to the determination and adaptability of our team. Many have been displaced and sadly lost family and colleagues. But all our staff have gone beyond the call of duty to find innovative ways to continue supporting communities through this emergency.

We've launched four new projects in Kassala and others in Blue Nile and Gadarif States to enhance food security and resilience for over 80,000 internally displaced people. These include the Agribusiness in Eastern Sudan project, Sustainable Agrifood Systems Approach, Vegetables for Income, Nutrition, and Employment, and Livestock-Food Systems Development. This work will ensure a steady supply of food for people otherwise at risk of hunger.



Awadalla, one of our dedicated staff members in Sudan, works alongside a women's farming group cultivating drought-resistant potatoes. This crisis crop is crucial for ensuring food security in the face of ongoing droughts.

Growing collaborative solutions with refugees in Rwanda

Together with two forward-thinking funders, we drew on our extensive experience working with refugees and agricultural communities in Rwanda, by launching an innovative two-year pilot project in 2022. This project was enabled thanks to funding raised by players of People's Postcode Lottery and Kilburn & Strode's Innovation for All Foundation and supported by the Mayor of Kirehe District, Bruno Rangira, and his team.

Together, we addressed critical issues faced by refugees in Rwanda's Mahama refugee camp, supporting farmers with regenerative agriculture and solar-powered irrigation systems. This work has significantly improved food security and created sustainable livelihoods for smallholder farmers, equipping them to build more resilient futures in the face of environmental challenges.

The project has seen remarkable success, with a 221% increase in farmers' knowledge of regenerative agriculture and 44 hectares transitioned to sustainable farming practices. Women have assumed leadership roles within cooperatives, promoting gender equality. The solar irrigation system now irrigates over 10 hectares, enhancing resilience against climate change shocks. Our advocacy efforts encouraged the Rwandan Government to lease farming land to refugees for a minimum of 15 years. This is a major step forward and unusual in a refugee setting. It's enhancing food security, reducing vulnerability, and fostering social cohesion.



Albert and local farmers during a recent training day on sustainable agricultural techniques.



“We are delighted that our players are helping people in Mahama, one of the largest refugee camps in Rwanda, rebuild their lives by supporting projects that encourage sustainable agricultural practices and the use of renewable energy. These projects will help improve food security and general livelihoods in the area. The players of People's Postcode Lottery have supported the work of Practical Action since 2022.”

Laura Chow,
Head of Charities at People's Postcode Lottery

The project's success serves as a model for systemic change, promoting replicable practices beyond its immediate community. By showing clear results and lessons learned, we expect our achievements to help inspire similar projects elsewhere and attract more funding. This success highlights the need for ongoing investment in projects for displaced communities to keep growing its impact and drive lasting change.

At the end of the year, we were awarded £500,000 more funding raised by players of People's Postcode Lottery. This is flexible funding, which can be allocated where it is most needed, making it especially valuable. The money will innovate real-world solutions to build sustainable lives and livelihoods for people living on the frontlines of poverty and climate change.



Albert is reaping the rewards of sustainable farming in Rwanda, boosting his family's health and serving as a role model for other farmers.



“At Kilburn & Strode, we recognise innovation's potential to positively impact lives facing climate change. We're proud to partner with Practical Action, using science and technology for sustainable solutions. The Resilient Farming project in Rwanda's Mahama Refugee Camp pilots micro-solar irrigation for regenerative farming, with far-reaching and lasting effects. Everyone at Kilburn & Strode looks forward to continuing our partnership and supporting Practical Action's inspiring work.”

Caelia Bryn-Jacobsen,
Partner, Kilburn & Strode

How we were funded in 2023-24

In 2023-24, we raised **£30.0 million**, spent **£30.5 million** on our work, and **92p** out of every **£1** was dedicated to our global activities. Our funding comes from a range of diverse sources, allowing us to adapt to changing markets and continue creating impact at scale for years to come.

£16.2M Grants and awards from governments, trusts, companies and other institutions

Our partners include the international development departments and embassies of national governments. Among them are the UK Department for Environment, Food & Rural Affairs (DEFRA) and Foreign, Commonwealth and Development Office (FCDO), the Danish International Development Agency (DANIDA), Jersey Overseas Aid, and the Swedish International Development Cooperation Agency (Sida), and USAID Bureau for Humanitarian Assistance. We also receive significant funding from specialist frameworks such as HIVOS, the German Technical Cooperation Agency (GIZ), Energising Development (EnDev) and the Carbon Trust.

In addition, we receive funding from several UN agencies: the United Nations Children's Fund (UNICEF), the United Nations Development Programme (UNDP), the United Nations Environment Programme (UNEP), Food and Agricultural Organisation (FAO) and the United Nations Office for The Coordination of Humanitarian Affairs (UNOCHA).

Our strong partnerships with large foundations, trusts, companies and other partners provide substantial funding for our work. Partnerships include British Investment International, the Bill and Melinda Gates Foundation, Grundfos Foundation, the IKEA Foundation, Livelihoods Venture, Zurich Insurance Company Ltd and its Z Zurich Foundation, Grundfos Foundation, Mastercard Foundation, Old Dart Foundation, King Charles III Charitable Fund (Formerly Prince of Wales Charitable Fund) and the People's Postcode Lottery.

Alongside the ongoing work that's funded by these partners, we were delighted to secure new grants from many of them in 2023-24 that will fund exciting projects in 2024-25 and subsequent years.

£7.7M Donations from individuals, trusts and companies

The ability to innovate, be flexible, adapt our work when things change, and allocate funds where they're most needed is essential. That's why we're so grateful to the individuals and community groups whose generous support accounts for most of our unrestricted donations. Unrestricted funds aren't limited to specific projects, countries, or work areas.

£3.7M Legacies from people remembering us in their Will

Being recognised as part of someone's legacy through a gift in their Will is a wonderful tribute to our shared beliefs and vision for the future. We're incredibly grateful to those who chose to support us in this practical and personal way.

£2.1M Income from our consultancy and publishing work

Our global network of over 2,000 consultants and academic contacts provides specialist technical expertise to private businesses, organisations, and governments. Through our publishing work, we partner with the brightest minds to share the latest development perspectives.

£0.4M Interest and other income

£16.2M Grants & Awards

£7.7M Donations

£3.7M Legacies

£2.1M Consultancy & Publishing

£30.0M

Total income

0.4M Other income

Impact stories – Kenya

FROM DARKNESS TO OPPORTUNITY



Energy expert, Jechoniah Kitala, explains how we made big change happen in Kenya - and our future ambitions for energy access.

I've been working in international development for over two decades. I've learned that systemic change involves comprehensive, long-term transformations in the structures, policies, and practices that perpetuate poverty. Our work in under-served parts of Kenya is achieving systemic change by focusing on energy access as an enabler for economic development. Worldwide, around 789 million people lack electricity and around 2.3 billion people lack the means to cook food using anything other than unhealthy, polluting fuels. The challenge is immense, but our innovative and dedicated approach is bringing about real progress.

The power of clean energy

Electricity lies at the heart of addressing global development challenges, transforming lives by lighting homes, powering schools, enabling healthcare, and boosting local businesses. In Kenya, we're working alongside people in communities without electricity, especially women, so they can become energy entrepreneurs. With our support, they are bringing sustainable energy solutions to under-served areas. This is creating jobs, fostering entrepreneurship and improving education. Our focus on the poorest communities magnifies the impact, extending benefits far beyond immediate needs.

Recognising the critical importance of energy access, from 2020 to 2024 we partnered with Innovation Energie Développement, Loughborough University's Centre for Sustainable Transitions: Energy, Environment and Resilience, African Centre

for Technology Studies and International Institute for Environment and Development with funding from the European Union to support the sustainable energy sector in Kenya. This collaboration aimed to enhance the skills and resources of local government, civil society, and business organisations in 16 counties in Kenya to effectively plan and implement sustainable energy projects. By delivering training initiatives and equipping these organisations with the necessary tools and support, we helped them create and manage energy solutions that are environmentally friendly and economically viable. This ensures long-term access to clean energy, reduces dependency on fossil fuels, and promotes economic development by creating jobs and reducing energy costs.



Solar panels are just one of the products Jacinta is helping to bring to neighbouring villages



In Kenya, Jacinta's entrepreneurial spirit is bringing clean energy to her community, creating jobs and helping others adopt eco-friendly practices.

Our innovative energy initiatives in Kenya have benefited millions of people, enabling women to become energy entrepreneurs and setting a model for sustainable development.

Total energy access: A milestone achievement

Our work in Kenya's energy sector builds on research stemming from 2010, when our Poor People's Energy Outlook (PPEO) report was published. This report highlighted the critical energy needs of people living in poverty, advocating for decentralised, community-centric approaches for universal energy access. Our findings influenced policy changes, as demonstrated through key policy documents like the Integrated National Energy Planning Framework (INEP) and the Ministry of Energy's gender policy. From September 2020 to March 2024, when I was seconded to the Ministry of Energy, I played a pivotal role in shaping Kenya's energy policy to ensure that it enabled and supported approaches that delivered sustainable energy outcomes that people, especially women, living in poverty needed and could afford.

The highlight of my secondment was that Practical Action's 'Total Energy Access' approach, developed through the PPEO, was adopted by the Kenyan government's Integrated National Energy Planning framework. This marked a significant milestone, showcasing our influence in the energy sector. The framework supported 20 county governments in developing energy plans, ensuring energy is seen as a crucial enabler of broader development goals.

I'm deeply passionate about our achievements here in Kenya. Families will be able to light their homes, children can study after dark, and healthcare services will run efficiently with reliable power. People in off-grid communities have become energy entrepreneurs, bringing sustainable solutions to remote areas, boosting local economies, and building prosperous livelihoods.



Rose, an entrepreneur in Kenya, is making good income and improving the health of her community by selling low-smoke cook stoves.

LEADING A CLEAN COOKING REVOLUTION >>

In Sub-Saharan Africa, four out of five people rely on cooking fuels used on open fires or basic stoves. These pose significant health risks, especially for women and children. Addressing this critical issue, we're using the learning gathered through our clean energy initiatives to drive a clean cooking transformation.

Our extensive experience in partnering with women to deliver clean cooking solutions tailored to their community needs has proven transformative. Hundreds of women entrepreneurs in Kenya have reached over 1.5 million people in 2023-24, bringing safer, cleaner cooking practices to their communities.

These solutions include distributing efficient cookstoves and solar lamps, which reduce smoke emissions and save time and money.

We're embarking on an exciting new partnership with the Clean Cooking Association of Kenya (CCAK) to develop and implement a new strategy that will help accelerate universal access to clean cooking in Kenya by 2028. The CCAK has set up effective frameworks for engaging with the government and other stakeholders, ensuring a coordinated and robust advocacy for the clean cooking sector. By fostering such collaborations, we aim to drive systemic change, transforming health outcomes through sustainable, clean cooking solutions.

TRANSFORMING ENERGY ACCESS FOR PEOPLE LIVING IN EXTREME POVERTY >>

Private sector involvement in energy access is growing, yet current economic and political systems often overlook people living in poorer areas. Innovative thinking is crucial to ensure inclusivity.

Last year marked a significant milestone in our mission to provide energy for the most vulnerable. Our Transforming Energy Access (TEA) study, supported by the UK Government's Foreign, Commonwealth & Development Office, delved into the unique needs and challenges faced by those in extreme poverty. It explored innovative business models and market interventions to enhance energy access for the under-served.

The TEA findings highlight that over 430 million people in Africa alone are too poor to access any type of modern energy. The report calls for a combination of tailored business models and financial interventions from governments, donors, and investors to finally address their needs in a way they can afford and reach.

These findings are starting to guide discussions among key players in the energy sector, with the aim of informing future programmes. As a result, we hope to lay the foundation for economic growth, improved health, and greater opportunities for all.

The safety and savings of solar power are transformational for women like Elizabeth.



BRIDGING THE DIGITAL DIVIDE



Bisesh Sangat, Business Development and Communication Lead at Practical Action Nepal, shares how digital literacy is transforming Nepalese farming communities - and our vision for sustainable agricultural growth.

Our agricultural sector here in Nepal, which is mainly driven by women due to male migration for work, faces many challenges. Low productivity, conventional, intensive farming methods that make soil less fertile over time, and lack of access to digital financial services hinder the growth and sustainability of agriculture in the region. With funding from Jersey Overseas Aid, we're addressing these issues by working alongside smallholder farmers so they have the knowledge and technology needed to thrive in a changing climate and global economy.

Women driving change through digital education

In rural Nepal, women are transforming farming through their financial education and digital literacy training. Our Samunnati digital finance project has seen a team of 80 female digital champions upskill themselves and share their knowledge with 5,500 smallholder farmers, 80% of whom are women. These champions guide farmers through a six-month curriculum on financial services, digital transactions, and agricultural apps. Women who once had limited access to banking now confidently handle digital transactions and make informed decisions for their farms, leading to greater independence and resilience.



Sushma is sharing her newfound digital literacy with other women in her community, challenging gender norms and boosting farming skills.



From struggling farmer to successful entrepreneur - Bishni is using digital weather forecasts to improve her yields.

Meet the female farmers leading the way

Before our initiatives, many female farmers had no access to banking services or had to walk long distances to the nearest bank, wasting valuable time and resources. Today, these women use mobile wallets, digital agricultural apps, and online platforms to enhance their productivity and market reach. Among them are Radhika Singh, Bishni Lamichhane, and Geeta Pun, whose inspiring journeys highlight the power of these tools.

Radhika now pays utility bills online instead of traveling to the city, saving her time and money she can instead spend on her farm and with her family. Bishni avoided a disastrous harvest by using the Geokrishi weather forecasting app to predict weather patterns. Geeta improved her farm using crop rotation techniques and animal care knowledge she learned in our training classes.

Women like Radhika, Bishni and Geeta are now more confident in handling finances and participating in household and community discussions. This has led to a shift in societal perceptions, with women taking on more significant roles in financial decision-making.

The impact of these changes is far-reaching. Improved agricultural practices result in higher crop yields and

better food security, ensuring that communities have a stable food supply. Increased productivity allows families to generate more income, which can be reinvested into education, healthcare, and infrastructure, further strengthening the community. We're introducing farmers to digital farming tools, which reduce their dependency on intermediaries, giving farmers direct access to markets and fairer prices for their products. This economic empowerment fosters a more resilient and self-sufficient community, capable of facing future challenges with confidence.

Digital literacy initiatives in Nepal have equipped communities of smallholder farmers, mostly women, to revolutionise their agricultural practices and financial independence.



Upskilling other female farmers in the region is all in a day's work for Laxmi - her determination and knowledge are improving the skills and confidence of a whole community of women.

Building a sustainable digital economy

By partnering with internet service providers, we expanded internet services to remote communities, laying a foundation for creating 'digital villages', as envisioned by the local governments.

Initiatives which aim to enhance financial literacy and develop digital financial ecosystems are being integrated into provincial five-year planning documents, paving the way for the creation of communities that are more resilient and able to take advantage of new opportunities to thrive.

By standing alongside smallholder farmers and opening the doors to digital financial tools and knowledge, we're driving systemic change that benefits both people and the planet. The success stories emerging from Nepal's rural communities showcase the transformative power of digital literacy to create sustainable livelihoods and help build a resilient future.



For Surja, learning financial literacy skills means more money for her family to spend on essentials like food and schoolbooks.

CHAMPIONING WOMEN IN RWANDA'S REFUGEE CAMPS >>>

Our work in Nyabiheke Refugee Camp in Rwanda highlights how community-led development can lead to significant change in a world where cultural norms, imbalanced power dynamics, and gender-based violence negatively impact women's day-to-day lives.

Our work has fostered entrepreneurship, particularly for women. Ariette, a 45-year-old displaced woman currently based in a refugee camp in Rwanda, opened an African print fabric shop with support from the local business centre. Solar streetlights provided her with a newfound sense of safety, allowing her to extend business hours and increase profitability.

"Bit by bit, my shop's profit has been helping me take care of my family and inspiring me to think of expanding my business in the future," Ariette told us.

Powering entrepreneurship

Our work with entrepreneurs like Ariette is making refugee camps safer and more optimistic places. Energy access improves income and allows families to invest in better nutrition. Streetlights enhance safety and security, while lights in schools and homes improve educational outcomes by enabling children to study and play. People are less reliant on aid, and the impact on the local environmental has improved too, with less wood and coal being burned.

We're committed to supporting people affected by displacement as well as working with host communities to enhance living conditions. Our efforts focus on creating jobs and building secure environments for refugees.



Ariette (centre), who owns a printing business, shows her love of entrepreneurship at an event organised by our team in Rwanda.

FROM RISK TO RESILIENCE



Climate Resilience expert Alioune Ndiaye discusses our efforts to help Senegalese communities withstand climate challenges and explains our ambitious plan to expand urban resilience work in West Africa.

The climate crisis is causing increasingly severe floods, which kill and displace millions of people every year. The world's poorest people are most vulnerable, making our work in areas like Thiès-Nord here in Senegal, funded by the Z Zurich Foundation, increasingly urgent as the crisis intensifies.

Thiès Nord's low-lying topography and seasonal heavy rains make it highly susceptible to flooding, which disrupts daily life, damages homes, and threatens livelihoods. In Senegal, existing text-based warning systems, which send flood alerts via SMS in French, failed to reach everyone due to low literacy rates, posing significant risks.

Our innovative approaches to climate resilience, starting with flood preparedness and community engagement, are mitigating these impacts by reducing displacement, property damage, and disruptions to education and local businesses.

Learning from flood resilience

Ten years ago, Practical Action was one of the original members of the award-winning Zurich Flood Resilience Alliance. Together, we've impacted over 874,000 people and through our advocacy work with decision makers, over USD 566 million of funding for flood resilience has been made available. We continue to draw on the opportunities long-term funding offers, as well as our collaborative model, and an evidence-driven approach, all of which help communities plan and adapt to cope better with flooding.

After ten years of progress, we've strategically evolved the Zurich Flood Resilience Alliance into the Climate Resilience Alliance, applying our flood resilience learnings to a broader context.

Through the Zurich Flood Resilience Programme, we set up a community-based early warning system in Thiès-Nord. This pilot project initially reached around 6,000 people with accessible messages, engaging local communities to identify vulnerable groups and improve adoption.

Success led to more funding from the UK Met Office, expanding the initiative to around 30,000 people in 2023-24.

Innovative flood resilience strategies in Senegal have safeguarded 30,000 people and are guiding the expansion of urban climate resilience projects across West Africa.



Flooding recently devastated areas of Daka in Senegal, highlighting the need to build flood resilience in urban areas.

Urban resilience efforts

Rapid urbanisation and deforestation in Thiès-Nord have worsened the impact of flooding, with limited green spaces to act as natural defences. By integrating insights from our Missing Voices manual, which captures marginalised perspectives to inform disaster risk management, we aim to transform climate information delivery and ensure no voices are left unheard.

Our strategic partnerships with Agrhymet, a regional climate centre in West Africa, and Jokalante, a communications provider we helped set up in 2014, have been crucial in extending the project's reach

and ensuring inclusive messaging. This collaboration draws on Agrhymet's climate expertise and Jokalante's communication capabilities to deliver precise, accessible, and effective early warning messages to vulnerable communities.

I'm personally so excited by this initiative because it marks Practical Action's first climate resilience work in Senegal, highlighting an opportunity to expand our urban resilience efforts in West Africa. By adopting a community-based approach and integrating practical insights, we're paving the way for systemic change, ensuring that communities can become more resilient in the face of climate hazards.



Special waste water drains are being used by residents to filter and dispose of dirty water, avoiding waste water polluting the streets and contributing to flood damage.



Aliou helps protect his community from floods by pumping water away from homes and businesses.

DRIVING CHANGE IN GLOBAL FORUMS >>>

The annual United Nations Framework Convention on Climate Change Conference of the Parties (COP) is the world's most prominent summit on climate change. It's a crucial platform for us to amplify the voices of the people who are most impacted by the climate crisis to the negotiations, advocating for transformational policies and robust financial commitments to face the challenges through an environmental and social justice approach.



COP28: Addressing urgent climate needs

At COP28 in Dubai, we emphasised the urgent need to reduce greenhouse gas emissions, increase financial support for climate initiatives and secure funding to address the impacts of climate-related losses and damages. We hosted sessions about the importance of Early Warning Systems for people living in flood-prone areas and making sure that funding to address loss and damage of property is accessible to communities. These measures provide people with the resources they need to prepare for, respond to, and recover from climate-related disasters.

We engaged decision-makers from international governments by showcasing locally-led adaptation solutions, aiming to influence national and regional policies. This direct engagement helps ensure that impacted communities benefit from these policies. Through alliances like the Climate Justice Alliance Bangladesh, we presented concrete evidence of climate impacts to advocate for increased climate finance.

COP29 and beyond: Ensuring long-term commitments

We've been granted official observer status at COP29, which will take place in Baku, Azerbaijan. This status allows us to continue our vital work of providing evidence and solutions to inform negotiations and advocate for necessary climate finance. Ensuring that adequate funding reaches those most in need, including consultations with the private sector to fill financing gaps, will be pivotal.

Looking further ahead, COP30 will be a critical point to assess countries' alignment with the Paris Agreement's 1.5°C goal. National Adaptation Plans and updated Nationally Determined Contributions will reflect progress and commitments made towards this goal.

Our role as a civil society organisation is still vital in the COP process. By collaborating with governments, we bridge the gap between on-the-ground impacts and policy decisions, ensuring that climate finance addresses the sustainability and resilience of vulnerable communities' livelihoods.

INGENUITY VS WASTE



Head of Programme Delivery and Operations Tazeen Hossain describes our work to improve the lives of Bangladesh’s sanitation workers, and our plans to scale up waste management innovations nationwide.

Here in Bangladesh, tens of thousands of sanitation workers face marginalisation and severe health risks due to inadequate equipment and unsafe working conditions. These workers, often part of the informal sector, perform essential yet dangerous jobs without proper recognition or support.

For over a decade, we’ve been leading initiatives to uplift these workers, largely supported by generous funding from the Bill & Melinda Gates Foundation. By gathering local insights and experiences, we’ve turned grassroots knowledge into powerful national advocacy, striving to improve working conditions, social status, and reduce health risks.

Our decade-long collaboration with waste and sanitation workers has highlighted the struggles and opportunities within this marginalised community. Our aim was for workers to be recognised and resourced as essential service providers. Through digital services and multi-stakeholder engagement, we’ve promoted public-private partnerships, creating a collaborative business environment. It’s in large part due to our efforts that over 100 municipalities in Bangladesh are now investing in a sewage collection and treatment programme.



Nuidar, a pit emptier from Bangladesh, has seen his work transformed thanks to new equipment and machinery.

Our initiatives in Bangladesh have transformed the lives of thousands of sanitation workers and set the stage for nationwide waste management innovations.



State-of-art equipment like this means pit emptiers no longer have to risk their health emptying toilet pits by hand.

Celebrating long-lasting improvements

A significant milestone was the official recognition of sanitation work as hazardous. This status grants workers more services from the government, such as access to the Labour Welfare Fund. Our advocacy has facilitated investment plans from governmental bodies including the Local Government Engineering Department and the Department of Public Health and Engineering. Crucially, sanitation worker cooperatives are now included in public-private partnerships, transitioning from marginalised groups to recognised business enterprises.

Social inclusion is central to our work. We’ve advocated for nationwide policies that improve the rights of sanitation workers, including minimum wages, formal worker recognition, and health insurance. We’re also collaborating with the Ministry of Labour and Employment and the Insurance Development and Regulatory Authority to ensure these workers receive adequate social protection.

Transforming waste work nationwide

Close to 1,500 waste and sanitation workers are currently benefiting from our efforts. However, if this project is scaled up nationwide, it has the potential to impact ten million more people through improved sanitation systems. As a first step, the government is now incorporating our transformative model into their investment plans, aiming to integrate sanitation workers into formal waste services.

Over the past year, our team has developed a network of over 2,000 sanitation workers across 11 cities, amplifying their voices at municipal and national levels. This platform advocates for the needs of the most marginalised workers, influencing better financial and governmental structures and conditions.

Our work reaches far beyond addressing waste management challenges. It’s also building dignity and safety for those who turn the city’s polluting waste into a livelihood. By bringing the voices of sanitation workers to the national stage, we aim to leave a sustainable legacy where marginalised workers are recognised, valued, and protected. Our commitment to systemic change ensures that our innovative solutions and advocacy efforts will continue to uplift communities for generations to come.

Our innovative waste treatment centre in Faridpur converts waste into a nutritious compost that is boosting harvests in the farms surrounding the city.



TRANSFORMING PLASTIC WASTE IN BANGLADESH >>

Plastic pollution severely affects human health and the environment, disproportionately affecting the poorest communities. Practical Action, in partnership with River Recycle and DANIDA (the Danish International Development Agency), is tackling this issue in Bangladesh through partnerships with waste workers, innovative technology and private sector collaboration.

River Recycle is a private business with a mission to keep plastic out of rivers and, consequently, the ocean. Our work together is a win-win-win: recycling plastic to prevent the pollution of waterways, improving the livelihoods of marginalised waste workers, and cleaning up the environment in low-income communities.

Our project in Faridpur promotes a circular economy by transforming plastic waste into valuable products such as pyrolysis oil and plastic boards, creating sustainable livelihoods for around 300 informal waste workers across four cooperatives. High-quality plastic is recycled, while lower quality plastic is used to create building materials. This initiative not only reduces pollution but also generates new income streams.



The new skills Taslima has learned means she knows what to do with different types of plastic waste to maximise her profits.



Improved waste treatment systems are improving lives and livelihoods in Bangladesh.

Driving systemic change through collaboration

Drawing on our experience with cooperatives for informal waste workers, we're developing a public-private partnership to enhance the project's sustainability.

The project seeks to process up to 362kg of polythene per day by 2025, preventing 18.1kg of CO₂ emissions from being released into the atmosphere. An essential aspect of this initiative is educating the population to separate waste at the source, promoting long-term behavioural change. As we collect data and refine our approach, we plan to scale this model to other municipalities, amplifying its impact and creating dignified jobs while protecting the environment.

FARMING FOR PEOPLE & PLANET



Henry Muchedzi, our sustainable agriculture and livelihoods expert in Zimbabwe, shares how regenerative agriculture is helping to restore soil health, improve food security, and reduce farmers' reliance on chemical inputs.

Agricultural inequalities in Zimbabwe persist, with smallholder farmers relying on chemical fertilisers and pesticides, which degrade the already poor soil quality. The climate crisis worsens these issues with increasing droughts and severe floods.

It's essential that we transform our food and farming systems. Regenerative agriculture offers food security, healthy soils, and a sustainable environment. Practical Action, supported by the King Charles III Charitable Fund, is demonstrating ways to scale regenerative agriculture in various contexts.

In early 2024, we launched an innovative project in Zimbabwe to transition regenerative agriculture from small-scale examples to commercially viable practices.

The project has secured support from local authorities, the Ministry of Agriculture, and private sector partners such as organic fertiliser companies and Africa University. These partnerships are crucial for fostering widespread adoption of regenerative practices such as crop rotation and diversification.

By 2025, two million people in rural communities will have better food security and higher incomes.

Scaling up solutions that work

Building on past successes like the Pfumvudza, a conservation agriculture technique, which improved food security and influenced government policy in Zimbabwe in 2019-23, this project aims to empower farmers to meet market demands sustainably. We're setting up agricultural hubs to train farmers in regenerative practices, linking them to value chains and organic markets to create a self-sustaining, commercial-scale model.

Aligned with Zimbabwe's national agriculture policy, this project could transform the agricultural landscape, breaking the cycle of dependency on inorganic inputs and serving as a global model for regenerative agriculture. Our initiatives in Kenya and Rwanda further highlight how these practices can be adapted and scaled in different contexts, showcasing their potential to create resilient, sustainable food systems globally.

In Kenya, our five-year project, supported by the Mastercard Foundation, is transforming the lives of over 100,000 young people across nine counties in Western Kenya. This initiative equips young people, particularly those marginalised by poverty and unemployment, with essential skills in regenerative agriculture and agribusiness. Through mentorship, training, and improved access to land, financial resources, and markets, young farmers are gaining the tools needed to build sustainable livelihoods. The project also promotes gender equality, encouraging women's participation in agriculture, and aims to foster entrepreneurship through youth-led savings and loan associations, ensuring long-term financial inclusion and resilience.



Ophias's farm in Zimbabwe is flourishing, using techniques like solar-powered irrigation that not only improve his yields but also conserve the local ecosystem for future generations.



Farmers in Kenya are growing more bountiful harvests thanks to sustainable farming techniques that boost profits while protecting the environment.

BIODIVERSITY FOR A SUSTAINABLE FUTURE



Project Manager Roxana Ramos shares our work in the Andes-Amazon Landscape, explaining how we're forging a sustainable future through regenerative agriculture.

Humanity faces interrelated crises: increasing poverty, climate change, and biodiversity loss. At the heart of the Amazon, these issues converge, demanding urgent and transformative action. Through the Biodiverse Landscapes Fund, Andes-Amazon Landscape project, funded by UK International Development Aid, we're pioneering solutions to these challenges in the Andes-Amazon Landscape, forging a path toward a sustainable future for both people and the planet.

We're at the very early stage of an ambitious six-year programme in Ecuador and Peru. Our approach is multifaceted, targeting biodiversity conservation, governance, gender equality, climate finance, and value chain strengthening. These strategic interventions are designed to promote sustainable livelihoods, halt deforestation, and enhance climate change adaptation and mitigation efforts.

Legacy and innovation in sustainable practices

With almost 40 years of experience in Latin America, we've consistently led innovative agricultural management methods. Projects like *Café Correcto* have revolutionised the coffee value chain, while the Chinchipe Forests initiative promoted sustainable livelihoods and ecosystem preservation along the Peru-Ecuador border.

Practical Action is leading a consortium that represents a powerful alliance of indigenous groups, conservation organisations, and development agencies. Key partners include the Interethnic Association for the Development of the Peruvian Rainforest, advocating for indigenous rights, and WWF, championing sustainable landscape approaches. Nature and Culture International oversees protected areas, while Terra Nuova and the Cooperation for the Development of Emerging Countries (COPSE) focus on agroecology and fair value chains. Practical Action coordinates these efforts, as well as strengthening the capacity of government and local organisations to secure further climate financing.

Our regenerative agriculture project in Peru and Ecuador is set to positively impact over 300,000 people and preserve millions of hectares of vital ecosystems.



Jacky is leading the way in Peru, using climate-smart farming techniques to grow a bountiful coffee harvest, despite climate change.



In Peru, Vicente is leading a cooperative of coffee farmers who are leading the way in sustainable farming techniques.



Our workshops and field schools are opening up a new world of opportunities for ambitious young farmers.

Tackling critical environmental and social challenges

The Andes-Amazon Landscape, spanning Ecuador and Peru, suffers from severe environmental degradation and poverty, driven by unsustainable resource use. Our initiative prioritises indigenous rights and community perspectives, aiming to positively impact over 10,000 rural families and 8 indigenous peoples, as well as preserve 2.86 million hectares of vital ecosystems. We promote sustainable activities, such as agroecology, to build resilient communities and landscapes.

Strategic goals for a sustainable future:

- Partnering with indigenous and local communities to safeguard their lands, sustain their livelihoods, and conserve biodiversity.
- Enhancing biodiversity conservation by reconnecting natural habitats in the Andes-Amazon region.
- Boosting the sustainability and competitiveness of key value chains, including coffee, cocoa, and banana.
- Allocating £10 million in climate funding for restoration, protection, and sustainable management efforts.

Our work addresses immediate environmental and social challenges while laying the groundwork for long-term sustainability. By integrating indigenous knowledge with modern practices, we aim to create resilient landscapes that benefit both people and the planet.

Fit for the future

As we report on 2023-24, the third year of our current four-year plan, we also look ahead to 2024-25 and the development of our strategy for 2030. This section highlights the principal risks we face, our approach to mitigating these risks, and how we plan to make the most of opportunities in the external world.



Climate and environmental crises

We've seen first-hand how climate change is already impacting the communities we work with, and we expect these effects to intensify. The World Bank estimates the number of people falling into poverty due to climate change by 2030 to be between 32 million and 132 million in most scenarios. External factors such as floods, prolonged monsoon seasons, droughts, and wildfires (e.g., in Bolivia) are becoming more frequent and severe.

We've been proactive in addressing how people can adapt to these issues through innovative solutions like Early Warning Systems and insurance products for vulnerable and often marginalised communities. Solutions we've been championing for a long time, such as regenerative agriculture and clean cooking, are getting recognised on the international stage. This is in part thanks in part to our work, and to the partnerships and coalitions we have with others.

We aim to leverage our experience as early champions of these solutions to promote greater adoption at scale. Our future strategy will focus on integrating these successful approaches into broader frameworks, enabling others to deliver impactful solutions on a larger scale.



Volatility and conflict

Civil war in countries like Sudan, combined with global inflation driven by conflicts elsewhere, destabilises communities and disrupts development. Many areas where we work are becoming more unstable and authoritarian, which makes our work more difficult and costly. These challenges have immediate security implications for our staff and the communities we serve, leading to escalating costs that strain our reserves.

Despite these challenges, our local staff and leadership continue to operate effectively in conflict zones, where we can. For example, in Darfur, we're one of the few organisations still working on development projects. We've also established new programmes in Sudan's Blue Nile region, focusing on agricultural projects that reduce the need for aid.

We're preparing our staff to work in a volatile, uncertain, complex, and ambiguous world. Our approach includes adapting our services to meet the needs of displaced people and host communities without engaging in frontline emergency response. As more of the places we work in become unstable, we need to adapt our strategies and collaborate with new partners who can support our mission in these challenging environments, ensuring our efforts remain impactful and sustainable despite the growing challenges.



Managing uneven growth

Despite securing large grants in 2023-24, such as from the UK Government's Department for Environment, Food & Rural Affairs (DEFRA) Biodiverse Landscapes Fund for work in Peru and Ecuador, our growth has been uneven. As a result, while our work in some geographical areas has scaled up significantly, others have received less funding, impacting the viability of our future programming in those areas.

Through our new regional hubs and directorates, we're exploring how to scale up and down more effectively in different countries. We're developing partnerships and various modalities to achieve this. Examples of these modalities include working in consortia, collaborating with or funding local partners, and consultancy rather than local registration.

We'll continue to focus on securing large awards and ensuring the quality of our delivery. Covering costs within grants and adopting a new approach to project risk management are critical steps. Additionally, we're addressing changing donor behaviours and funding flows. Although grants have grown, this increases our risks and necessitates larger reserves. Meanwhile, our supporter base, though loyal, is aging and the overall level of unrestricted donations and legacies from them remains static.

Our strategy involves diversifying funding sources, finding new flexible funding streams, and managing grant costs effectively. The funding from People's Postcode Lottery has been particularly beneficial. We're also adapting to shifts in funding towards local NGOs and areas in conflict, ensuring our business model and future strategy align with these changes.



Leading the way to a sustainable future

We're committed to reducing our environmental impact and aim to achieve Net Zero carbon emissions by 2050.

In 2022, we initiated an organisation-wide effort to carefully track our greenhouse gas emissions and develop a decarbonisation strategy, using 2022 as our baseline year. We measure our carbon footprint annually, focusing on key areas such as flights, vehicle usage, energy consumption, and paper waste. You can see the UK office energy consumption data on page 47.

We update our environmental policies regularly to incorporate the latest scientific insights and best practices. We also adhere to UK governance disclosure requirements and the principles of the UN Global Compact.

We actively monitor compliance through individual projects, ensuring they meet regulatory standards and contribute positively to global environmental goals. Our first Net Zero commitment outlines our long-term goals and will be expanded in March 2025 with new strategies to further enhance our environmental impact.

Working towards a more resilient future

As we approach the final year of our current strategy, part of 2024–25 will be devoted to developing our strategy for 2025–2030. Our commitment to creating lasting positive change to the systems that keep people vulnerable to the impacts of poverty will continue. We'll increase our focus on the impacts of climate change, pollution and nature loss; working alongside communities to create resilient livelihoods and thriving economies. By leveraging our expertise and understanding of the places we work, we'll determine how we can best contribute to meeting these commitments moving forward.

We see clear breakthroughs in areas we've advocated for over many years, such as Loss and Damage and regenerative agriculture. These areas hold significant potential for systemic change. We will be working with partners such as the Zurich Climate Resilience Alliance to ensure that these issues stay high on the global agenda and that finance flows to them.

Our approach has always been more localised compared to many international NGOs, and we plan to build on this strength. This includes the momentum of change within our trustee board and global structures. We welcome our first African Chair, Sazini Mojapelo, who was formally appointed to our board in April 2024 and will assume the role of Chair following our 2024 Annual General Meeting.

Our strategy will focus on taking solutions from small, implementations to proving their larger potential and enabling them to scale. We work with communities to ensure solutions are effective on the ground, always with an eye on delivering systemic change.

In the next year, we'll consult key stakeholders to develop this strategy, ensuring it builds on our expertise and heritage while addressing the urgent inter-related challenges of poverty, climate change, pollution and nature loss. We aim to address the disproportionate impact of climate change, pollution, and nature loss on the lives and livelihoods of the world's most vulnerable people. Our work will focus more in this area, leading to improved livelihoods, climate resilience, gender equity and social inclusion (GESI), and systems transformation.

In Kenya, smallholder farmers are redefining agriculture by integrating environmentally-friendly methods that increase income and protect natural resources.



Strategic Report

FINANCIAL AFFAIRS



Chief Operating Officer, Rachel Parr, reviews our finances over 2023-24

In an external environment that continues to be turbulent, with intensifying climate events, increasing conflict and multiple economic crises, Practical Action has delivered growth in income and careful control of expenditure. The appointment of a Regional Director for Latin America completes the creation of the regional leadership structure which allows us additional opportunities for business development and to bring oversight and support closer to the countries where our project work takes place so further improving operational delivery.

Income and fundraising

Total income was £30.0m for the year ended March 31st 2024, an 11% increase on the prior year.

Restricted income for the year was £17.1m (2023 £15.9m), an increase of 8%. Our most significant donors in the year were Swedish International Development Cooperation Agency (Sida), Mastercard Foundation, USAID (BHA), United Nations Environment Programme (UNEP) and Foreign, Commonwealth & Development Office (FCDO). We were also awarded our largest ever grant in the year from DEFRA at £14.3m which will be delivered over the next six years.

Unrestricted income for the year ended March 2024 was £13m, 17% ahead of the previous year. This was mainly driven by growth in legacy income which is our largest unrestricted income stream by value. Philanthropic giving from companies, major donors and trusts is also increasing, in large part thanks to flexible funding commitments from a number of trusts including People's Postcode Lottery and the King Charles Charitable Foundation.

Unrestricted income from Practical Action Consulting and Publishing trading subsidiaries grew by 38% to £1.9m.

Expenditure

Total expenditure was £30.5m for the year, which is an increase of £1.6m from the previous year.

Unrestricted expenditure grew by £0.2m to £12.8m compared to £12.6m in the prior year.

Total restricted expenditure increased by £1.4m to £17.7m reflecting our success in grant applications. In the year ended March 31st 2024 there were four projects with expenditure above £1m compared to five in the previous year. We also continue to focus on cost recovery in new grants to reduce the pressure on unrestricted funds.

Reserves

Total group reserves for the year ended 31st March 2024 were £7.8m of which £1.3m were restricted and £6.5m was 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, increased to £6.1m, slightly above our target range. 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 the purposes listed below.

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, 2024, for the purposes of FRS 102, showed a deficit of £243k. 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 grants

We work in partnership with a number of organisations globally and this is an important part of our work. During the financial year we granted £1.6m (2023: £2.1m) to our partners to support delivery of programmes. Due diligence is carried out prior to any agreement being made 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.

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.

By the end of 2023-2024 we secured new funding of £35.6m against a previous year total of £31.6m. Our continued success in securing grants has come from growing ambition, a global focus on large bids, and investment of finance and resource into our bid teams.

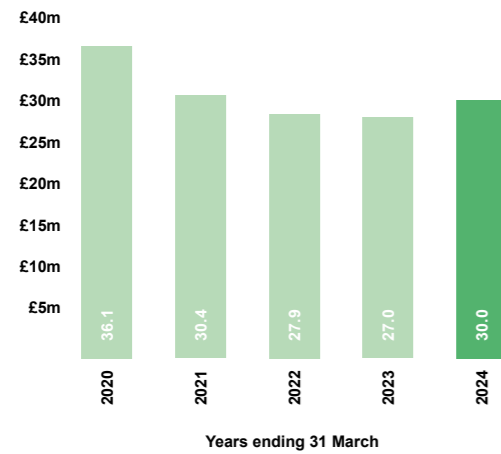
With the appointment of a Regional Director for Latin America, our regional structure is now complete allowing us to drive further improvement in delivery of our programmes going forward by bringing oversight and support much closer to all countries.

Going Concern

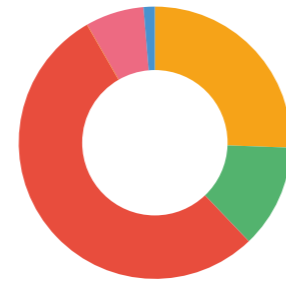
Practical Action adopted a proactive and prudent approach in 2024, paying close attention to the risks posed to income and to expenditure and level of reserves. We anticipate keeping reserves within the target range and so retaining considerable financial resilience against future uncertainty. We are therefore confident that the organisation remains a going concern.

Summary of income and expenditure

Total annual income

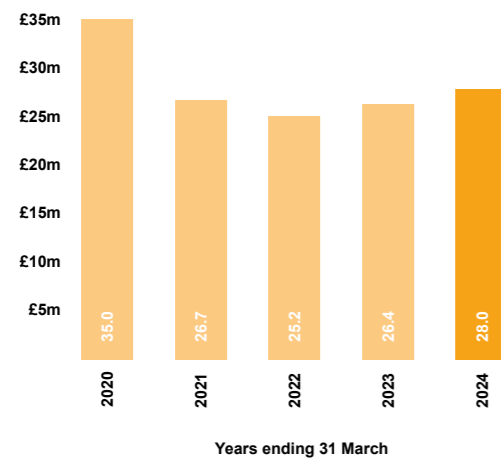


2023-24

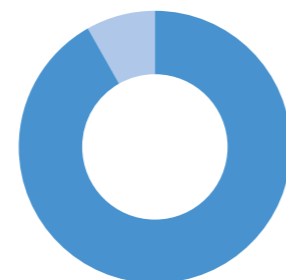


- Donations from individuals, trusts and companies £7.7m (26%)
- Legacies from people remembering us in their Will £3.7m (12%)
- Grants from governments, trusts and foundations, and companies £16.2m (54%)
- Consultancy work and Practical Action Publishing £2.1m (7%)
- Investments & Other £0.4m (1%)

Total expenditure on charitable activities (£m)



2023-24 (including fundraising and governance)



- Charitable activities £28.0m (92%)
- Fundraising £2.5m (8%)

We explain what we mean by charitable activities and how we allocate costs on pages 58 and 59.

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 the affairs of Practical Action 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 their 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 10 Trustees at the end of 2023-24.

We provide an individual induction programme and in-depth reading materials as a welcome pack 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 normal 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 2024 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 for 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 Global Leadership Team according to 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 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 Strategic 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 – Practical Action Consulting West Africa.

Practical Action Publishing Limited partners with the brightest minds to publish the latest development perspectives in a wide range of languages and formats – from practical ‘how to’ manuals to academic texts and journals; online, in print and open access formats. Its resources bridge the gap between research and practice and have reached 184 countries worldwide.

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 West Africa – 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) was set up 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. This entity is in the process of being de-registered.

We’re 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 made up of two Kenya nationals plus 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 not directly connected to Practical Action nor does Practical Action have 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 UK) work with the Practical Action Foundation.

Charity Governance Code

We’re committed to the highest standards of governance and seek to make continuous improvements in line with the principles set out in the Charity Governance Code. Leadership has been strengthened through the appointment of the Latin America Director to the Senior Leadership team to join the Africa and Asia Directors who were appointed last year. The development and implementation of a leadership and management programme have been a focus for the organisation. Training was delivered in Africa and Asia during the year. An organisation-wide policy review was delivered,

and completion of mandatory training is a key objective for all staff and managers. 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, amongst other matters, the impact of their decisions on various stakeholder groups. The groups we consider in this regard are our employees, our beneficiaries, our funders, and our delivery partners, as well as the wider 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’re committed to conducting business responsibly. The directors do not believe that there have been any key decisions faced during the year which require specific reference and have had a significant impact on any of the company’s stakeholder groups.

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. We’ve developed a Supporter Promise which contains our commitments to supporters of being honest, accountable, and respectful in our communication. We also commit to putting supporters in control of how we contact them, making it easy for them to change the frequency and channels of communication.

Our supporters can be assured that we’re registered with the Fundraising Regulator and that 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 six complaints relating to fundraising activities in 2023-24. 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. We reviewed and updated our Supporter Fundraising Policy and the accompanying compliance handbook in 2023-24. These cover topics including current fundraising regulations, data protection, accepting and refusing donations, protecting vulnerable people, and complaints procedures.

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.

In 2023-24, 23,774 people supported us with a gift. 1,335 of these were new donors. Despite external challenges, our fundraising performance has allowed us to continue to invest in securing income for the future. Thanks to pledges from committed givers and other donors, at the start of 2024-25, we’re confident that 39% of our public fundraising target is already secured.

Remuneration and staff engagement

Our remuneration policy is based on an ambition to recruit and retain skilled staff who are remunerated fairly but primarily motivated to work with us because of our mission. We aim to pay staff at a level close to the relevant market median, similar organisations, and equivalent roles in the local employment market, using a fair and transparent pay system free from individual bias. We aim for equitable remuneration for all employees regardless of sex, race, religion, ethnic or national origin, caste, tribe, belief, age, marital status, civil partnership, pregnancy, caring responsibilities, sexual orientation, gender reassignment or disability.

Management remuneration committees are accountable for determining pay scales, benefit packages and cost-of-living awards based on a consideration of benchmarking surveys, local inflation, recruitment and retention experience, affordability and financial performance, employment market trends, and any other relevant factors pertaining to the local context. The management remuneration committees are held to account by the Governance and People Committee of the Board. Remuneration of Executive Directors is subject to

the approval of the Governance and People Committee. Chief Executive Officer’s remuneration requires Board approval.

We’re committed to the continuing development of our equality, diversity, inclusion and belonging strategy which provides a comprehensive framework for fostering an inclusive workplace. We also have specific policies on gender and diversity and dignity at work.

As a global organisation we value the richness of perspectives and experiences that a diverse workforce brings. We seek to build a culture of meritocracy, openness, fairness and transparency, where people are accepted as individuals regardless of their differences and where they feel their contribution is heard, respected and valued.

We promote equality of opportunity and stand against all forms of discrimination and will support affirmative action where and when the context arises.

We deeply value staff engagement as its essential to our success, and we gather valuable insights and feedback on a regular basis from our people about their experiences, satisfaction and engagement with the organisation via a range of methods including staff surveys.

Global gender pay data

The global gender pay data indicates a 21% mean pay gap in favour of women, a decrease from 27% last year. This reduction is primarily driven by the high proportion of women working in the UK (59%) and Senegal (62%). Offices in Peru (51%) and Bolivia (50%) have a more balanced gender distribution. Globally, 45% of the workforce is female.

The UK plays a key role in influencing the global pay gap due to its higher salaries, with women occupying 67% of the top salary quartile, compared to 75% in Senegal. When UK data is excluded, the global pay gap reduces to 16% in favour of women.

The mean pay gap in the UK increased from 3% to 11% in favour of men, which can be attributed to a rise in the proportion of men in the top salary quartile.

Other regions showed varied trends: Nepal saw a reduction in the mean pay gap from 14% to 3% in favour of men due to an increase in women in higher salary quartiles. Peru and Rwanda had pay gaps favouring women at 10% and 9%, respectively.

Ongoing efforts to address disparities include initiatives like the Women Trainee Programme in Nepal, which supports young professionals and socially excluded groups, in progressing their careers. The program’s success has prompted plans for expansion to other regions.

Safeguarding

We firmly believe that nobody should experience exploitation or abuse, including sexual exploitation or abuse, bullying or harassment, and we take our responsibility to protect people coming into contact with our work seriously. We seek to create a strong and effective safeguarding culture that promotes the rights and protection of beneficiaries, community members, staff, volunteers, or anyone else impacted by our activities.

The Safeguarding Policy is reviewed and approved by the Board and a designated Safeguarding trustee. Shivani Wadhwa is the safeguarding trustee and Chair of the Governance and People Committee.

Global policies in Recruitment, Pre-employment screening and references are in place and designed to prevent the perpetrators of abuse from being employed through safer recruitment practices. All staff are trained in safeguarding through both e-learning and face-to-face. Our offices continue to undertake annual self-assessments on safeguarding measures, and we track compliance levels through our organisational Key Performance Indicators. We’ve commenced the roll out of new Safeguarding Communities Framework in three Country Offices and will continue to roll this out in all other locations over the next two years. Awareness of available reporting mechanisms is prioritised, 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 one of the ways we demonstrate our commitment to safeguarding. As such, we record, report, and publish the number and type of complaints received. Regular reports of these complaints are provided to the Governance and People Committee and details of all concerns are provided.

During 2023-24, we have had two safeguarding complaints reported, but following through investigation of these incidents, these were not deemed

to be safeguarding and were managed as serious complaints and accordingly dealt with under the appropriate organisational policy. We continue to evaluate and implement key learnings from an internal perspective, and we’re also committed to working with the international development sector, along with other International Non-Governmental Organisations, the Foreign, Commonwealth and Development Office, and the UK Charity Commission, to “improve the standards and delivery of safeguards, including a culture of zero tolerance to sexual exploitation and abuse in all we do.”

Section 172 Governance disclosure on carbon reporting

Practical Action is deeply concerned about climate change and its effects on everyone especially marginalised, low-income 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 footprint, while still being able to carry out work effectively.

The organisation does this by looking at and managing the emission 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 are; flights (international and national), use of vehicles, gas and electricity usage, and paper.

	2023-24	2022-23 (restated)
UK Energy consumption used to calculate emissions (kWh)	92,275	103,060
Energy consumption breakdown (kWh)		
Gas	85,572	96,818
Electricity	6,703	6,242
Associated greenhouse gas emissions (kg CO ₂) ₂ equivalent)		
Gas	17,369	19,651
Electricity	1,423	1,325
Total Associated Greenhouse gas emissions (Kg CO₂ equivalent)	18,792	20,976
Intensity ratio (kg CO ₂ equivalent per square feet)	1.95	2.03

Calculation for intensity ratio: kg CO₂ divided by office size - 9591 sq. ft (2023 - 10,350 sq. ft)

The figures for 2022-23 have been restated due to an error in the 2022-23 Annual Report and Accounts. This was due to a misreading of electricity consumption.

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 have 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 they have put in place are for the public benefit and this is fundamental to all areas of our operation in undertaking current activities, planning future activities, and measuring outcomes. The Trustees' and Directors' Annual Report and Strategic Report explain the main activities undertaken by the organisation this year – focusing on our work with the poor women and men in developing countries where we have country and regional programmes.

Risk management

Every quarter the Directors team review and update the group level risk register, which is then reviewed by the Finance Audit and Risk Committee, on behalf of the Board. Country teams also update their risk registers quarterly. This ensures that the risks to which the organisation are exposed are properly identified, reviewed, and evaluated. 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 well-established system of internal controls which are used to govern 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 in accordance with a trustee approved plan. The Finance, Audit and Risk Committee reviews all reports and receives Group-wide quarterly updates on progress of agreed action points.

Principal Risks

The conflict in Sudan was a major disruptor in 2023-24. Whilst we've managed to retain a presence, we've had to move, reschedule, and occasionally cancel activities and give increased attention to the security of our staff, many of whom are now refugees or Internally Displaced Persons. We operate in many countries which are politically volatile or where there is significant potential for civil unrest. We've been reinforcing our security protocols and planning for dealing with shutdowns or with funders pausing strategies and funding ahead of governmental elections.

The war in Ukraine continued to affect food security for many low-income countries. High rates of inflation – although they eased slightly during the year – affected multiple aspects of our work including our unrestricted funding. We updated our financial scenarios and implemented changes to reduce our expenditure. Continuing volatility in the labour market made recruitment for some specific roles more challenging than expected. We're reviewing our approach to reward as well as developing our learning and development offer.

Failure to secure sufficient income would restrict ability to deliver our full strategy. In 2023-24, we have had continued success in raising restricted (programme) funding and our future pipeline is strong. Our unrestricted income was on budget but is likely to decrease slightly as a proportion of our overall income and we're working to adapt our business model to deal with a different balance of restricted and unrestricted funding.

With a rapidly changing external environment the failure to adapt swiftly enough to opportunities and challenges is a risk which we continue to be focused on. We continued to move forward with adapting our structure and leadership team, with a new post of Latin America Director joining the Africa and Asia Directors on the Global Leadership Team to drive forward our global strategy and support the development of new local and regional partnerships.

Efficient programme implementation and stronger financial management are areas we have had to increase our focus on in a few countries and programmes due to the risks of not delivering our objectives or our commitments to donors. We're working to strengthen rigour and compliance at all levels, supported by Operations Manager roles at the regional level and updated approaches to due diligence, project risk analysis and monitoring.

We continue to focus on managing the risk that we fail to be an inclusive organisation. We've developed an Equality, Diversity and Inclusion programme. We continue to shift the balance of senior roles from the UK so that there is greater leadership, responsibility, and accountability in Africa, Asia, and Latin America. We continue to roll out a programme of inclusive leadership training internationally and completed a programme of race awareness training in the UK.

Safeguarding remains a key risk. We have a safeguarding group made up of key roles across the organisation, which meets regularly. We have a rolling programme of safeguarding training for all staff and have started to extend this to cover partners and communities.

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 a true 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 the 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 statements

comply 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 for the prevention and detection of 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, in order 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

In 2024 Practical Action carried out a scheduled procurement for the audit through an open tender process. Consequently, a resolution will be proposed at the Annual General Meeting for appointment of auditors for the ensuing year.

The Trustees are pleased to present the Trustees' Report and Accounts for the Charity for the year ended 31 March 2024, which have been prepared in accordance with the Charity Statement of Recommended Practice – SORP 2015 and the Companies Act 2006.

Corporate directory

Legal and administrative details

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

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

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

Charity number: 247257

Auditors: Crowe U.K. LLP, Statutory Auditor, Black Country House, Rounds Green Road, Oldbury, B69 2DG

Solicitors: Farrer & Co LLP, 66 Lincoln's Inn Fields, London, WC2A 3LH; Bates Wells, 10 Queen Street Place, London. EC4R 1BE

Company number: 00871954

Executives

Global leadership team

Chief Executive

Sarah Roberts

Asia Director

Ayan Banerjee

Fundraising, Marketing and Communications Director

Rachel Hudson

Chief Operating Officer

Rachel Parr
(resigned July 2024)

Africa Director

Akinyi Walender

Impact, Influence and Innovation Director

Simon Hotchkin

Alex Bush

(Interim: appointed July 2024)

Latin America Director

Alicia Quezada
(appointed April 2024)

Country Directors

Kenya Country Director

Susan Maina

West Africa Director (Senegal and Burkina Faso)

Edwin Obiero
(resigned October 2024)

Bangladesh Country Director

Shawkat Begum
(resigned June 2024)

Rwanda Country Director

Denyse Umubyeyi

Amadou Barry

(Interim: appointed October 2024)

Achyut Luitel

(Interim: June - September 2024)

Sudan Country Director

Muna Eltahir

Nepal Country Director

Pooja Sharma

Ishrat Shabnam

(appointed September 2024)

Bolivia Country Representative

Victor Yapu
(resigned June 2024)

Peru Country Director

Pamela Girano
(appointed September 2024)

Zimbabwe Director

Emmanuel Madhara
(departed March 2024)

Shirley Pazos

(appointed July 2024)

Trustees

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:

Martin Tyler (Chair)^{1 2}

Shivani Wadhwa ^{*1}

Aki Temiseva
(appointed July 2024)

Fayezul Choudhury^{*2 1}

Matt Haikin

Jane Sloane
(appointed July 2024)

Graham Young^{1 2}

Hope Chigudu¹
(stood down October 2024)

Ian Thornton

Sazini Mojapelo *(Chair Designate)*
(appointed April 2024)

Key
1. Member of Governance and People Committee
2. Member of Finance, Audit and Risk Committee

Joanne Smith²
(stood down October 2023)

Claire Ireland
(appointed July 2024)

* denotes Chair of the Group/Committee

Rachel Sibande

Isabel Studer Noguez
(appointed July 2024)

Bill Liao²

Mourad Wahba¹

This report, which incorporates the Trustees' and Directors' Annual Report and Strategic Report, was approved by the Board on 13th November 2024 and signed on their behalf by:



Martin Tyler

Chair of the Board of Trustees



Independent Auditor's Report to the Members of Practical Action

Opinion

We have audited the financial statements of Practical Action ('the charitable company') and its subsidiaries ('the group') for the year ended 31 March 2024 which comprise Consolidated Statement of Financial Activities, Consolidated Balance Sheet, Consolidated Statement of Cash Flows, and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the charitable company's affairs as at 31 March 2024 and of the group's 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 or the group'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 prepared for the purposes of company law, for the financial year for which the financial statements are prepared

is consistent with the financial statements; and

- the directors' report included within the trustees' report 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 group and charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

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

- 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 49, 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 located 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 was 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 significant 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. The laws and regulations we considered in this context were the Companies Act 2006, the Charities Act 2011 together with the Charities SORP (FRS 102). 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 regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and the group for fraud. The laws and regulations we considered in this context for the UK operations were General Data Protection Regulation (GDPR), Health and safety legislation, Employment legislation and Anti-fraud, bribery and corruption legislation. We also considered compliance with local legislation for the group's overseas operating segments.

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 identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the

timing of recognition of grant income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, internal audit, component auditors and the Finance, Audit & Risk Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, designing and performing audit procedures over the timing of grant income, reviewing accounting estimates for biases, 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.

These inherent limitations are particularly significant in the case of misstatement resulting from fraud as this may involve sophisticated schemes designed to avoid detection, including deliberate failure to record transactions, collusion or the provision of intentional misrepresentations.

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.



Kerry Brown
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor
Black Country House
Rounds Green Road
Oldbury
B69 2DG

Date: 14th November 2024

Financial statements

Consolidated statement of financial activities for the year ended 31 March 2024 (incorporating the income and expenditure statement)

	Note	Unrestricted £'000	Restricted £'000	Total 2024 £'000	Total 2023 £'000
Income and endowments from:					
Donations and Legacies	3	10,654	724	11,378	11,863
Charitable activities	3	1,926	16,350	18,276	14,728
Investments	3	52	-	52	64
Other income	3	319	(4)	315	329
Total income and endowments	3	12,951	17,070	30,021	26,984
Resources expended					
Expenditure on raising funds	4	2,523	2	2,525	2,496
Total expenditure on raising funds		2,523	2	2,525	2,496
Expenditure on charitable activities:					
Energy that transforms	4	3,836	5,731	9,567	6,456
Farming that works	4	2,702	5,933	8,635	10,254
Cities fit for people	4	454	1,171	1,625	1,437
Resilience that protects	4	1,877	4,430	6,307	6,921
Knowledge that inspires	4	624	6	630	750
Other	4	797	462	1,259	607
Total expenditure on charitable activities		10,290	17,733	28,023	26,425
Total expenditure	4	12,813	17,735	30,548	28,921
Net gain/(loss) on investments	8	31	-	31	(34)
Net income/(expenditure)		169	(665)	(496)	(1,971)
Actuarial gain / (loss) on defined benefit pension scheme	16	157	-	157	(1,506)
DB scheme asset ceiling changes		-	-	-	1,004
Net movement in funds		326	(665)	(339)	(2,473)
Balance brought forward 01 April		6,206	1,991	8,197	10,670
Balance carried forward as at 31 March	14,15	6,532	1,326	7,858	8,197

The notes on pages 58 to 85 form part of these financial statements.

Consolidated and charity balance sheets at 31 March 2024

	Note	Group		Charity	
		2024 £'000	2023 £'000	2024 £'000	2023 £'000
Fixed assets					
Intangible assets	7	23	34	-	-
Tangible assets	7	959	913	947	906
Investments	8	937	2,837	940	2,840
Programme investments	8	-	-	29	29
Total fixed assets		1,919	3,784	1,916	3,775
Current assets					
Stock	9	88	131	-	-
Debtors	10	6,908	7,570	6,943	8,015
Cash at bank and in hand	11,18	7,961	8,433	7,520	8,166
Total current assets		14,957	16,134	14,463	16,181
Creditors: amounts falling due within one year	12	(8,769)	(10,954)	(8,172)	(10,544)
Net current assets		6,188	5,180	6,291	5,637
Provisions for liabilities and charges	13	(6)	(276)	(6)	(276)
Net assets before pension liability		8,101	8,688	8,201	9,136
Defined benefit pension scheme liability	16	(243)	(491)	(243)	(491)
Net assets after pension liability		7,858	8,197	7,958	8,645
Funds					
Restricted	14	1,326	1,991	1,326	1,991
Unrestricted fixed assets	14	430	946	430	906
Revaluation reserve	14	91	60	91	60
General funds		6,011	5,200	6,111	5,687
Unrestricted funds net of pension liability	14	6,532	6,206	6,632	6,653
Total Funds	14	7,858	8,197	7,958	8,644

The net deficit for the financial year dealt within the financial statements of the parent charity was £686k (2023 - £2,269k).

The notes on pages 58 to 85 form part of these financial statements.

The financial statements were approved by the board on 13th November 2024.



Martin Tyler
Trustee

Fayeul Choudhury
Trustee

Company Number: 00871954

Consolidated cash flow statement for the year ended 31 March 2024

	Note	2024 £'000	2023 £'000
Cash flows from operating activities:			
Net cash (used in)/provided by operating activities	17	(2,130)	348
Cash flows from investing activities:			
Dividends, interest and rents from investments		52	30
Purchase of property, plant and equipment		(337)	(521)
Proceeds from the sale of property, plant and equipment		12	-
Net cash provided by/(used in) investing activities		(273)	(491)
Net cash (used in)/provided by financing activities			
		-	-
Change in cash and cash equivalents in the reporting period		(2,403)	(143)
Cash and cash equivalents at the beginning of the reporting period		10,817	10,960
Cash and cash equivalents at the end of the reporting period	18	8,414	10,817

The notes on pages 58 to 85 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. 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 2024 using the acquisition method of accounting. The results of subsidiary undertakings are included from the date of acquisition. Dormant companies are excluded.

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 expenditure includes net expenditure from the charitable company itself of £0.7m (2023: £2.3m).

Income and endowment

Income is accounted for on an 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.

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 straight line
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.

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 on the grounds of redundancy 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 16. A liability of £243k (2023: £491k) 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.

3. Income and endowments

The table below lists funders who contributed over £250,000 to charitable activities carried out in 2023-24. 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.

	Unrestricted £'000	Restricted £'000	Total 2024 £'000	Total 2023 £'000
Bill & Melinda Gates Foundation	-	294	294	366
British International Investment (BII)	-	779	779	-
Carbon Trust	-	527	527	202
Danish International Development Agency (DANIDA)	-	302	302	-
EnDev	-	326	326	550
Foreign, Commonwealth and Development Office (FCDO)	-	917	917	1,496
Food and Agricultural Organisation (FAO)	-	-	-	128
German Technical Cooperation Agency (GIZ)	-	379	379	425
Grundfos Foundation	-	102	102	798
Hivos	-	-	-	114
IKEA Foundation	-	729	729	1,816
International Potato Center	-	356	356	-
Jersey Overseas Aid (JOA)	-	377	377	-
Livelihoods Venture	-	581	581	-
Mastercard Foundation	-	2,101	2,101	320
Old Dart Foundation	-	185	185	344
Swedish International Development Cooperation Agency (Sida)	-	2,673	2,673	555
United Nations Children's Fund (UNICEF)	-	-	-	212
United Nations Development Programme (UNDP)	-	555	555	658
United Nations Environment Programme (UNEP)	-	1,102	1,102	1,246
United Nations Office for The Coordination Of Humanitarian Affairs (UNOCHA)	-	-	-	2,098
USAID	-	-	-	335
USAID Bureau for Humanitarian Assistance (BHA)	-	1,767	1,767	254
Zurich Insurance Company Ltd and its Z Zurich Foundation	-	625	625	1,517
Other (donations under £250k)	12,951	2,393	15,344	13,549
Total	12,951	17,070	30,021	26,984

	Unrestricted £'000	Restricted £'000	Total 2024 £'000	Total 2023 £'000
Donations and Legacies				
Donations	6,975	724	7,699	8,483
Legacies *	3,679	-	3,679	3,380
Total Donations and Legacies	10,654	724	11,378	11,863
Charitable activities				
Grant income	168	16,056	16,224	12,923
Consultancy and Publishing income	1,758	294	2,052	1,805
Total charitable activities	1,926	16,350	18,276	14,728
Investments				
Interest	52	-	52	64
Total investments	52	-	52	64
Other				
Other income	319	(4)	315	329
Total other	319	(4)	315	329
Total	12,951	17,070	30,021	26,984

* Approximately £2,808k (2023: £3,058k) of residual and £32k (2023: £41k) of reversionary legacies had been notified to the charity before 31 March 2024 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 2024 Practical Action received gifts in kind totalling £223k (2023: £174k).

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 (2023 : 750)

4. Total resources expended

	Grants payable £'000	Direct costs £'000	Support costs £'000	Total 2024 £'000	Total 2023 £'000
Fundraising:	-	2,211	314	2,525	2,496
Charitable activities:					
Energy access	281	8,094	1,192	9,567	6,456
Food and agriculture	403	7,156	1,076	8,635	10,254
Urban water and waste	256	1,167	202	1,625	1,437
Disaster risk reduction	321	5,200	786	6,307	6,921
Knowledge broking	-	552	78	630	749
Other	293	368	94	755	2
Governance	-	441	63	504	605
Total expenditure on charitable activities	1,554	22,978	3,491	28,023	26,425
Total resources expended	1,554	25,189	3,805	30,548	28,921

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	2024 £'000	2023 £'000
CEO Office	205	221
Marketing and Communications	510	627
Finance	1,268	1,158
IT	607	532
HR	798	685
Facilities and Services	341	324
Other *	76	83
Total	3,805	3,630

* 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 2024 £'000	Total 2023 £'000
Charitable activities:		
East Africa	7,346	4,749
Latin America	3,276	3,490
South Asia	3,841	3,106
Southern Africa	1,973	1,363
Bangladesh	2,008	2,367
Sudan	2,923	5,214
West Africa	1,075	644
International programme work	5,077	4,887
Governance costs	504	605
Total expenditure on charitable activities	28,023	26,425

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

During the year ended 31 March 2024, 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 2024 £'000	Total 2023 £'000
Grants to partners greater than £200k		
DECOS	389	316
Friends of Peace and Development Organization (FPDO)	-	262
DEPROSC-Nepal	221	-
Welthungerhilfe (WHH)	-	426
Other	944	1,157
Total	1,554	2,161

	2024 £'000	2023 £'000
Amounts payable to the auditor		
Statutory audit	87	72
Tax advisory services	11	-
Other financial services	2	5
Total	100	77

5. Employees

Staff costs	2024 £'000	2023 £'000
Wages and salaries	10,116	10,516
Social security costs	689	875
Pension costs (employee benefit scheme)	169	52
Pension (stakeholder scheme)	819	829
Staff end of service costs*	387	282
Redundancy, ex gratia and termination costs**	152	262
Total emoluments of employees	12,332	12,816
Other staff costs ***	41	250
Total staff costs	12,373	13,066

*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.

** Redundancy, ex gratia and termination costs of £152k relating to 8 members of staff were charged in the year.

*** Other staff costs consists of temporary and agency staff.

Average number of full time equivalent employees	2024 Number	2023 Number	Average number of employees	2024 Number	2023 Number
Eastern Africa	72	62	Eastern Africa	80	62
Latin America	75	71	Latin America	85	72
South Asia	58	53	South Asia	58	53
Southern Africa	32	20	Southern Africa	32	20
Bangladesh	61	84	Bangladesh	61	84
Sudan	36	33	Sudan	36	33
UK	91	104	UK	98	108
Total	425	427	Total	450	432

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

	2024 Number	2023 Number
£60,001 - £70,000	6	8
£70,001 - £80,000	2	3
£80,001 - £90,000	2	1
£90,001 - £100,000	2	-
£100,001-£110,000	3	1

The total cost of remuneration for the CEO during the year was £107,913 (2023: £107,625)

Benefits are accruing to nine (2023: eight) higher-paid employees under Practical Action's stakeholder pension scheme, which is open to all eligible employees. Employer contributions of £27,552 (2023: £58,666) have been made into this stakeholder scheme for these higher-paid employees. Within Practical Action's Employee Benefits Scheme, benefits are accruing for no (2023: none) higher-paid employee.

Earnings for key management personnel, which are considered to be the Global Leadership Team (GLT) as listed on page 50 were £684k in 2023-24 (2022-23: £702k). This represented 7 people in 2023-24 (2022-23: 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. No expenses were reimbursed to Trustees during the year (2023: £3,667 to four Trustees for travel and refreshment costs for meetings, and postage).

Indemnity insurance is provided for Trustees which is incorporated into a Professional Indemnity policy for the Organisation at a total cost of £30,240 (2023 policy: £30,240).

6. Net income from trading subsidiaries and summary balance sheets

The results of the principal trading subsidiaries are summarised below:

	Practical Action Consulting	PAC India*	PAC Nepal Private Ltd*	PAC Malawi*	PAC Bangladesh*	PAC Peru*	Practical Action Publishing
	2024	2024	2024	2024	2024	2024	2024
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Income	1,023	29	342	-	75	-	462
Expenditure	(800)	(22)	(337)	-	(65)	-	(496)
Net profit/(loss)	223	7	5	-	10	-	(34)
Income per subsidiary accounts	1,023	29	342	-	75	-	462
Less: grants from parent charity	(20)	-	-	-	-	-	(50)
	1,003	29	342	-	75	-	412
Expenditure per accounts	(800)	(22)	(337)	-	(65)	-	(496)
Less: group charges	-	-	-	-	-	-	40
	(800)	(22)	(337)	-	(65)	-	(456)
Net effect on group results for the year	203	7	5	-	10	-	(44)

Summary balance sheet

Fixed Assets	1	-	6	-	-	-	24
Investment	65	-	-	-	-	-	-
Net current assets/(liabilities)	(420)	(80)	219	(124)	83	12	(238)
Net assets / (liabilities)	(354)	(80)	221	(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.

	Practical Action Consulting 2023 £'000	PAC India* 2023 £'000	PAC Nepal Private Ltd* 2023 £'000	PAC Malawi* 2023 £'000	PAC Bangladesh* 2023 £'000	PAC Peru* 2023 £'000	Practical Action Publishing 2023 £'000
Income	592	49	323	-	163	-	357
Expenditure	(710)	(49)	(340)	-	(96)	-	(502)
Profit/(loss)	(118)	-	(17)	-	67	-	(145)
Income per subsidiary accounts	592	49	323	-	163	-	357
Less: grants from parent charity	(89)	-	-	-	-	-	(50)
	503	49	323	-	163	-	307
Expenditure per accounts	(710)	(49)	(340)	-	(96)	-	(502)
Less: group charges	69	-	-	-	-	-	48
	(641)	(49)	(340)	-	(96)	-	(454)
Net effect on group results for the year	(138)	-	(17)	-	67	-	(147)

Summary balance sheet							
Fixed Assets	2	-	2	-	-	-	36
Investment	65	-	-	-	-	-	-
Net current assets/(liabilities)	(679)	(87)	237	(124)	72	12	(417)
Net assets / (liabilities)	(612)	(87)	239	(124)	72	12	(381)
Called up share capital	-	29	35	-	10	13	-
Profit & loss account	(612)	(116)	204	(124)	62	(1)	(381)
Surplus/(deficit) on shareholder funds	(612)	(87)	239	(124)	72	12	(381)

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

7. Intangible and tangible assets

Intangible fixed assets	Total £'000
Group cost	
At 1 April 2023	101
Additions	4
At 31 March 2024	105
Amortisation	
At 1 April 2023	67
Charge for the year	15
At 31 March 2024	82
Net Book Value (NBV)	
At 31 March 2023	34
At 31 March 2024	23

Tangible fixed assets	Freehold and Leasehold property £'000	Motor vehicles £'000	Computer equipment £'000	Furniture and other equipment £'000	Total £'000
Group cost or valuation					
As at 1 April 2023	136	2,215	1,756	1,294	5,401
Additions	-	189	115	29	333
Disposals	(8)	(18)	(22)	(4)	(52)
At 31 March 2024	128	2,386	1,849	1,319	5,682
Depreciation					
As at 1 April 2023	-	1,714	1,534	1,240	4,488
Charge	-	132	99	22	253
Disposals	-	-	(18)	-	(18)
At 31 March 2024	-	1,846	1,615	1,262	4,723
Net Book Value (NBV)					
As at 1 April 2023	136	501	222	53	913
As at 31 March 2024	128	540	234	57	959

All of the charity's fixed assets are held primarily for direct charitable use.

	NBV 2024 £'000	NBV 2023 £'000
Tangible fixed assets of the subsidiary undertakings		
Computer equipment	12	6

8. Investments

	Group		Charity	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Cash investments				
Cash investments	453	2,384	453	2,384
Common investment fund	487	456	487	456
Investment bonds	(3)	(3)	-	-
Impairment provision	-	-	-	-
Total	937	2,837	940	2,840

Programme investments				
Programme investments	-	-	29	29
Total	-	-	29	29

Reconciliation of common investment fund:	£'000
Historical cost	396
Opening balance at 1 April 2023	456
Additional investment	-
Realised gain	31
Closing balance at 31 March 2024	487

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) The Robbins Building, 25 Albert Street, Rugby, Warwickshire, England, CV21 2SD	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) Oficina Regional de América Latina, Centro Empresarial Peruano Suizo Av. Aramburú 166 Of. 2A, Miraflores, Lima, Perú	Peru	49% PAC 51% PA staff	Consultants for agriculture and industry
Practical Action Consulting Limited – Sarl (Reg. No. 008075807) Cité des Administrateurs civils, Lot 17 No 4, Dakar	Senegal	100%	Consultants for agriculture and industry

9. Stock

	Group		Charity	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Finished goods	84	126	-	-
Work in progress	4	5	-	-
Balance sheet total	88	131	-	-

A stock impairment of £50k (2023: £nil) was recognised in the year.

10. Debtors

	Group		Charity	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Trade debtors	2,776	3,879	2,349	3,439
Prepayments & accrued Income	3,622	2,858	3,119	2,619
Amounts owed to the charity by the group	-	-	1,065	1,251
Other debtors	510	832	410	706
Total	6,908	7,570	6,943	8,015

11. Cash at bank and in hand

	Group		Charity	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Cash and bank balances in UK	4,821	3,738	4,805	3,738
Cash and bank balances overseas	3,111	4,690	2,687	4,423
Petty cash	29	5	28	5
Total	7,961	8,433	7,520	8,166

12. Creditors: amounts falling due within one year

	Group		Charity	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Trade creditors	943	573	728	498
Payments received in advance*	3,787	7,922	3,731	7,814
Accruals	1,350	754	1,147	556
Taxation and social security	404	272	387	257
Other creditors	2,285	1,433	2,179	1,419
Total	8,769	10,954	8,172	10,544

*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
Balance brought forward	7,922	7,814
Released to income	(7,299)	(7,814)
Received in year	3,164	3,731
Balance carried forward	3,787	3,731

13. Provisions

	Balance at 1 April 2023 £'000	Provisions created £'000	Provisions utilised £'000	Balance at 31 March 2024 £'000
Project issues	260	18	(275)	3
Redundancy	2	-	(2)	-
Annual leave/retirement provision	5	-	(5)	-
Other	9	3	(9)	3
TOTAL	276	21	(291)	6

14. Funds note

	Balance at 1 April 2023 £'000	Incoming resources £'000	Expenditure and charges £'000	Transfer 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

	Balance at 1 April 2022 £'000	Incoming resources £'000	Expenditure and charges £'000	Transfer in/(out) £'000	Balance at 31 March 2023 £'000
Designated reserves					
Fixed asset fund	792	-	-	154	946
Revaluation reserve	94	-	-	(34)	60
Free reserves	7,362	11,069	(13,111)	(120)	5,200
Total unrestricted funds	8,248	11,069	(13,111)	-	6,206
Restricted funds					
Energy that transforms	252	3,203	(3,466)	-	(11)
Farming that works	(289)	7,304	(6,983)	-	32
Cities fit for people	54	972	(979)	-	47
Resilience that protects	1,866	4,507	(4,791)	-	1,582
Other	539	(105)	(93)	-	341
Total restricted funds	2,422	15,881	(16,312)	-	1,991
Total funds	10,670	26,950	(29,423)	-	8,197

15. Total funds

	Unrestricted funds £'000	Restricted funds £'000	2024 Total £'000
Fixed assets	430	552	982
Investments	937	-	937
Stock	88	-	88
Debtors	4,284	2,624	6,908
Cash at bank and in hand	6,079	1,882	7,961
Creditor: amount due within than 1 year	(5,040)	(3,729)	(8,769)
Provisions for liabilities and charges	(3)	(3)	(6)
Pension liability	(243)	-	(243)
Total	6,532	1,326	7,858

	Unrestricted funds £'000	Restricted funds £'000	2024 Total £'000
Fixed assets	784	162	946
Investments	2,837	-	2,837
Stock	130	-	130
Debtors	2,057	5,513	7,570
Cash at bank and in hand	4,288	4,146	8,434
Creditors: amount due within than 1 year	(3,140)	(7,814)	(10,954)
Provisions for liabilities and charges	(259)	(16)	(275)
Pension liability	(491)	-	(491)
Total	6,206	1,991	8,197

16. 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 £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 £87,300 in January 2024 plus monthly deficit contributions of £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 £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 2024 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:

	2024	2023
Discount rate	4.90%	4.80%
Inflation (RPI)	3.40%	3.40%
Inflation (CPI)	2.90%	2.50%
Future salary increases	3.40%	4.70%
Revaluation in deferment	2.40%	2.50%
Pension Increases RPI (0,5)	3.15%	3.40%
Pension Increases Fixed 3	3.00%	3.00%
Mortality		
– Base table	S3PXA	S3PXA
– Allowance for future improvements	CMI2022[1%]	CMI2019[1%]

Balance Sheet Position

	2024 £'000	2023 £'000
Present value of funded obligations	(7,747)	(8,284)
Fair value of plan assets	7,504	7,793
Deficit per FRS102	(243)	(491)
Amounts in the balance sheet:		
Liabilities	(243)	(491)
Net liability	(243)	(491)

Changes in the present value of the defined benefit obligation:

	2024 £'000	2023 £'000
Opening defined benefit obligation	8,284	10,629
Past service cost	387	282
Interest cost	(406)	(410)
Benefits paid	(518)	(2,217)
Defined benefit obligation at end of year	7,747	8,284

Changes in the fair value of the scheme assets:

	2024 £'000	2023 £'000
Opening fair value of scheme assets	7,793	11,633
Interest income	367	308
Remeasurement gains / (losses)	(361)	(3,723)
Employer contributions	169	52
Benefits paid	(406)	(410)
Expenses paid	(58)	(67)
Fair value of scheme assets at the year end	7,504	7,793
The actual return on the scheme assets in the year	6	(3,415)

Amounts included within the Statement of Financial Activities:

	2024 £'000	2023 £'000
Expenses	(58)	(67)
Interest on net liability	(20)	26
Total amount charged within net (outgoing) resources	(78)	(41)
Actual return on plan assets less interest	(361)	(3,723)
Experience (losses) / gain on liabilities	147	(317)
Change in assumptions	371	2,534
Actuarial gain/(loss) recognised	157	(1,506)
Total gain/(loss) recognised in the statement of financial activities	79	(1,547)

17. Reconciliation of net expenditure to net cash inflow from operating activities

	2024 £'000	2023 £'000
Net expenditure for the reporting period (as per the statement of financial activities)	(496)	(1,971)
(Gain) / loss on investments	(31)	37
Dividends, interest and rents from investments	(52)	(31)
Depreciation	268	335
Loss on the disposal of fixed assets	22	27
Decrease in stocks	43	9
Decrease / (Increase) in debtors	662	(970)
(Decrease) / Increase in creditors and provisions	(2,455)	2,912
Movement in defined benefit pension scheme	(91)	-
Net cash (used in) / provided by operating activities	(2,130)	348

18. Analysis of cash and cash equivalents

	2024 £'000	2023 £'000
Cash in hand	7,961	8,433
Cash held as part of investment portfolio (Note 8)	453	2,384
Total cash and cash equivalents	8,414	10,817

19. Additional grants disclosures

The following donors require further details of their grants and donations to be published in the accounts.

Foreign Commonwealth and Development Office	Contract Number	Funding 2024 £'000	Funding 2023 £'000
Project funding details required by FCDO			
DFID aid match appeal Nepal	205210-279	520	562
Building climate and conflict resilient livelihoods	205210-259	135	617
Planting For Progress	205210-235	5	236
MRV tools for forests, land use and agriculture	MRV/34	241	-
Total		901	1,415

IKEA Foundation Grants	Contract Number	Funding 2024 £'000	Funding 2023 £'000
Project funding details required by IKEA Foundation			
RE4R	G- 1608-618	-	492
TREYL	G- 1808-1160	729	1,324
Total		729	1,816

Baring Family Fund	Donation 2024 £'000	Donation 2023 £'000
Project funding details required by Baring Family Fund		
Unrestricted donation	10	-
Total	10	-

Department for Environment, Food and Rural Affairs	Funding 2024 £'000	Funding 2023 £'000
Biodiverse Landscapes Fund Andes/Amazon	116	-
BLF accelerate spend	33	-
Total	149	-

20. Commitments under operating leases

As at 31 March 2024, the group had commitments under non-cancellable operating leases as set out below:

	2024 Land and buildings £'000	2023 Land and buildings £'000
Operating lease which expire:		
Within one year	256	389
In two to five years	485	1,042
Over five years	-	77
Total	741	1,508

The net income for the year has been stated after charging £365k (2023: £397k) for the hire of assets under operating leases.

21. Related party transactions

Practical Action Publishing Limited and Practical Action Consulting Limited are subsidiaries of Practical Action Group. Grants paid by the charity to the subsidiaries and gift aid received by the charity from the subsidiaries are disclosed in note 6.

A management charge of £40k (2023: £48k) and payroll costs totalling £200k (2023: £185k) were also charged to Practical Action Publishing Limited by the charity. At the year end, Practical Action Publishing Limited owed the charity £251k (2023: £553k) (pooling balance and intercompany loan).

No management charge (2023: £69k) and no payroll costs (2023: £304k) were charged to Practical Action Consulting Limited from the charity. At the year-end, Practical Action Consulting Limited owed the charity £305k (2023: £523k) (pooling balance and intercompany loan).

22. Financial instruments

	2024 £'000	2023 £'000
Financial Instruments measured at fair value through profit and loss	487	456

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	2024 £'000	2023 £'000
Financial instruments measured at fair value at the start of the year:	456	490
Gain/(loss)	31	(34)
Financial instruments measured at fair value at the end of the year	487	456

23. Comparative statement of financial activities for the year ended 31 March 2023

	Unrestricted £'000	Restricted £'000	Total 2023 £'000
Income and endowments from:			
Donations and Legacies	9,587	2,276	11,863
Charitable activities	1,272	13,456	14,728
Investments	63	-	63
Other income	180	149	329
Total income and endowments	11,102	15,881	26,983
Resources expended			
Expenditure on raising funds	2,437	59	2,496
Total expenditure on raising funds	2,437	59	2,496
Expenditure on charitable activities:			
Energy that transforms	2,990	3,466	6,456
Farming that works	3,271	6,983	10,254
Cities fit for people	458	979	1,437
Resilience that protects	2,130	4,791	6,921
Knowledge that inspires	738	12	750
Other	585	22	607
Total expenditure on charitable activities	10,172	16,253	26,425
Total expenditure	12,609	16,312	28,921
Net gain/(loss) on investments	(33)	-	(33)
Net income/(expenditure)	(1,540)	(431)	(1,971)
Actuarial gain on defined benefit pension scheme	(1,506)	-	(1,506)
DB scheme asset ceiling changes	1,004	-	1,004
Transfers between funds	-	-	-
Net movement in funds	(2,042)	(431)	(2,473)
Balance brought forward 01 April 2022	8,248	2,422	10,670
Balance carried forward as at 31 March 2023	6,206	1,991	8,197

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future for generations to come.*



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