



# ANNUAL REPORT 2023-2024

for the 12 month period ended 30 September 2024

Reall

A HOME  
FOR  
HUMAN  
POTENTIAL

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# CHARITY AND COMPANY INFORMATION

Name of Charity	Reall Limited
Charity Registration Number England & Wales	1017255
Company Registration Number	2713841
Chief Executive	Ian Shapiro
Registered Office & Principal Address of the Charity	6th Floor, Friars House Manor House Drive Coventry CV1 2TE UK
Auditors	<b>Crowe U.K. LLP</b> 4th Floor, St James House St James Square Cheltenham GL50 3PR
Solicitors	<b>Dentons</b> 1 Fleet Place Moorgate London EC4M 7RA  <b>Devonshires Solicitors</b> 30 Finsbury Circus Finsbury London EC2M 7DT
Bankers	<b>The Royal Bank of Scotland plc</b> 144 New Street Birmingham B2 4NY



# CHAIR'S REPORT

for the 12 month period  
ended 30 September 2024

# WELCOME



STEVE TROOP  
CHAIR (INTERIM)

## OUR ANNUAL REPORT AND FINANCIAL STATEMENTS

On behalf of the Board of Trustees, I am pleased to present the annual Trustees' Report and financial statements of Reall for the 12-month period ended 30 September 2024.

At Reall, our mission is to improve the lives of under-served households in urban Africa and Asia by building and increasing access to green, resilient, affordable homes. The importance of this mission cannot be overstated: 70% of buildings that will exist in Africa and Asia in 2050 have not yet been built. There will be 2.5 billion more people in Africa and Asia's cities within a generation. Housing shortages are most acute in emerging markets, and these are also the regions most vulnerable to climate change.

**2.5** MORE PEOPLE WILL  
**BILLION** LIVE IN AFRICAN AND  
ASIAN CITIES BY 2050

**OVER**  
**70%** OF THE BUILDINGS  
REQUIRED HAVE  
NOT BEEN BUILT

Investment in climate-smart affordable housing delivers across the range of sustainable development goals:

### IMPACT ON PEOPLE



Quality homes with essential services, improved security through safer homes and legal rights provide transformational benefits, especially for women, children and marginalised groups. Green homes also contribute to cleaner air and more sustainable communities.

### IMPACT ON PROSPERITY



Activity in construction and supply chains delivers improved job markets, upskilled workforces and stronger city ecosystems. Redirecting significant financial flows towards creating a new green asset class that has mass market benefits.

### IMPACT ON PLANET



Resilient homes and cities through adaptive design and construction, mitigating housing's contribution to climate change through normalising low carbon design and construction. Delivering commercially viable approaches to climate mitigation and adaptation in emerging markets.

Reall is making this possible through demonstrations, evidence and advocacy to increase market confidence. Scaled market delivery is anticipated through adoption and adaptation of Reall's models by others.

Reall continues to operate within a challenging and dynamic environment, focussing on strategic growth, navigating market volatility and addressing challenges in the affordable housing sector. The Board are reassured about the organisation's trajectory and the on-going drive to diversify funding remains key.

We have solidified our reputation as a leader in the affordable housing sector, thanks to our innovative models and robust partnerships. Our ability to adapt to changing market dynamics and external pressures, such as inflation and political instability, has reinforced our resilience and capacity to deliver impactful solutions.

Together with our partners, we continue to deliver innovative solutions to local demand for affordable housing. This year saw the completion of the Bassinko project in Burkina Faso, which has delivered 154 units in total; The Affordable Housing Company (TAHC) in Nigeria successfully completed phases 1 and 2 of the Palmsville Estate project, delivering 68 2 and 3-bedroomed units; whilst Ansar Management Company turned a profit for the first time, demonstrating the potential even within financially turbulent environments.

## OUR PRIORITIES

Within a fast-evolving funding landscape, we are prioritising five areas:

- 1 Establishing a diversified funding strategy**
- 2 Enhancing operational efficiency**
- 3 Promoting thought leadership**
- 4 Developing systems and people for effectiveness**
- 5 Maintaining open communication**



### PALMSVILLE ESTATE, NIGERIA

UNITS BUILT	COMPLETED IN
<b>68</b>	<b>2024</b>

We recognise the significance of solid governance structures that support the organisation's goals of serving people on low incomes. A strategic and disciplined approach to investments will ensure that we can balance mission-driven initiatives with viable commercial opportunities, allowing us to maximise our impact.

To remain fit for the future we must retain and recruit the right talent, including adapting to changing workplace dynamics. Regular colleague surveys give us confidence in a positive, engaged and energized culture.

We look forward to a future defined by strategic growth, collaboration, and a relentless pursuit of our vision for affordable, sustainable housing solutions for all.

**Steve Troop**  
Chair (interim)



# REPORT OF THE TRUSTEES

for the 12 month period ended 30 September 2024

# INTRODUCTION

<p><b>OUR VISION</b></p> <p>HOUSING MARKETS THAT WORK FOR ALL</p> <ul style="list-style-type: none"> <li style="background-color: #008080; color: white; padding: 5px; margin-bottom: 5px;">PEOPLE </li> <li style="background-color: #008080; color: white; padding: 5px; margin-bottom: 5px;">PROSPERITY </li> <li style="background-color: #008080; color: white; padding: 5px;">PLANET </li> </ul>	<p><b>OUR MISSION</b></p> <p>IMPROVE THE LIVES OF UNDER-SERVED HOUSEHOLDS IN AFRICAN AND ASIAN CITIES BY BUILDING AND INCREASING ACCESS TO GREEN, RESILIENT, AFFORDABLE HOMES</p>	<p><b>OUR CORE VALUES</b></p> <p><b>C</b> <b>CURIOSITY</b></p> <p><b>A</b> <b>ACCOUNTABILITY</b></p> <p><b>R</b> <b>RESPECT</b></p> <p><b>E</b> <b>ENTERPRISING</b></p>
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We present Reall’s annual Trustees’ Report and Financial Statements for the 12 months ending 30 September 2024, meeting the Directors’ Report and Accounts requirements.

As we reflect on Reall’s financial health and operational successes, the organisation held over £1.3 million in cash reserves at the year end. Strong portfolio management, including debt recovery and foreign exchange tracking has continued. There has been positive progress on debt repayments from across our portfolio with funds repatriated or anticipated in the coming months. Effective cost controls and cashflow management are in place, ensuring activity is proportionate to available funds.

We continue to actively pursue fresh fundraising streams to complement existing portfolio management across three key areas:

- 1 Global Advisory Services
- 2 Our Green Affordable Housing Finance programme
- 3 Strategic development through our subsidiary, Green City Homes International



FIGURE 1: NEW YORK CLIMATE WEEK



FIGURE 2: COP28

## ADVOCACY AND ENGAGEMENT

Reall’s engagements and proactive initiatives aim to enhance our influence in global housing and climate discussions, fostering partnerships and securing funding that aligns with the sustainable development goals.

Reall has been actively collaborating with Cities Alliance, UN HABITAT, Global ABC and other international, regional and national bodies to advance affordable housing in our key markets. Reall participated in the African Union for Housing Finance (AUHF) conference, where our 30-year history was highlighted in relation to gender, climate, and finance.



FIGURE 3: OUR PARTNER AMC SHOWCASE AT BUILDINGS AND CLIMATE GLOBAL FORUM IN PARIS FROM OUR DIRECTOR OF PROGRAMME AND BUSINESS DEVELOPMENT, MEWAHIB MOHAMED

During New York Climate Week, Reall co-hosted a roundtable focused on affordable housing as an investment in climate resilience, receiving support from notable organisations including the UN High-Level Climate Champions. At COP28, Reall participated in several panels, emphasising our support for initiatives like Roof Over Our Heads (ROOH) and highlighting the role of finance in achieving a net-zero built environment.



FIGURE 4: OUR DIRECTOR OF PROGRAMME AND BUSINESS DEVELOPMENT, MEWAHIB MOHAMED, PART OF PANEL SESSION AT BUILDINGS AND CLIMATE GLOBAL FORUM

We positioned ourselves as a key partner in housing data and market understanding through our participation in the UN-Habitat Expert Group Meeting in Nairobi. We also presented at a workshop in Switzerland on affordable housing construction methods, enhancing our engagement with Swiss funding sources. Additionally, Reall participated in the inaugural Buildings and Climate Global Forum in Paris, influencing discussions around commitments to the Building Breakthrough agenda and reinforcing our credibility within the housing finance space.

## PROGRAMME AND BUSINESS DEVELOPMENT

The fundraising context remains competitive. Nevertheless, we have enjoyed some important successes. The Happold Foundation has supported Reall's green building initiatives as well as preliminary work around our Green Affordable Housing Finance pilot (GAHF). This funding is expected to bolster efforts in critical areas, including EDGE certification, GHG benchmarking, double mainstreaming of climate and gender, and enhancing collaborative research and thought leadership in the green affordable housing space. Such endorsements reflect Reall's alignment with broader sustainability goals and our dedication to advancing green initiatives.



**FIGURE 5: EDGE BUILDINGS EXPERT TRAINING, DELIVERED BY THE KENYA GREEN BUILDING SOCIETY (KGBS) IN COLLABORATION WITH THE HAPPOLD FOUNDATION AND REALL**

We were successful in securing an Accelerated Knowledge Transfer (AKT) with Warwick University, funded by the UK Government under the Innovate UK programme, to enhance our gender expertise and align Reall's future projects with gender-focused funds. Reall is committed to pursuing a robust pipeline of funding opportunities. The rollout of the new Customer Relationship Management (CRM) software is set to enhance fundraising efforts through improved contact management and grant tracking.

Overall, while challenges remain, Reall's proactive approach, recent successes, and renewed emphasis on collaboration and strategic alignment reflect a positive outlook.



**FIGURE 6: IN PARTNERSHIP WITH THE KENYA GREEN BUILDING SOCIETY (KGBS), REALL SUPPORTED EDGE EXPERT TRAINING FOR 20 LOCAL AND NATIONAL GOVERNMENT REPRESENTATIVES**

## GREEN AFFORDABLE HOUSING FINANCE (GAHF)

GAHF is an innovative, robust and self-sustaining mass-market housing finance ecosystem solution. GAHF unlocks finance for the construction of green affordable homes for people on lower incomes, especially women, by strategic use of guarantees, alternative credit assessment, international accreditation, bespoke technical assistance and demand aggregation.

Building on Reall's initial investment and the work in design with the Climate Lab, we were pleased to be awarded a feasibility grant by the SDG Impact Finance Initiative (SIFI). SIFI is managed by Convergence and funded by various agencies including the Swiss State Secretariat for Economic Affairs (SECO) and Credit Suisse Foundation. This funding will bolster Reall's innovative work in Kenya, providing critical resources for research, pipeline development, alternative credit assessments, and fundraising efforts aimed at addressing barriers in access to housing finance. The grant represents a significant opportunity for Reall, not only to advance our Green Affordable Housing Finance (GAHF) initiative but also to position ourselves for further funding and potential market transformations in affordable housing.



The grant funds supported consultant-led research focusing on feasibility testing and gender integration, along with stakeholder engagement with banks and developers. The intention is to enhance the GAHF’s capacity to crowd-in local financing for green affordable housing, enabling families previously unable to access appropriate housing finance to secure suitable homes. With the grant, Reall also became a member of Convergence, granting access to strategic networks that include donors and impact investors, thus expanding fundraising opportunities.



## GREEN CITY HOMES INTERNATIONAL (GCHI)

GCHI is a wholly owned subsidiary of Reall, working to demonstrate the commercial viability of mass-market green homes. Following a rigorous due diligence process, DFC has committed heads of terms for \$50 million as senior investment towards a total funding facility of \$60 million. To bolster capital-raising efforts, GCHI is actively working to secure an additional \$10 million in junior investments and has procured specialist impact investor capital raisers to support this. Meanwhile, efforts continue to develop a pipeline of credible developers in anticipation of further advancements.

The Board of GCHI has been bolstered by Debra Erb and Irfan Keshavjee as independent members. Dhaval Monani took over as Chair in parallel with Steve Troop becoming Interim Board Chair.



FIGURE 7: REALL FUNDED AFFORDABLE HOUSING PROJECT BY ANSAAR MANAGEMENT COMPANY, FAISALABAD

## IMPACT OF BUILD INVESTMENT

In the financial year 2023-24, Reall Ltd has continued to work with partners to complete projects.

In Burkina Faso, we completed and successfully exited the Bassinko project in Ouagadougou. Through our collaboration with local contractors and engineering firms, a total of 154 affordable housing units were delivered to the government owned CEGECI (Centre de Gestion des Cites), the entity responsible for marketing units to local buyers. The project is an excellent example of a different way of operating in these markets by combining private investment, local expertise and government support.

In Pakistan, Ansaar Management Company (AMC), an affordable housing social enterprise we have been investing for the past 10 years has reached a new milestone by turning a profit, for the first time, of PKR 39 million (circa £110K). This is a significant achievement in a country with an embryonic affordable ecosystem (limited supply, few end user financing options available). AMC is exploring new income streams, including contracting and outsourcing, which is a testament to their well-deserved position as a pre-eminent affordable housing developer in the country.



FIGURE 8: MULTAN, AMC, PAKISTAN

In Nigeria, The Affordable Housing Company (TAHC) has made significant progress on the Palmsville Estate project in Kuje. The company successfully completed Phases 1 and 2, delivering 68 affordable housing units (comprising 2-bedroom and 3-bedroom units) by March 2024. Infrastructure works, including roads, drainage, electricity, and water systems, were also completed, ensuring the estate is fully functional. Phase 3, which includes the construction of 32 additional units commenced in February 2025, with sales expected to begin in March 2025. TAHC has implemented lessons learned from previous phases, including forward procurement strategies and design improvements, to enhance efficiency and market appeal. The project remains on track to achieve EDGE certification, with an expected completion date of April 2026.



FIGURE 9: THE AFFORDABLE HOUSING COMPANY (TAHC), KUJE

## PEOPLE

Our values are the foundation of everything we do at Reall. They guide our actions, shape our culture, and define our commitment to making a positive impact.

### CURIOSITY:

We foster a culture of curiosity, encouraging questioning and learning to ensure that we stay at the forefront of the affordable housing sector, adapting to evolving challenges and opportunities

### ACCOUNTABILITY:

We hold ourselves accountable for our actions and outcomes, ensuring that we deliver on our promises and uphold the trust placed in us by our partners and stakeholders

### RESPECT:

We treat every individual with respect, valuing diversity, and fostering inclusive partnerships. We believe that collaboration and mutual respect are essential for achieving meaningful and sustainable impact.

### ENTERPRISING:

We approach our work with a spirit of entrepreneurship, constantly seeking innovative solutions and pursuing opportunities for growth and improvement.

Board membership and governance structures have been renewed in the last 12 months. We welcomed Kathy Guis and Vivienne Yeda to the Board. Chris Loughlin and Paul Hackett stepped down, and we express our gratitude for their valuable contributions.

During 2023-4 we updated the Articles of Association to allow for extended Board member terms in exceptional circumstances to ensure continuity during a period of uncertainty. Steve Troop became the interim Chair, and Vivienne Yeda will become Chair in mid-2025.

The Audit Committee welcomed Amita Gupta and Shephard Farrar as new independent members. Sarah Smith continued as Chair of the Committee. The Board continues to place emphasis on maintaining the organisational and financial integrity of the organisation.

The collective efforts of our people result in tangible, positive changes, and we continue to focus on ensuring our recruitment and retention practices support this. The latest Pulse Survey conducted in November 2023 recorded an encouraging overall satisfaction score of 70% (rising from 66%) again surpassing the 65% recognised for high performing teams.



FIGURE 10: FAISALABAD SITE, PAKISTAN



# DIRECTORS REPORT

## FINANCIAL REVIEW

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**At 30th September Reall held cash balances of £1.3m, with programme related investments totalling £14.5m. The health of the investment portfolio remains key to bridging the gap between the end of SIDA funding and establishing an effective fundraising and consultancy pipeline.**

While Reall continues to navigate challenges, particularly in delivering green affordable housing amid escalating costs and market volatility, significant strides have been made. Considerable progress is being made towards developing and delivering new income streams. During 2023/4 fundraising generated fresh funds, including grants to support further development of our Green Affordable Housing Finance initiative and consultancy contracts. During the year we also procured specialist impact investor support to further boost our work in raising junior investment capital for Green City Homes International and we expect this project to go live in the coming financial year.

£1.6m was repatriated to the UK during 2023-4, primarily in relation to our partnership with Ansar Management Company (AMC) in Pakistan (£1.3m), with a further £243k repaid by the Millard Fuller Foundation (MFF) in Nigeria. £355k in existing loans was converted to grant.

Reall advances loans to partners in local currency, which means that our loan portfolio is always subject to exchange rate fluctuations. Exchange rate losses, realised and unrealised, totalling £1.3m were recorded in the SOFA (2023: £4.5 million).

The trustees recognise that Reall operates in high-risk areas where the certainty of achieving the outcomes expected when loans are advanced is far lower than if we were operating in more developed countries. This means that there is also a greater need to recognise significant levels of loan impairment which could be released when outcomes are achieved. The catalytic nature of Reall's work means that a very low level of impairment would probably indicate an insufficient level of innovation and risk in our operations.

We have continued to effectively manage overhead and programme costs during the year.

Reall continues to be responsible for the shared deficit within the SHPS Defined Benefit scheme in relation to current employees, deferred members and pensioners. This means that deficit contributions will continue to be paid for as long as they remain due. The deficit in the scheme is now £332,897 (2023: £421,000). Further details of the change are set out within Accounting Policies on page 41 and note 19 to these accounts.

As a result of the above financial activity, reserves reduced by £3.7 million (2023: reduction £7.4 million) with total reserves at the end of the year £16.8 million (2023: £21 million).

## RESERVES AND LIQUIDITY POLICIES

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The trustees review the reserves policy of the charity annually. The review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of the reserves.

The level of reserves is monitored through Reall's planning, budgeting, and forecasting processes including through the approval of the annual budget before the beginning of the new financial year and monthly financial performance monitoring.

In the opinion of the trustees, the available reserves of the charity are the unrestricted reserves together with the restricted reserves excluding those reserves represented by funding identified for delivery of specified programmes, fixed assets, programme related investments or any designated reserves.

Reserves are held to cover delays in the renewal of key funding streams, to provide a cushion for any unexpected business developments or to fund future investment. It is the Board's policy to carry forward, from one year to the next, a sufficient amount of available reserves which, in the opinion of the Trustees, will cover three months' forecast expenditure.

This basis will be reviewed throughout the year and where our risk profile or a significant event arises that could impact on our financial outlook, then the amount to be held will be reviewed.

We will also always aim to hold a cash balance equivalent to six months' overheads and employment costs. The reserves as at 30th September 2024 are restricted £16.1 million and unrestricted £0.48million, providing sufficient reserves to remain compliant with our Reserves Policy. Free reserves at year end amounted to £0.4million.

As at 30th September 2024 Reall's cash holding was £1.3m, representing 6 months of overheads and employment costs.

## FUNDRAISING

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Reall has a dedicated Fundraising Team within its staff complement and raises most of its funds from large institutional investors and multilateral donors, and not from the public. Reall does not have anyone who fundraises or campaigns for funds on its behalf. Reall receives nominal amounts of unsolicited donations raised by other organisations and individuals, who have chosen Reall as a beneficiary of their own charitable activities. These funds are treated as General Unrestricted Funds within the Statement of Financial Activities.

We work closely with our funders and investors to ensure that we are meeting the requirements of our funding agreements with them, and that we are reporting to them as needed on the progress of projects.

We have not received any complaints in the year about our fundraising activity.

We do not sell our supporters' details to anyone else, and all information on funders and investors is held securely and only accessed and managed by Reall staff in performance of their role. We work diligently to ensure that we are compliant with relevant legislation and codes of practice.

The Trustees consider that the activities of Reall meet the requirements of the public benefit requirements under the Charities Act 2011. Reall's activities and objectives are focused on the alleviation of poverty in Africa and Asia through the provision of affordable housing, clean water supplies, and improved sanitation to people on low incomes in those economies, thereby increasing the life opportunities of low-income people in those societies. Since its formation in 1992 and supported by numerous funders, Reall has worked with partners, contractors, governments, and finance institutions to build networks, advocate, and change policies, alongside the delivery of many thousands of affordable homes.

## GRANTS AND INVESTMENT POLICY

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Reall invests to demonstrate that green, resilient homes can be affordable for underserved households and that funding developers to build green homes for low-income communities is commercially viable. It does so through proof-of-concept, innovative financial models, products, designs and support for affordable housing projects that have climate mitigation and resilience, gender impact and potential for scalability at their heart.

The investment policy provides a framework for grant giving and investment as well as informing our research, consultancy, and advocacy work. It does so with reference to the following principles:

- Reall will provide loans and grants to partners for initiatives that have the potential to scale-up, attract other funding, and influence policy and practice.
- Reall will make loans available for partners' initiatives only where other sources of finance are not available or appropriate.
- Loans are converted to grants where there is no possibility of recovery of outstanding loan amounts, but where there are completed projects of at least equivalent value to the original loan granted. These conversions are approved by Reall's Board and reported to funders.
- Reall will make grants and loans to partners for initiatives within the context of a broader strategic partnership between Reall and the partner.
- Reall will provide grants where a partner is affected by a disaster or emergency which affects the ongoing work of the partner.

## GOING CONCERN

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The Board, in September 2024, agreed a full-year budget for the year ending 30 September 2025 which is underpinned by Partner loan repayments and asset sales as we continue to build alternative income streams.

Efforts to repatriate invested funds from diverse jurisdictions have yielded positive results in line with projections over recent months. Despite inevitable uncertainties associated with fund repatriation, the current outlook for the coming years is positive in this regard, albeit subject to external factors not always within our control. The strengthening of Reall's portfolio management strategies including firm and fair negotiations with debtors continues to mitigate risks around repatriation of funds. In the twelve months to April 2026, we are expecting more than £4.7m from loan repayments and cancelled projects, and recovery of these amounts is a continued focus.

Operational delivery and overhead costs have been reduced by approximately 50% in previous years, and the Board continues to manage and monitor these carefully.

Management has conducted appropriate sensitivity analysis on future cash flows, reinforcing our confidence in navigating material uncertainties. Contingency plans are in place to expedite funds from alternative parts of the portfolio, if necessary, alongside potential cost-saving measures to fortify our financial position. The Board are actively engaged in monitoring the financial position, including monthly cash flow projections which cover a 24-month period.

As at the date of signature of the accounts, Reall is operating within its Reserves Policy as set out on page 16. Available reserves are in excess of three months' budgeted expenditure.

The financial statements have therefore been prepared on a going concern basis. However, having assessed the uncertainties surrounding the repatriation of funds over the coming twelve months, the Trustees have determined that there is a material uncertainty that Reall has adequate resources to continue in operational existence for the foreseeable future, being a period of at least twelve months after the date on which the report.

## PRINCIPAL RISKS AND UNCERTAINTY

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Reall has risk management policies and practices in place to ensure that we continue to successfully manage the challenging political and economic environments in which we operate.

The Corporate Risk Register is the key risk management tool used by Reall. This is reviewed by the Reall Executive Management team, the Audit Committee and Board on a quarterly basis, along with an assessment of our risk appetite. We also maintain fraud risk and ICT cyber risk registers.

Key strategic risks are identified as follows:

### BUSINESS CONTINUITY

That Reall has insufficient core funding and adequate reserves to ensure long term viability. As set out elsewhere in this report, we continue to work on diversifying income streams to reduce dependency on partner repayments. Alongside this, strong cost controls are in place to ensure efficient use of funds and minimise overhead requirements. Liquidity and reserves management policies, supported by comprehensive financial reporting and forecasting to assess our financial position mean we are able to take appropriate mitigations where necessary.

### PROGRAMMES FUNDING

That Reall has insufficient funding to deliver on programmes and drive innovation and impact in line with our mission. We have strengthened our in-house programme and business development capability, implementing a new CRM system and improving internal processes. Ongoing engagement in sector networks, events and the thought leadership are essential to enhance Reall's credibility and deliver new funding streams.

### PEOPLE

That Reall is unable to secure and retain the requisite personnel. We ensure good-practice recruitment, retention, and development practices, fostering a positive workplace culture that emphasises professional development, inclusion, and work-life balance. Regular staff satisfaction surveys identify areas of concern and improve organisational policies regarding wellbeing, and we review reward with regular a 3-yearly benchmarking exercise.

### SYSTEMS AND PROCESSES

That Reall does not have the requisite processes and systems in place to operate effectively and deliver on our mission. We prioritise continuous improvement to support operations and ensure sustainable impact. These include an 8-step assurance framework, with the newly revised Investment Policy and Investment Committee to guide quality investment decisions and management. External expertise is used in-country as required for due diligence and feasibility purposes. An extensive due diligence and partner management framework is in place, where Reall works closely with co-assurance partners in-country to manage developments.



FIGURE 11: REALL AT WORLD URBAN FORUM (WUF12)

### GLOBAL LEADERSHIP

That Reall is unable to maintain its role and reputation as a global sector leader and pioneer in unlocking green and affordable housing markets in urban Africa and Asia. With a 35-year history, we have built a substantial network of strategic connections and engaged in collaborations at prestigious international events like the World Urban Forum and COP climate conferences. We continue to support innovation across all our work areas and establish Reall as a leader in green housing.

### CRISIS

Business continuity risk due to major internal event (cyber-attack, fire, PR crisis, staff injury / loss of life) or inability to navigate major external crisis (pandemic, economic). Reall has a business continuity and disaster recovery plan in place, alongside a range of policies and procedures, including health and safety, safeguarding, hybrid working. Strong IT systems are in place and Reall has achieved Cyber Essentials accreditation.

### GOVERNANCE

Legal, regulatory or financial breach. The Board and Audit Committee provide regular oversight, and the organization has a range of policies in place to manage key activities. Reall's Partners adhere to minimum standards related to key risks, and adherence is verified during partner due diligence and monitored on an ongoing basis. We ensure that we have the required legal advice, including pro bono quality services and paid for services where necessary.



FIGURE 12: REALL'S HOSTED PANEL SESSION AT THE WORLD URBAN FORUM (WUF12) TITLED, "LEARNING TO COLLABORATE: EMBRACING THE ROLE OF INTERNATIONAL DONORS AND INVESTORS IN DELIVERING GENDER-SENSITIVE GREEN AFFORDABLE HOUSING."

## GOVERNING DOCUMENT

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Reall was incorporated as a company limited by guarantee on 12 May 1992. It is governed by its Articles of Association, as amended by special resolutions, most recently in October 2023 when the maximum period a trustee can serve was amended from two terms to three terms of three years.

### The objects of the Charity are:

- to provide financial and technical support to charitable organisations and groups working to improve the shelter conditions of poor people in developing countries and elsewhere.
- to support the international exchange of information and experience on homelessness and related matters by facilitating linkage between groups and organisations worldwide.
- to make grants and loans to appropriate projects and to promote research into homelessness and related subjects in developing countries and elsewhere.
- to act as a centre for exchange of information on homelessness and related matters between organisations in the United Kingdom and throughout the world and in particular to encourage “linking” between charitable groups concerned with housing and homelessness in the UK and similar groups elsewhere.

## BOARD AND TRUSTEES

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Reall is governed by a Board who are directors of the company for the purposes of the Companies Act and trustees in charity law (“the Board” or “trustees”). Under the Articles of Association, the Board is formed from the trustees, who are independently appointed and consists of no less than 3 members but no maximum number. Trustees are usually each appointed for a maximum of 9 years except for the Chair, who can serve for an additional year. This can be extended in exceptional circumstances. After

their term, former Trustees may not then return to the Board for a period of 3 years. The Board is empowered to co-opt further members, taking account of the skills needed, up to a maximum of 5 Board members. The Chair is elected by the Board.

Trustees are recruited through open advertising on job boards and promotion on our website. We actively encourage applications from all sectors of society regardless of ethnicity, gender or other protected characteristic.

The Board meets quarterly, setting aside an additional day for strategic review. Members also attend sub-groups and Committees as required. Through the period of uncertainty following Sida’s funding withdrawal, the Board met monthly but as of September 2024, and as the financial outlook is now more settled, they have returned to quarterly meetings with monthly cashflow information shared virtually. At Board meetings, the trustees receive reports on areas of operation, reports from the Audit Committee, and agree the corporate strategy and business plans.

The Audit Committee meets quarterly and provides oversight of finance, assurance and risk management, and reports the work of the Committee to the Board in accordance with the governance timetable of meetings.

A strategy review is carried out each year with the Board and the Executive. Outcomes from this exercise feed into business planning and staff development processes as well as the annual plan and budget, which is approved by the Board. The Board retain responsibility for the approval of the audited financial statements, the appointment of the Chief Executive, equity investments, the management of risk, and the internal controls framework.

The Board carries out a self-assessment of its performance each year, also identifying any gaps in the governance framework or where additional skills are required. A review of individual Trustee performance is carried out by the Chair.

Board members play an active role in attending forums and events, including with key donors and other stakeholders. Training is provided to Board members as required, and trustees have access to articles and wide range of research material.

All newly appointed trustees follow a standard induction process that includes an initial meeting with the Chief Executive as well as

the completion of a skills analysis to establish the specialism that the new member brings to the Board. A formal induction pack provides information on Reall's background and aims, its legal and governance structure, and staffing structure. Members receive regular briefings from staff on relevant changes to legislation and the impact that this may have on the activities of the organisation or the way in which they carry out their role.

## DIRECTORS AND TRUSTEES SINCE 1ST OCTOBER 2023:

NAME	SPECIALISM	NOTES
Steven Troop (Interim Chair)	Treasury management, investment, and banking	
Diana Mitlin	Urban housing development and governance, academia, research, emerging markets	
Sarah Smith	Finance, Audit, Regulation, Governance and Business Planning in UK Social Housing	
Dhaval Monani	Housing policy, financial inclusion, urban sustainability, affordable housing solutions, urbanisation strategies and self build homes Advisory roles in the field of housing and infrastructure development.	
Hakeem Ogunniran	Property development, Investment, Fundraising, Housing finance and expertise on housing development and infrastructure related issues in Africa	
Friedemann Roy	Strategist and Advisor - Investment, Consulting, Emerging Markets, Real Estate	Appointed January 2024
Victoria Jardine	Charity and third sector governance, Contractual and constitutional matters, Regulatory matters, strategic initiatives, structural changes, and diversification within the social housing sector, Group structures and mergers, Urban regeneration projects, Major property developments and Joint ventures and collaborative working arrangements.	Appointed November 2023
Ranil De Silva	Urban housing development and governance, academia, research, emerging markets	Appointed November 2023
Vivienne Yeda (Incoming Chair)	Seasoned banker and international business lawyer with over 25 years of experience in development banking, finance, and management across Africa. Expertise in strategic management, resource mobilization, and project management.	Appointed September 2024
Kathy Guis	14 years of experience in impact investing, currently serving as Executive Vice President of Investments at Kiva, a US nonprofit organization focusing on impact-first debt investments for financial services and social enterprises.	Appointed September 2024
Amita Poole	30 years of experience leading strategy, governance and infrastructure programs across global public, private and non-profit sectors.	Appointed 22nd September 2024
Shepard Farrar	Over 40 years of experience in institutional investment management, governance, and strategic leadership across diverse global markets.	Appointed 22nd September 2024

## RESIGNATIONS:

NAME	SPECIALISM	NOTES
Paul Hackett	Construction, organisational leadership and governance, investment, and housing	Resigned December 2023
Chris Loughlin (Chair)	Organisational leadership, regulation and investor relations, government, and policy	Resigned April 2024
Amita Poole	30 years of experience leading strategy, governance and infrastructure programs across global public, private and non-profit sectors.	Resigned 17th March 2025
Shepard Farrar	Over 40 years of experience in institutional investment management, governance, and strategic leadership across diverse global markets.	Resigned 17th March 2025

Qualifying third party indemnity provision is in place for the benefit of all trustees of Reall.

## CHIEF EXECUTIVE OFFICER AND EXECUTIVE TEAM

The Chief Executive Officer is appointed by the trustees to manage the day-to-day operations of Reall, subject to the direction of the Board and any restrictions set out within the Articles of Association. To facilitate effective operations, the Chief Executive has delegated authority, as

set out in the Schedule of Delegated Authority, for all operational matters including finance, employment, and operations.

The Executive Team serving during the financial year and afterwards were as follows:

### EXECUTIVE TEAM:

Ian Shapiro	Chief Executive
Patrick Domingos-Tembwa	Commercial Build & Transitions Director
Mewahib Mohammed	Programme & Business Development Director
Lucy Livesley	Governance & External Affairs Director (until May 2024)
Dawn Cole	Finance & Investment Director (appointed September 2024)
Emma Ahmed	Managing Director – GCHI (appointed November 2024)

## PAY POLICY FOR SENIOR STAFF

The directors consider that the Board, who are the trustees of Reall, and the senior management team (as set out in the table above) comprise the key management personnel in charge of directing and controlling, running, and operating Reall on a day-to-day basis.

The pay of the senior staff is reviewed regularly following a formal review carried out by external consultants, considering benchmarking against

similar organisations and the salary market more generally. The remuneration of the senior management team is detailed in note 8 to these accounts.

None of the trustees receives any remuneration or other benefit from their work with Reall. They are entitled to receive expenses to reimburse them for the costs of carrying out their role as trustees.

## RELATIONSHIPS WITH OTHER ORGANISATIONS

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Although, as indicated above, Reall is committed to achieving its objectives through partnership with other organisations, other than through its investments in certain companies as set out in note 12, it is not directly connected with any other charities or similar organisations.

## SUBSIDIARY

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Reall established Green City Homes International (GCHI) as a company limited by shares on 14 March 2023. GCHI is a wholly owned subsidiary for future potential utilisation and was non-trading throughout this period.

## DONATIONS IN KIND

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Reall is not dependent upon the services of unpaid volunteers. It has benefited from certain voluntary services, primarily uncharged professional advice, and assistance from supporting organisations and individuals. Such donations in kind are not included in the Statement of Financial Activities as they cannot be easily quantified and are not considered to be significant in the context of expenditure generally.

## TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

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The trustees, who are also the directors of the company for the purposes of company law, are responsible for preparing a Trustees' Annual Report including Directors' Report, Strategic Report, and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the company and of the incoming resources and application of resources, including income and expenditure, of the company for that period. In preparing the financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently.
- Observe the methods and principles of the Charities SORP.
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- Prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charity will continue in business.

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

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

## STATEMENT AS TO DISCLOSURE TO OUR AUDITORS

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In so far as the trustees are aware at the time of approving our Trustees' Annual Report:

- There is no relevant information, being information needed by the auditor in connection with preparing their report, of which the auditor is unaware, and
- The trustees, having made enquiries of fellow directors that they ought to have individually taken, have each taken all steps that he/she is obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of the information.

The Report of the Trustees prepared under the Charities Act 2011, which also contains all information required in a Directors' Report by the Companies Act 2006, and the incorporated Strategic Report prepared under the Companies Act 2006, were approved by the Board of Trustees on 04th June 2025 and signed on behalf of the Trustees by:



**Steve Troop**  
Chair (Interim)

04th June 2025



# INDEPENDENT AUDITOR'S REPORT

to the Trustees and  
Members of Reall Limited

## OPINION

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We have audited the financial statements of Reall Limited for the year ended 30 September 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows, and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 September 2024 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## BASIS FOR OPINION

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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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## MATERIAL UNCERTAINTY RELATING TO GOING CONCERN

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We draw attention to the going concern accounting policy on page 37 in the financial statements, which indicates that there is uncertainty in respect of the timing of repayments of loans from partners. As stated in the accounting policy on page 37, these events or conditions, along with the other matters indicate that a material uncertainty exists that may cast significant doubt on the charitable company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

## OTHER INFORMATION

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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

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

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

## MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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In light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

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

- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; 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

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As explained more fully in the trustees' responsibilities statement set out on page 23, 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

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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.

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

We obtained an understanding of the legal and regulatory frameworks within which the company 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, Taxation legislation and the Charities SORP (FRS102) 2019.

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 ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The laws and regulations we considered in this context for the UK operations were Anti-fraud, bribery and corruption legislation.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be the override of controls by management and programme related investments. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals and reviewing accounting estimates for biases, obtaining confirmations for balance for programme related investments and performing testing on these to assess for impairment, reviewing 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. 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.

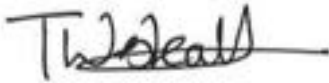
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities)

This description forms part of our auditor's report.

## USE OF OUR REPORT

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



**Tara Westcott**  
Senior Statutory Auditor

For and on behalf of

Crowe U.K. LLP  
Statutory Auditor  
4th Floor  
St James House  
St James Square  
Cheltenham  
GL50 3PR

Date: 27 June 2025



# STATEMENT OF FINANCIAL ACTIVITIES

for the 12 months period  
ended 30 September 2024  
(including Income and  
Expenditure Account)

		UNRESTRICTED FUNDS	RESTRICTED FUNDS	2024	2023
<b>INCOME FROM:</b>	<b>NOTES</b>	<b>£</b>	<b>£</b>	<b>TOTAL £</b>	<b>TOTAL £</b>
Donations and legacies	1	6,393	-	6,393	11,634
Other trading activities	1	3,038	-	3,038	152
Charitable activities	1		125,955	125,955	5,429,481
Investments	1	11,748	-	11,748	4,427
<b>TOTAL INCOME</b>		<b>21,179</b>	<b>125,955</b>	<b>147,134</b>	<b>5,445,694</b>
<b>EXPENDITURE ON:</b>					
Raising funds	5	2,748	-	2,748	6,586
Charitable activities	6	27,901	3,818,749	3,846,650	12,680,666
<b>TOTAL EXPENDITURE</b>		<b>30,649</b>	<b>3,818,749</b>	<b>3,849,398</b>	<b>12,687,252</b>
<b>NET (EXPENDITURE) FOR THE YEAR</b>					
Net (expenditure) for the year		(9,470)	(3,692,794)	(3,702,264)	(7,241,558)
Transfers between funds	20	-	-	-	-
<b>NET EXPENDITURE</b>		<b>(9,470)</b>	<b>(3,692,794)</b>	<b>(3,702,264)</b>	<b>(7,241,558)</b>
<b>OTHER RECOGNISED GAINS/(LOSSES)</b>					
Actuarial gains/(losses) in respect of pension scheme	19	-	(2,000)	(2,000)	(207,558)
<b>NET MOVEMENT IN FUNDS</b>		<b>(9,470)</b>	<b>(3,694,794)</b>	<b>(3,704,264)</b>	<b>(7,449,116)</b>
<b>RECONCILIATION OF FUNDS:</b>					
Balance brought forward at 1 October 2023		763,555	19,800,012	20,563,567	28,012,683
<b>BALANCE CARRIED FORWARD AT 30 SEPTEMBER 2024</b>	<b>21/22</b>	<b>754,085</b>	<b>16,105,218</b>	<b>16,859,303</b>	<b>20,563,567</b>

The income and expenditure all relate to continuing operations. There are no gains or losses other than the net income for the year. The notes on pages 36 to 66 form part of these accounts.



# BALANCE SHEET

as at 30 September 2024

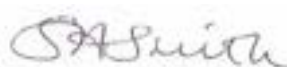
		2024		2023	
	NOTES	£	£	£	£
<b>FIXED ASSETS:</b>					
Intangible assets	10		34,976		68,227
Tangible assets	11		276,101		333,595
<b>INVESTMENTS:</b>					
Subsidiary companies	12		473,686		547,400
Programme Related Investments	13		14,455,991		17,475,237
<b>TOTAL FIXED ASSETS</b>			<b>15,240,754</b>		<b>18,424,459</b>
<b>CURRENT ASSETS:</b>					
Debtors falling due within one year	14	981,274		1,538,044	
Cash at bank and in hand	18	1,328,496		1,583,790	
<b>TOTAL CURRENT ASSETS</b>		<b>2,309,770</b>		<b>3,121,834</b>	
<b>LIABILITIES:</b>					
Creditors falling due within one year	15	(253,354)		(429,979)	
Net current assets			2,056,416		2,691,856
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<b>17,297,170</b>		<b>21,116,314</b>
Creditors falling due after more than one year	16		(104,970)		(131,747)
<b>NET ASSETS EXCLUDING PENSION LIABILITY</b>			<b>17,192,200</b>		<b>20,984,567</b>
Net defined benefit pension scheme obligation	19		(332,897)		(421,000)
<b>TOTAL NET ASSETS</b>			<b>16,859,303</b>		<b>20,563,567</b>
<b>FUNDS</b>					
Restricted funds	21		16,105,218		19,800,012
Unrestricted income funds	20		754,085		763,555
<b>TOTAL CHARITY FUNDS</b>			<b>16,859,303</b>		<b>20,563,567</b>

The accounting policies and notes on pages 36 to 66 form part of these accounts.

The financial statements were approved by the Board of Trustees and authorised for issue on 04th June 2025 and are signed on its behalf by:



Steve Troop, Chair



Sarah Smith, Chair of Audit Committee



# STATEMENT OF CASH FLOWS

		2024	2023
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>	<b>NOTES</b>	<b>£</b>	<b>£</b>
Net cash generated by operating activities	17	(1,707,652)	(1,120,619)
<b>CASH FLOW FROM HOUSING INVESTMENT:</b>			
Loans to Partners		-	(2,997,504)
Direct construction of homes		-	(368,570)
Loans repaid by partners		1,613,564	859,371
		<b>1,613,564</b>	<b>(2,506,703)</b>
<b>CASH FLOWS FROM OTHER INVESTING ACTIVITIES:</b>			
Bank interest received		11,748	4,427
Purchase of tangible fixed assets		-	(19,364)
Purchase of intangible assets		-	(52,824)
		<b>11,748</b>	<b>(67,761)</b>
<b>Change in cash and cash equivalents in the year</b>		<b>(82,340)</b>	<b>(3,695,083)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	18	1,583,792	5,295,095
Change in cash and cash equivalents due to exchange rate movements		(172,956)	(16,220)
<b>TOTAL CASH AND CASH EQUIVALENTS AT THE END OF THE REPORTING PERIOD</b>	<b>18</b>	<b>1,328,496</b>	<b>1,583,792</b>



# ACCOUNTING POLICIES

for the 12 months period ended 30 September 2024

The principal accounting policies adopted in the preparation of the financial statements are as follows:

## GENERAL INFORMATION

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The charity is a company limited by guarantee and therefore has no share capital. It is a registered charity at the Charity Commission in England & Wales (registered number 1017255). The liability of each member in the event of a winding up is limited to £1. The address of the Charity's registered office and principal place of business is 6th Floor, Friars House, Manor House Drive, Coventry, UK, CV1 2TE.

## BASIS OF PREPARATION

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The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019) – Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Reall is taking exemption under FRS102 to not prepare consolidated accounts on the grounds of non-control over subsidiaries in which we have a stake. The basis of non-control is further elaborated in note 12 and this is reviewed on an annual basis. The accounts presented are therefore for Reall Limited as a separate entity.

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

Reall meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

## GOING CONCERN

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The Board, in May 2025, reviewed a full-year forecast for the year ending 30 September 2025, headline budget plans through to September 2026 and cash flow projections through to May 2027.

The budget and cashflow projections continue to be underpinned by Partner loan repayments and asset sales, together with a limited amount of new fundraising income, as we deliver our 'business pivot' in the aftermath of SIDA's adjustment to its priorities. Efforts to repatriate invested funds from diverse jurisdictions have yielded positive results over recent months and during the upcoming 12-month period, we are expecting to receive more than £6M from loan repayments and cancelled projects. We also continue to closely monitor our cost base, which has been remodelled to reflect our current expectation of income streams.

We have tested our latest cash flow projections to 31st May 2026 and Reall remains viable without further funding over that period. Accordingly the trustees have determined that it is appropriate to prepare the accounts on a going concern basis.

However, recognising that repatriation and fundraising can be impacted by circumstances outside our control, the trustees have determined there is uncertainty regarding the exact timing of receipts. Therefore, although the Trustees have determined that it is appropriate to prepare the accounts on a going concern basis, there remains a material uncertainty as to the ability of the charitable company to continue as a going concern for the foreseeable future.

## INCOME

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Income is recognised when the charity has entitlement to the funds, any conditions of receipt have been met, it is probable that the income will be received, and the amount can be measured reliably.

- Voluntary donations are accounted for in the period in which they are received.
- Legacies are accounted for as soon as the cash is received, or on an estate accounts basis when as soon as entitlement, probability of receipt and the amount can be measured reliably is known.
- Investment income is recognised on a receivable basis.
- Grants receivable income, where related to performance and specific deliverables, is accounted for as the Charity earns the right to consideration by its performance. Where income is received in advance of performance, its recognition is deferred and included in creditors. Where entitlement occurs before income is received, the income is accrued.

## EXPENDITURE

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Expenditure is recognised as soon as there is a legal or constructive obligation committing the charity to the expenditure. The charity is not registered for VAT and consequently all costs are inclusive of VAT where applicable. Expenditure is classified under the following activity headings:

- Raising funds - including specific campaign and event costs and promotional material.
- Charitable activities - including grants made to international partner organisations to carry out work in line with our objectives. Grants paid in respect of the programme relate to expenses paid on behalf of partner organisations in relation to stakeholder events, low-value capital projects (where the partner is not sufficiently developed to be able to make loan repayments) and capacity building and project support. All other funds advanced to partners under the programme are made in the form of loans, which are referred to as Programme Related Investments for the purposes of these accounts.
- Charitable activities also include the direct costs of the investment programme. These direct costs include, for example, monitoring and evaluation (including our internal assurance programme), travel, consultancy fees, documentation production, and legal fees. Our disbursements of funds in the form of loans to international partner organisations, whilst being for charitable purposes, do not appear under Charitable Activities in the Statement of Financial Activities. These disbursements appear on our Balance Sheet as Programme Related Investments and are further broken down in note 13.

- Support costs include staff and general overhead costs as well as direct governance costs. They are apportioned across the various areas of activity both restricted and unrestricted in the following manner:
  - Salary and related costs (pension, national insurance, etc.) are allocated on a percentage basis according to the amount of time spent in each area.
  - General overhead costs are allocated according to the total proportion of staff time spent in that area.
  - Governance costs include the costs associated with meeting constitutional and statutory requirements. This includes the costs of the annual audit as well as Board meetings and other Trustees' expenses.
- Redundancy and termination costs only occur where absolutely necessary and are accounted for on an accruals basis when the commitment has been made.

## FUND ACCOUNTING

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General Unrestricted Funds are available for use at the Trustees' discretion in furtherance of the charity's objectives. Restricted Funds are those donated and restricted for use in a particular area or for specific purposes.

## OPERATING LEASES

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All leases are "operating leases" and the annual rentals are charged to the Statement of Financial Activities on a straight-line basis over the lease term.

## EMPLOYEE BENEFITS

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The costs of short-term employee benefits are recognised as a liability and an expense. The holiday pay year for the charity ends on 31 December each year and employees are entitled to carry forward up to 10 days of any unused entitlement at the end of the calendar year. The cost of any unused entitlement is recognised in the period when employees' services are received.

## FOREIGN CURRENCIES

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Assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the Balance Sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the Statement of Financial Activities.

## TAXATION

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Tax recovered from voluntary income received under gift aid is recognised when the related income is receivable and is allocated to the income category to which the income relates.

## TANGIBLE & INTANGIBLE FIXED ASSETS

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Tangible fixed assets are capitalised at cost and are depreciated over their useful economic lives as follows:

**COMPUTER EQUIPMENT**  
over 2 years (straight-line)

**FURNITURE AND FIXTURES**  
over 4 to 10 years (straight-line)

**INTANGIBLE ASSETS**  
over 3 years (straight-line)

## JOINT VENTURES AND ASSOCIATES

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Joint ventures and associates comprise equity shareholdings in international partner organisations in furtherance of our aims. These shareholdings are generally made in sterling and disclosed at cost although the underlying shares are denominated in the relevant local currency.

Investments in these entities are reviewed on an annual basis to ensure that their carrying value reflects the underlying assets and liabilities of each entity. Provisions for impairment are made where necessary and are taken to the Statement of Financial Activities. It is the opinion of the trustees that cost less provision for impairment represents the best estimate of the carrying value of the investments as at the Balance Sheet date.

## PROGRAMME RELATED INVESTMENTS

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Programme Related Investments comprise loans issued to, and equity stakes in, international partner organisations for projects in furtherance of our aims. The majority of these loans or equity stakes are disbursed in the usual functional currency for the relevant partner.

Payments of the principal and any repayments of either principal or interest are initially disclosed in the Balance Sheet at cost using the exchange rate ruling at the date of the transaction. Exchange rate differences arising at the time of any repayment are taken to Charitable Activities in the Statement of Financial Activities. Outstanding balances at the year-end are re-translated at the prevailing exchange rate at the Balance Sheet date, with any further exchange rate gains or losses also taken to the Statement of Financial Activities.

Due to the breadth of our loan portfolio across numerous countries there is the potential for material exchange rate fluctuations which could impact the total valuation of Programme Related Investments both positively and negatively. We monitor this on a cyclical basis throughout the year.

Each year, the Trustees consider the recoverable amount of each outstanding loan and make provisions for impairment based on a formal assessment carried out by management. Provisions for impairment are taken to the Statement of Financial Activities.

It is the opinion of the trustees that cost less provision for impairment represents the best estimate of the carrying value of the loans as at the Balance Sheet date.

## DEBTORS

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Other debtors and prepayments are recognised at the settlement amount.

## CASH AND CASH EQUIVALENTS

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Cash and cash equivalents include cash and short-term liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

## CREDITORS AND PROVISIONS

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Creditors and provisions are recognised when 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.

## FINANCIAL INSTRUMENTS

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The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

## PENSION COSTS

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The charity participates in the Social Housing Pension Scheme (SHPS) which is a multi-employer scheme which provides benefits to some 500 non-associated employers in the UK. The charity participates in two separate active defined contribution schemes and one closed defined benefit scheme within SHPS as follows:

### DEFINED CONTRIBUTION SCHEME

This scheme acts as the auto-enrolment scheme and all employees are automatically enrolled in the scheme when they join unless they opt to join the Higher Rate Defined Contribution Scheme.

Contributions are charged to the Statement of Financial Activities in the year they are payable.

### HIGHER RATE DEFINED CONTRIBUTION SCHEME

This scheme replaced the Defined Benefit Scheme that Reall had been a member of for many years and is open to any employees who wish to join it instead of the auto-enrolment scheme. Contributions are charged to the Statement of Financial Activities in the year they are payable.

### DEFINED BENEFIT SCHEME

This scheme was open to any employees who wished to join it until 1 October 2018 when the scheme was closed to new accrual. The closure took place following the outcomes from the autumn 2017 employer risk assessment, which indicated that Reall did not have a strong enough covenant to maintain an active Defined Benefit scheme under the scheme provider's rules.

The deficit on the scheme is reported as a Defined Benefit Pension Scheme obligation on the Balance Sheet. The net defined benefit asset/obligation represents the present value of the defined benefit obligation minus the fair value of scheme assets out of which obligations are to be settled.

The rate used to discount the benefit obligations to their present value is based on market yields for high quality corporate bonds with terms consistent with those of the benefit obligations. The change in the net defined benefit liability arising from employee service during the year is recognised as an employee cost. Net interest on the net defined benefit liability comprises the interest cost on the defined benefit obligations and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. These amounts are recognised within net income/expenses. Actuarial gains and losses and the difference between the interest income on scheme assets and the actual return on scheme assets are recognised in other recognised gains and losses.

## CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

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Estimates and judgements are continually evaluated and are based on historical experience and other factors including expectations of future events that are believed to be reasonable under the circumstances.

The charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The Trustees have identified that the estimates and assumptions that have a significant risk of causing a material adjustment to the carrying value of assets and liabilities within the next financial year are as follows:

### PROGRAMME RELATED INVESTMENTS – PROVISIONS FOR IMPAIRMENT

Provisions for impairment as set out in note 13 are made based on a formal review carried out by management which focuses on a range of factors including compliance with loan repayment terms, delays in project implementation and the organisational and financial stability of the partner as well as external factors such as policy change or political interference. This is also informed by assessments carried out by the internal assurance team and regular reviews of the expected outcomes of the project against the initial business case. Partners tend to be relatively new organisations, and their operations are generally reliant on a small number of key individuals. In general, the Trustees consider that Programme Related Investments have limited realisable value if they are not repaid in accordance with the terms on which the investment was made.

### EQUITY STAKES IN PARTNERS – NON-CONSOLIDATION

The charity has several equity stakes in partners as set out in note 12 – Joint Ventures and Associates. The charity considers the substance of each of these investments where the shareholding would generally require that the results and net assets of the partners to

be consolidated into the accounts of the UK charity. Note 12 sets out the rationale for the non-consolidation of each of the relevant partner entities, which the trustees regularly review to confirm the position. As a result, Reall has not produced consolidated accounts.

### EQUITY STAKES IN PARTNERS – NEPAL

The charity has taken equity stakes in its partner in Nepal because the legislation in that country does not allow the partner to receive loans from the charity. Loans advanced by Reall to this partner are therefore recognised as equity in the accounts of our Nepalese partner. The Trustees consider that the substance of these transactions remains that of a loan investment rather than an equity investment for the reasons disclosed in note 12. The equity stake has therefore been assessed and subjected to impairment using the same accounting policies as other Programme Related Investments.

### EQUITY STAKES IN PARTNERS AND JOINT VENTURES AND ASSOCIATES – PROVISIONS FOR IMPAIRMENT

Provisions for impairment as set out in note 12 are made based on a formal review carried out by management, which focuses on the net assets underlying the investment as well as the general financial stability of the partner. In general, the Trustees consider that these equity stakes have limited resale value on the open market if they do not continue to operate in accordance with the basis on which the investment was made.

### DEFINED BENEFIT PENSION SCHEME LIABILITIES

The charity, in conjunction with the scheme actuary, assesses the assets and liabilities of the scheme, and hence the net liability at each year-end using a number of key assumptions including mortality rates, discount rates, inflation and salary growth in order to establish the fair value of the assets and liabilities at the Balance Sheet date. Further information in relation to the assumptions used to evaluate the deficit as of 30 September 2024 is set out in note 19 to these accounts.



# NOTES OF THE FINANCIAL STATEMENTS

for the 12 months period ended 30 September 2024

# 1 INCOME

	Unrestricted Funds	Restricted Funds	2024 Total	2023 Total
	£	£	£	£
<b>INCOME FROM DONATIONS AND LEGACIES:</b>				
General Donations	6,393	-	6,393	11,634
	<b>6,393</b>	<b>-</b>	<b>6,393</b>	<b>11,634</b>
<b>INCOME FROM OTHER TRADING ACTIVITIES:</b>				
Other Income	69	-	69	152
Global Advisory Services	2,969	-	2,969	-
	<b>3,038</b>	<b>-</b>	<b>3,038</b>	<b>152</b>
<b>INVESTMENT INCOME:</b> (note 4)				
Interest on deposit accounts	11,748	-	11,748	4,427
	<b>11,748</b>	<b>-</b>	<b>11,747.99</b>	<b>4,427</b>
<b>INCOME FROM CHARITABLE ACTIVITIES:</b>				
Grants receivable:				
Statutory sources (note 2)	-	-	-	4,770,830
Trusts and foundations (note 3)	-	92,644	92,644	315,707
Interest on loans	-	33,311	33,311	342,944
	<b>0</b>	<b>125,955</b>	<b>125,955</b>	<b>5,429,481</b>
<b>TOTAL INCOME</b>	<b>21,179</b>	<b>125,955</b>	<b>147,134</b>	<b>5,445,694</b>

## 2 STATUTORY GRANTS RECEIVABLE

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	2024	2023
	£	£
Swedish International Development Co-operative Agency	-	4,770,830
	<b>-</b>	<b>4,770,830</b>

## 3 TRUSTS, FOUNDATIONS, AND OTHER GRANTS RECEIVABLE

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	2024	2023
	£	£
SIFI	62,644	-
Ezrah Foundation	-	238,257
Happold Foundation	30,000	60,000
Karandaaz Pakistan	-	17,450
	<b>92,644</b>	<b>315,707</b>

## 4 INVESTMENT INCOME

	Unrestricted Funds	Restricted Funds	2024 Total	2023 Total
	£	£	£	£
<b>INTEREST ON DEPOSIT ACCOUNTS:</b>				
HI Fund	-	-	-	25
Other	11,748	-	11,748	4,402
	<b>11,748</b>	<b>-</b>	<b>11,748</b>	<b>4,427</b>
<b>INTEREST ON PARTNER LOANS:</b>			33,311	342,944
			<b>33,311</b>	<b>342,944</b>

## 5 EXPENDITURE ON RAISING FUNDS

	Unrestricted Funds	Restricted Funds	2024 Total	2023 Total
	£	£	£	£
Support costs	2,748	-	2,748	6,586
<b>TOTAL COST OF RAISING FUNDS</b>	<b>2,748</b>	<b>-</b>	<b>2,748</b>	<b>6,586</b>

## 6 CHARITABLE EXPENDITURE

	Unrestricted Funds	Restricted Funds	2024 Total	2023 Total
	£	£	£	£
<b>INVESTMENT PROGRAMME</b>				
Capital and Capacity Grants (note 7)	-	16,485	16,485	446,617
Loans and equity converted to grant (note 7)	-	355,993	355,993	108,224
Impairment provision movement on remedial projects	-	(206,761)	(206,761)	1,656,002
Exchange losses	-	1,342,571	1,342,571	4,498,317
	-	<b>1,508,288</b>	<b>1,508,288</b>	<b>6,709,160</b>
Support costs (Employees & Overheads)	-	2,083,026	2,083,026	4,794,372
Direct Operational Costs	-	227,436	227,436	1,113,309
	-	<b>2,310,462</b>	<b>2,310,462</b>	<b>5,907,681</b>
<b>OTHER</b>				
Support costs (note 8)	27,901	-	27,901	63,825
	<b>27,901</b>	-	<b>27,901</b>	<b>63,825</b>
<b>TOTAL</b>	<b>27,901</b>	<b>3,818,749</b>	<b>3,846,650</b>	<b>12,680,666</b>

## 7 INVESTMENT PROGRAMME GRANTS

	2024	2023
<b>GRANTS PAID:</b>	£	£
Ansaar Management Company (Pakistan)	-	101,963
Casa Real (Mozambique)	-	3,426
Janaadhar (India)	11,485	72,658
Janaagraha Centre for Citizenship & Democracy	-	1,970
Kwangu Kwako Limited (Kenya)	-	16,366
Modulus Tech (Private) Limited (Pakistan)	-	5,697
Smart Havens Africa Limited (Uganda)	-	244,537
Syntellect (India)	5,000	-
<b>TOTAL GRANTS PAID IN YEAR</b>	<b>16,485</b>	<b>446,617</b>

	2024	2023
<b>CAPACITY LOANS CONVERTED TO GRANTS:</b>	£	£
Smart Havens Africa Limited (Uganda)	-	98,747
Linkbuild/Philippine Action for Community-Led Shelter Initiatives Inc. (Philippines)	-	9,477
Millard Fuller Foundation (Nigeria)	355,993	-

Capital funds are generally given to partners as loans rather than grants and these amounts appear as Programme Related Investments on the balance sheet (note 13). Grants which relate principally to capital projects totalled £11.4k (to 1 partner) in relation to installation of ECOSTP water reclamation system on the Janaadhar Sanand project in India. Another partner was awarded a grant in relation to development of a lending risk management tool, this totalled £5k.

## 8 SUPPORT COSTS

Support costs incurred during the year may be analysed as follows:	Personnel Costs	Office Costs & Depreciation	2024 Total	2023 Total
<b>CHARITABLE EXPENDITURE (NOTE 6)</b>	£	£	£	£
Programme support costs	1,433,124	649,902	2,083,026	4,794,372
Other unrestricted	19,196	8,705	27,901	63,825
<b>RAISING FUNDS (NOTE 5)</b>				
Support costs	1,890	858	2,748	6,586
<b>TOTAL SUPPORT COSTS</b>	<b>1,454,210</b>	<b>659,465</b>	<b>2,113,675</b>	<b>4,864,783</b>

	2024	2023
<b>PERSONNEL COSTS INCLUDE THE FOLLOWING:</b>	£	£
Salaries and wages	1,166,894	2,994,526
Employer's social security	137,744	325,151
Pension costs (note 19)	72,105	136,902
Life assurance premium	-	9,935
	<b>1,376,743</b>	<b>3,466,514</b>
Consultants	77,467	122,027
	<b>1,454,210</b>	<b>3,588,541</b>

During the 12-month period to 30 September 2024 termination payments totalling £30,000 were paid/payable to 1 employee.

Key Management Personnel are those having authority and responsibility, delegated to them by the trustees, for planning, directing, and controlling the activities of the charity. Remuneration for key management personnel, including employers' national insurance contributions and contributions to the pension scheme, amounted to £512,550 for the 12-month period. (18-month period to 30 September 2023: £864,213).

The highest paid employees are as follows:

	2024	2023
<b>Band (excluding pension contributions and NI)</b>	<b>Number</b>	<b>Number*</b>
£160,000-£169,999	1	-
£150,000-£159,999	-	-
£140,000-£149,999	-	1
£100,000-£109,999	-	-
£90,000-£99,999	3	1
£80,000-£89,999	1	2
£70,000-£79,999	-	1
£60,000-£69,999	1	6

\*12M EQUIVALENT

The average number of employees during the period was 24 (18-month period to 30 September 2023: 41).

All directors give of their time freely and no director (or person connected to any director) received remuneration in the period. Expenses have been paid to 3 directors totalling £2,835,

(18-month period to 30 September 2023: £5,641) during the period. This was to cover their travelling expenses incurred in attending meetings of the charity. Directors' Liability Insurance has been paid on behalf of the directors amounting to £2,323 (18-month period to 30 September 2023: £2,996).

## 9 EXPENDITURE

	2024	2023
<b>NET EXPENDITURE INCLUDES CHARGES/(CREDITS) FOR:</b>	£	£
Net expenditure includes charges/(credits) for:		
Defined Benefit Scheme – net interest expense	21,000	17,000
Auditor's remuneration – audit services	47,340	54,360
Auditor's remuneration – other services	-	1,440
Depreciation	90,745	169,212
Rent on office accommodation	121,232	180,600
Operating leases – plant and machinery	2,167	3,250

## 10 INTANGIBLE ASSETS

	Software	Total
<b>COST</b>	£	£
As at 1 October 2023	186,565	186,565
Additions	-	-
Disposals	-	-
As at 30 September 2024	<b>186,565</b>	<b>186,565</b>
<b>DEPRECIATION</b>		
As at 1 October 2023	118,338	118,338
Charge for the year	33,251	33,251
Disposals	-	-
As at 30 September 2024	<b>151,589</b>	<b>151,589</b>
<b>NET BOOK VALUE</b>		
As at 30 September 2024	<b>34,976</b>	<b>34,976</b>
As at 30 September 2023	<b>68,227</b>	<b>68,227</b>

## 11 TANGIBLE FIXED ASSETS

	COMPUTER EQUIPMENT	FURNITURE, FIXTURES & GENERAL EQUIPMENT	TOTAL
<b>COST</b>	£	£	£
As at 1 October 2023	100,020	493,113	593,133
Additions	-	-	-
Disposals	-	-	-
As at 30 September 2024	<b>100,020</b>	<b>493,113</b>	<b>593,133</b>
<b>DEPRECIATION</b>			
As at 1 October 2023	90,790	168,748	259,538
Charge for the year	7,928	49,566	57,494
Disposals	-	-	-
As at 30 September 2024	<b>98,718</b>	<b>218,314</b>	<b>317,032</b>
<b>NET BOOK VALUE</b>			
As at 30 September 2024	<b>1,302</b>	<b>274,799</b>	<b>276,101</b>
As at 31 March 2023	<b>9,230</b>	<b>324,365</b>	<b>333,595</b>

These assets are used for administration and for the direct charitable purposes of the charity. Individual assets are not allocated to specific purposes.

## 12 JOINT VENTURES AND ASSOCIATES

	Class of holding	Cost of investment	Proportion held	Aggregate capital and reserves	Results for the period	Nature of business
		£		£	£	
Sewa Nirman Private (incorporated in Nepal)	Limited	-	95%	3,429,802	46,302	Investment
Sheltersol Holdings (incorporated in Zimbabwe)	Limited	-	49%	(3,895,865)	(104,937)	Investment
Ansaar Management Company (Private) Limited (incorporated in Pakistan)	Limited	178,830	25%	1,103,674	(358,018)	Investment
Syntellec India PVT Ltd (incorporated in India)	Limited	368,570	14%	173,174	(151,310)	Investment
Green City Homes International (incorporated in England)	Limited	-	100%	1	N/A	Investment – Not active
		<b>547,400</b>				

Reall has made loans or grants to these companies, and these are recorded in Charitable Expenditure within the Statement of Financial Activities (grants) or in Programme Related Investments (note 13) (loans). We also hold shares in Lendco and AHS at nil value.

The figures for aggregate capital and reserves and results for the period set out in the table in this note have been extracted from the most recent unaudited management information available at the date of signing these Financial Statements – this is as at 30 September 2024.

In the case of Sewa, Nepalese law does not allow a Nepali entity to receive repayable loans (as is the usual practice for Reall) from a non-Nepali entity. In order to continue to invest in the Nepali partner, the funds advanced to Sewa have therefore been made in the form of part paid share capital and recorded as such in the books of Sewa. This means that Reall has a 95% equity

stake in Sewa and as such it would be expected that the results of Sewa should be consolidated within the accounts of Reall. However, it is the opinion of the trustees, that there are substantial restrictions on our ability to do business in Nepal under our normal terms. It is their view that the substance of the relationship between Reall and Sewa is still one of loan provider/receiver and not one of parent and subsidiary.

The basis for non-consolidation is that Reall doesn't have control over the entity. The results of Sewa have not therefore been consolidated into the accounts of Reall and the amounts advanced have been separately shown as equity investments within Programme Related Investments. No other cost has been attributed to Reall's holdings in Sewa.

During 2022-23 Reall created a wholly owned UK subsidiary called Green City Homes International (GCHI) this is currently non trading and so has no results to consolidate.

The movement in the carrying value of joint ventures and associates over the year is as follows:

	2024	2023
	£	£
Balance at 1 October	547,400	178,830
Additions in the year	-	368,570
Disposals in the year	-	-
At 30th September	<b>547,400</b>	<b>547,400</b>
Impairment at 1 October	-	-
Impairment provisions in the year	73,714	-
At 30th September	<b>73,714</b>	-
<b>NET BOOK VALUE AT 30 SEPTEMBER</b>	<b>473,686</b>	<b>547,400</b>

The registered addresses of these joint ventures and associates are as follows:

**SEWA NIRMAN PRIVATE**

Ward No 3, Lalitpur Sub-Metropolitan City of Lalitpur District, Nepal

**SHELTERSOL HOLDINGS**

50 Bradfield Road, Hillside, Harare, Zimbabwe

**ANSAAR MANAGEMENT COMPANY**

31/10-A, Abu Bakr Block, New Garden Town, Lahore, Pakistan

**SYNTELLECT INDIA PVT**

C 802 Golden Square Cst Road Sundar Nagar Extension Kalina Santacruz East Mumbai MH 400098 IN.

**GREEN CITY HOMES INTERNATIONAL**

6th Floor, Friars House, Manor House Drive, Coventry CV1 2TE, UK

## 13 PROGRAMME RELATED INVESTMENTS

	2024	2023
	£	£
Loans	13,264,558	16,271,421
Accrued interest on loans	1,191,433	1,203,816
	<b>14,455,991</b>	<b>17,475,237</b>

LOANS	LOAN FUND	EQUITY INVESTMENTS	TOTAL
<b>Gross investments – loans:</b>	£	£	£
As at 1 October 2023	30,510,425	4,939,382	35,449,807
New loans advanced during the year	-	-	-
Loans converted to grant	(355,993)	-	(355,993)
Loans written off	-	-	-
Loan repayments made	(1,613,564)	-	(1,613,564)
Exchange rate losses on translation	(3,626,612)	(454,943)	(4,081,555)
As at 30 September 2024	<b>24,914,256</b>	<b>4,484,439</b>	<b>29,398,695</b>
<b>Impairment provisions:</b>			
As at 1 October 2023	15,759,003	3,419,383	19,178,386
Impairment movement in the year	(280,475)	-	(280,475)
Exchange rate (losses)/gains on revaluation	(2,448,831)	(314,943)	(2,763,774)
As at 30 September 2024	<b>13,029,697</b>	<b>3,104,440</b>	<b>16,134,137</b>
Net investments as at 30 September 2024	<b>11,884,559</b>	<b>1,379,999</b>	<b>13,264,558</b>
Net investments as at 30 September 2023	<b>14,751,422</b>	<b>1,519,999</b>	<b>16,271,421</b>

All loans are concessionary loans, with a typical term of 5-7 years. Loans advanced since the end of 2014 have generally been interest bearing at varying rates (generally between 5% and 7%). As at 30 September 2024, 63% (31 March 2023: 65%) of the current loan portfolio is interest-bearing.

Reall's loans are largely denominated in local currency and all exchange gains and losses are

absorbed into/by the funding portfolio. We operate in a number of countries with volatile currencies and as such the valuation of our loan portfolio can vary significantly over relatively short time periods.

These recoverable amounts are subject to loan impairment (shown above).

<b>ANALYSIS OF GROSS LOANS BY DEBT MATURITY:</b>	<b>2024</b>	<b>2023</b>
<b>AMOUNTS PAYABLE:</b>	£	£
In one year or less or on demand	21,268,722	18,609,627
In more than one year but not more than two years	865,773	7,955,535
In more than two years but not more than five years	2,550,069	3,431,407
In five years or more	4,714,131	5,453,238
	<b>29,398,695</b>	<b>35,449,807</b>

<b>ACCRUED INTEREST ON LOANS:</b>	<b>LOAN FUNDS</b>
<b>GROSS ACCRUED LOAN INTEREST:</b>	£
As at 1 October	3,185,115
Interest repaid in cash in the year	(117,057)
Loans converted to grant in year	(13,184)
New accrued interest in year	50,583
As at 30 September 2024	<b>3,105,457</b>
<b>LOAN INTEREST IMPAIRMENT PROVISIONS:</b>	
As at 1 October	1,981,299
New provisions during the year	17,272
Release of impairment provisions on loans converted to grant	-
Withholding tax movement in year	(84,547)
As at 30 September 2024	<b>1,914,024</b>
Net accrued interest as at 30 September 2024	<b>1,191,433</b>
Net accrued interest as at 30 September 2023	<b>1,097,112</b>

## 14 DEBTORS

	2024	2023
Debtors due within one year:	£	£
Prepayments and accrued income	127,415	111,403
Other	853,859	1,426,641
<b>TOTAL</b>	<b>969,774</b>	<b>1,538,044</b>

## 15 CREDITORS – AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024	2023
	£	£
Trade Creditors	57,381	64,226
Taxation and pension costs outstanding	54,287	38,496
Accruals	66,735	212,495
Deferred rent	26,777	24,080
Holiday pay accrual	48,174	90,682
<b>TOTAL</b>	<b>253,354</b>	<b>429,979</b>

## 16 CREDITORS – AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2024	2023
	£	£
Deferred rent	104,970	131,747
<b>TOTAL</b>	<b>104,970</b>	<b>131,747</b>

	2024	2023
<b>Movement on Deferred Rent during the year was as follows:</b>	£	£
Balance as at 1 October	155,827	163,002
Accrued rent utilised during the year	(24,080)	(7,175)
At 30 September	<b>131,747</b>	<b>155,827</b>

### Analysis of debt maturity:

In one year or less or on demand	26,266	24,080
In more than one year but not more than two years	26,266	24,080
In more than two years but not more than five years	71,300	72,240
In five years or more	7,915	35,427
	<b>131,747</b>	<b>155,827</b>

Reall entered into a premises lease which began on 14 February 2020 for a period of ten years. The lease allowed for a reduced rent period of 20 months, the benefit of which is being spread over the life of the lease. The analysis of this is shown above.

## 17 CASH FROM OPERATING ACTIVITIES

	2024	2023
	£	£
<b>Net expenditure for the year</b> (as per the Statement of Financial Activities)	(3,704,264)	(7,449,116)
<b>Adjustments for:</b>		
Amortisation of intangible assets	33,251	72,373
Depreciation	57,494	96,838
Profit / (Loss) on disposal of fixed assets		
Movement in pension provision	(88,103)	68,000
(Increase) in debtors	556,770	572,485
Increase in creditors	(203,403)	(220,970)
Transfer of remedial projects to Debtors		
Transfer of investment to Debtors		
Interest receivable	(11,748)	(4,427)
Unrealised exchange rate losses on loans	1,317,781	4,072,257
Exchange rate losses / (gains) on cash and cash equivalents due to exchange rate movements	172,956	16,220
Loans converted to grant or written off	355,992	106,424
Impairment movement	(206,761)	1,656,002
Impairment of Remedial Projects		
Movement on accrued interest on loans	12,383	(106,705)
<b>NET CASH GENERATED BY OPERATING ACTIVITIES</b>	<b>(1,707,652)</b>	<b>(1,120,619)</b>

## 18 ANALYSIS OF CASH AND CASH EQUIVALENTS

	2024	2023
	£	£
Cash in hand and at bank	1,328,496	1,583,791
	<b>1,328,496</b>	<b>1,583,791</b>

## 19 PENSION COMMITMENTS

	2024	2023
	£	£
<b>DEFINED BENEFIT LIABILITY</b>	<b>332,897</b>	<b>421,000</b>

Reall participates in three schemes under the Social Housing Pension Scheme (“SHPS”) that are managed by The Pensions Trust. Two schemes are Defined Contribution Schemes, one being a designated auto-enrolment scheme and the other a Higher Rate Defined Contribution Scheme.

### DEFINED CONTRIBUTION SCHEME

This scheme was set up to enable Reall to meet its obligations with regard to auto-enrolment. The assets of this scheme are held separately from those of Reall and are administered separately from the assets of the Reall Defined Benefit Scheme. The pension charge represents contributions payable by Reall to the fund during the period and amounted to £17,790 (18-month period to 31 March 2023: £47,440). Contributions totalling £nil (in relation to the September 2024 payroll deductions) were due to the fund as at 30 September 2024 (30th September 2023: £nil).

### HIGHER RATE DEFINED CONTRIBUTION SCHEME

This scheme was set up to replace the closed Defined Benefit Scheme that the charity had been a member of for many years and is open to any employees who wish to join it instead of the auto-enrolment scheme. The assets of this scheme are held separately from those of Reall and are administered separately from the assets of the Reall Defined Benefit Scheme. The pension charge represents contributions payable by Reall to the fund during the period and amounted to £ 29,362 (18-month period to 30 September 2023: £89,462). Contributions totalling £nil (in relation to the September 2024 payroll deductions) were due to the fund as at 30 September 2024 (30 September 2023: £nil).

## DEFINED BENEFIT SCHEME

Reall also participates in the Social Housing Pension Scheme (SHPS), a multi-employer scheme which provides benefits to some 500 non-associated employers. The Scheme is a defined benefit scheme in the UK.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004, which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The last completed triennial valuation of the scheme for funding purposes was carried out as at 30 September 2023. This valuation revealed a deficit of £700m. A recovery plan has been put in place with the aim of removing this deficit by 31st March 2028.

The scheme is classified as a “last man standing arrangement”. Therefore, Reall is potentially liable for other participating employers’ obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

For accounting purposes, a valuation of the scheme is carried out with an effective date of 30 September each year, with the latest accounting valuation being with an effective date of 30 September 2024.

The liabilities are compared, at the relevant accounting date, with the company’s fair share of the Scheme’s total assets to calculate the company’s net deficit or surplus.

## CONTINGENT LIABILITY DISCLOSURE

We have been notified by the Trustee of the Scheme that it has performed a review of the changes made to the Scheme's benefits over the years, and the result is that there is uncertainty surrounding some of these changes. The Trustee has been advised to seek clarification from the Court on these items. This process is ongoing, and the matter is unlikely to be resolved

before the summer of 2025 at the earliest. It is recognised that this could potentially impact the value of Scheme liabilities, but until Court directions are received, it is not possible to calculate the impact of this issue, particularly on an individual employer basis, with any accuracy at this time. No adjustment has been made in these financial statements in respect of this potential issue.

## FAIR VALUE OF PLAN ASSETS, PRESENT VALUE OF DEFINED BENEFIT OBLIGATION AND DEFINED BENEFIT (LIABILITY)

	2024	2023
	£'000	£'000
Fair value of scheme assets	1,830	1,558
Present value of defined benefit obligation	2,172	1,979
<b>DEFICIT IN SCHEME</b>	<b>(342)</b>	<b>(421)</b>

## RECONCILIATION OF OPENING AND CLOSING BALANCES OF THE DEFINED BENEFIT OBLIGATION

	2024	2023
	£'000	£'000
<b>Defined benefit obligation</b>	<b>£'000</b>	<b>£'000</b>
At start of year	1,979	3,475
Current service cost	-	-
Expenses	5	8
Interest expense	110	148
Member contributions	-	-
Actuarial losses (gains) due to scheme experience	(2)	(7)
Actuarial losses (gains) due to changes in demographic assumptions	(21)	(5)
Actuarial losses (gains) due to changes in financial assumptions	137	(1,564)
Benefits paid and expenses	(36)	(59)
<b>DEFINED BENEFIT OBLIGATION AT END OF YEAR</b>	<b>2,172</b>	<b>1,979</b>

## RECONCILIATION OF OPENING AND CLOSING BALANCES OF THE FAIR VALUE OF SCHEME ASSETS

	2024	2023
<b>Scheme assets</b>	<b>£'000</b>	<b>£'000</b>
At start of year	1,558	3,122
Interest income	89	131
Experience on plan assets (excluding amounts included in interest income – gain (loss))	112	(1,801)
Employer contributions	107	165
Member contributions	-	-
Benefits paid and expenses	(36)	(59)
<b>FAIR VALUE OF PLAN ASSETS AT END OF YEAR</b>	<b>1,830</b>	<b>1,558</b>

## DEFINED BENEFIT COSTS RECOGNISED IN STATEMENT OF FINANCIAL ACTIVITIES

	2024	2023
	<b>£'000</b>	<b>£'000</b>
Expenses	5	8
Net interest expense	21	17
<b>DEFINED BENEFIT COSTS RECOGNISED IN SOFA</b>	<b>26</b>	<b>25</b>

## DEFINED BENEFIT COSTS RECOGNISED IN OTHER RECOGNISED GAINS & LOSSES

	2024	2023
	<b>£'000</b>	<b>£'000</b>
Experience on plan assets (excluding amounts included in net interest cost) – gain (loss)	112	(1,801)
Experience gains and losses arising on plan liabilities – gain (loss)	2	24
Effect of changes in demographic assumptions underlying the present value of the defined benefit obligation – gain (loss)	21	5
Effect of changes in financial assumptions underlying the present value of the defined benefit obligation – gain (loss)	(137)	1,564
<b>Total actuarial gains and losses (before restriction due to some of the surplus not being recognisable)-gain (loss)</b>	<b>(2)</b>	<b>(208)</b>
Effect of changes in the amount of surplus that is not recoverable (excluding amounts included in net interest cost)	-	-
<b>TOTAL AMOUNT RECOGNISED IN OTHER RECOGNISED GAINS &amp; LOSSES</b>	<b>(2)</b>	<b>(208)</b>

## DEFINED BENEFIT COSTS RECOGNISED IN OTHER RECOGNISED GAINS & LOSSES ASSETS

	30 September 2024	30 September 2023
	£'000	£'000
Global Equity	121	121
Absolute Return	28	28
Distressed Opportunities	55	55
Credit Relative Value	55	55
Alternative Risk Premia	23	23
Liquid Alternative	294	-
Emerging Markets Debt	74	12
Risk Sharing	-	112
Insurance-Linked Securities	6	22
Property	70	70
Infrastructure	-	176
Private Equity	1	-
Reall Assets	190	-
Private Debt	-	72
Opportunistic Illiquid Credit	-	80
Private Credit	227	-
High Yield	-	3
Cash	30	15
Corporate Bond Fund	34	-
Liquid Credit	10	-
Long Lease Property	-	50
Secured Income	46	75
Liability Driven Investment	619	596
Currency hedging	4	(11)
Net Current Assets	3	4
<b>TOTAL ASSETS</b>	<b>1,830</b>	<b>1,558</b>

None of the fair values of the assets shown above include any direct investments in the employer's own financial instruments or any property occupied by, or other assets used by, the employer.

## ASSUMPTIONS

	2024	2023
	% per annum	% per annum
Discount rate	5.13	5.60
Inflation (RPI)	3.02	3.19
Inflation (CPI)	2.77	2.85
Salary growth	3.77	3.85
Allowance for commutation of pension for cash at retirement	75% of maximum allowance	75% of maximum allowance

## THE MORTALITY ASSUMPTIONS ADOPTED AT 30 SEPTEMBER 2024 IMPLY THE FOLLOWING LIFE EXPECTANCIES

	Life expectancy at age 65
	Years
Male retiring in 2022	20.5
Female retiring in 2022	23.0
Male retiring in 2042	21.8
Female retiring in 2042	24.4

## 20 UNRESTRICTED FUNDS

	2024	2023
General Unrestricted Funds:	£	£
Balance as at 1 October 2023	763,555	825,343
Other recognised gains / (losses)	-	(3,036)
Income	21,179	11,659
Expenditure	(30,649)	(70,411)
Transfers between funds	-	-
<b>BALANCE AS AT 30 SEPTEMBER 2024</b>	<b>754,086</b>	<b>763,555</b>

## 21 RESTRICTED FUNDS

	As at 1 October 2023	Other recognised gains/ (losses)	Income	Expenditure	Transfers between funds	As at 30 September 2024
	£	£	£	£	£	£
Programme Funds	19,748,218	(2,000)	33,311	(3,736,069)	-	16,043,460
Happold	51,794	-	30,000	(25,924)	-	55,870
SIFI	-	-	62,644	(56,756)	-	5,888
	<b>19,800,012</b>	<b>(2,000)</b>	<b>125,955</b>	<b>(3,818,749)</b>	<b>-</b>	<b>16,105,218</b>

### PROGRAMME FUNDS

The investment programme has been funded by FCDO & Sida with some limited contributions from General Unrestricted Reserves. Reall co-ordinates the investment programme at the global/central level and development partners co-ordinate investment programme at the local level in the country concerned. Whilst these funds are to be used to deliver Reall's objectives and mission, we have presently identified these as restricted funds, although this may be revisited in future years. The 1 October 2023 balance has been restated to reflect the correct split of restricted funds, the total figures has not changed.

### HAPPOLD FOUNDATION

Funding has been provided to support Reall's activities, including inclusion, gender equity, responding to the climate crisis and anti-racism across our programmes and governance

### SIFI

To conduct feasibility and pre-implementation activities for the subsequent deployment of commercial risk guarantees to local financial institutions, alongside targeted support to unlock flows of finance for the construction of green affordable homes and their ownership by female-headed low-income households.

## 22 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Restricted funds	Unrestricted funds	Total funds
<b>As at 30 September 2024:</b>	£	£	£
Intangible assets	-	34,976	34,976
Tangible assets	-	276,101	276,101
Investments	14,455,991	-	14,455,991
Investments in subsidiaries	473,686	-	473,686
Net Current Assets	1,611,408	445,008	2,056,416
Creditors: amounts falling due after more than one year	(104,970)	-	(104,970)
Net Defined Benefit Scheme obligation	(330,897)	(2,000)	(332,897)
<b>NET ASSETS AT 30 SEPTEMBER 2024</b>	<b>16,105,218</b>	<b>754,085</b>	<b>16,859,303</b>
<b>As at 30 September 2023:</b>			
Intangible assets	-	68,227	68,227
Tangible assets	-	333,595	333,595
Investments	17,475,237	-	17,475,237
Investments in subsidiaries	547,400	-	547,400
Net Current Assets	2,306,218	385,637	2,691,855
Creditors: amounts falling due after more than one year	(131,747)	-	(131,747)
Net Defined Benefit Scheme obligation	(397,096)	(23,904)	(421,000)
<b>NET ASSETS AT 30TH SEPTEMBER 2023</b>	<b>19,800,013</b>	<b>763,554</b>	<b>20,563,567</b>

## 23 MEMBERS OF THE COMPANY

The company is limited by guarantee and thus does not have any issued share capital. Each member guarantees during their membership and for one year after membership ceases, the sum of £1 to the company in the event of

a winding up order. Details of members as at 30 September 2024 are included within the Directors Report. Any surplus on winding up is to go to a charity whose objects are of a similar nature.

## 24 FINANCIAL COMMITMENTS

As at 30 September 2024, the company had commitments under non-cancellable operating leases as set out below:

	2024	2023
<b>Payable:</b>	<b>£</b>	<b>£</b>
In less than one year	146,646	146,146
In two to five years	652,442	579,364
In more than 5 years	69,229	198,658
	<b>868,317</b>	<b>924,668</b>

Reall entered into a premises lease on 14 February 2020 for a period of 10 years. The lease allowed for a reduced rent period of 20 months, the benefit of which is being spread over the life of the lease. Reall has also entered into a lease for two printer / copiers, which began on 2 July 2020 for 60 months. The value of the lease payments is reflected above.

## 25 RELATED PARTY TRANSACTIONS

The following transactions with joint ventures and associates as detailed in note 12 have taken place as set out below:

	Sheltersol Holdings	SEWA Nirman Private	Ansaar Management Company (Private)	Syntellect
<b>2024 Programme related Investments:</b>				
Gross interest-free loans	1,516,636	-	301,039	-
Gross interest-bearing loans	3,357,666	-	3,182,485	-
Gross equity investments	-	4,484,438	178,830	368,570
Impairment provision	(3,932,213)	3,104,438	-	(73,714)
<b>NET LOANS AS AT 30 SEPTEMBER 2024</b>	<b>942,089</b>	<b>1,380,000</b>	<b>3,662,354</b>	<b>294,856</b>
<i>Interest rate payable</i>	0-5%	0%	0-6%	0%
<b>Grants:</b>				
Non-repayable grants	-	-	-	5,000
<b>TOTAL GRANTS YEAR ENDED 30 SEPTEMBER 2024</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Invoiced to Reall for services	-	-	-	35,621

## 26 FINANCIAL INSTRUMENTS

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The carrying amount of the charity's financial instruments at 30 September 2024 was:

	2024	2023
<b>Financial assets:</b>	<b>£</b>	<b>£</b>
Cash	1,328,496	1,583,791
Loans measured at cost less impairment plus accrued interest	14,455,991	17,475,237
<b>TOTAL</b>	<b>15,784,487</b>	<b>19,059,028</b>
<b>Financial liabilities:</b>		
Other measured at amortised cost	215,077	405,899
<b>TOTAL</b>	<b>215,077</b>	<b>405,899</b>

Charity registered in England & Wales No. 1017255  
Company Registration No. 2713841

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