

INTERNATIONAL WATER ASSOCIATION

England & Wales · Charity number 1076690

Details

Other names	INTERNATIONAL WATER ASSOCIATION, THE INTERNATIONAL WATER ASSOCIATION, I W A
Status	Registered
Legal form	Charitable company
Company number	03597005
Registered	1999-07-22
Register	View on the Charity Commission register

Contact

Address
International Water Association
Unit 104-105
Export Building
1 Clove Crescent
London
E14 2BA

Phone 02076545505

Email water@iwahq.org.uk

Website www.iwa-network.org

Activities

Objects: (1) TO PROMOTE THE ART AND SCIENCE OF WATER, MANAGEMENT FOR THE PUBLIC BENEFIT, PARTICULARLY, BUT NOT EXCLUSIVELY, BY THE ENCOURAGEMENT OF EDUCATION, TRAINING, STUDY AND RESEARCH IN WATER MANAGEMENT AND THE PUBLICATION OF THE USEFUL RESULTS OF SUCH RESEARCH; (2) TO ADVANCE EDUCATION OF MEMBERS OF THE PUBLIC IN THE SCIENCE AND PRACTICE OF WATER MANAGEMENT (3) TO PROMOTE AND ENABLE THE DEVELOPMENT AND DIRECT PROVISION OF WATER MANAGEMENT SCHEMES WORLDWIDE FOR THE PUBLIC BENEFIT.

Activities: TO PROMOTE THE ART AND SCIENCE OF WATER MANAGEMENT FOR THE PUBLIC BENEFIT

Classification

- **How:** Provides Human Resources, Provides Advocacy/advice/information, Acts As An Umbrella Or Resource Body
- **What:** Education/training, The Advancement Of Health Or Saving Of Lives, Environment/conservation/heritage
- **Who:** The General Public/mankind

Geography

- Bangladesh
- China
- Ghana
- Kenya
- Netherlands
- Romania
- Thailand
- Throughout London

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£8,865,036	£7,844,371	£5,071,018	52
2023-12-31	£6,180,250	£6,576,841	£3,979,040	51
2022-12-31	£10,541,707	£8,910,919	£4,375,151	51
2021-12-31	£6,081,402	£5,855,541	£2,932,190	52
2020-12-31	£6,176,971	£5,732,403	£2,604,073	45

Trustees

Name	Role	Appointed
Dr Hananth Chotoo Kasan	Chair	2023-09-16
Blance Elena Jimenez Cisneros		2024-08-10
Dr Doulaye Kone		2024-08-10
Dr Harsha Chandima Ratnaweera		2022-09-09
Dr Kalanithy Vairavamoorthy		2017-09-25
Dr Mohan Sankaralingam		2022-09-09
Dr Rose Christine Kaggwa		2020-09-09
Dr Satoshi Takizawa		2022-09-09
Dr Wang Xiaochang		2021-04-24
Elisabeta Poci		2022-09-09
Jabulile Mashwama		2024-08-10
Teodor Popa		2018-09-13
Thomas Michael Mollenkopf		2014-09-26
William Fernandes		2024-08-10

INTERNATIONAL WATER ASSOCIATION

England & Wales - Charity number 1076690

Accounts

Company number: 03597005
Charity number: 1076690

International Water Association

Report and financial statements
For the year ended 31 December 2024

International Water Association

Contents

For the year ended 31 December 2024

Trustees' annual report	3
Independent auditor's report	19
Statement of financial activities (incorporating an income and expenditure account)	22
Balance sheet	23
Statement of cash flows	24
Notes to the financial statements	25

International Water Association

Trustees' Report

For the year ended 31 December 2024

Trustees

Hamanth Kasan (President, Chair)
Kala Vairavamoorthy (Executive Director)
Rose Kaggwa (Senior Vice President)
Mohmad Asari Bin Daud (Vice President) (appointed 10th August 2024)
Teodor Popa (Treasurer)
William Fernandes (appointed 10th August 2024)
Blanca Jimenez (appointed 10th August 2024)
Doulaye Kone (appointed 10th August 2024)
Jabulile Mashwama (appointed 10th August 2024)
Sankaralingam Mohan
Elisabeta Poci
Harsha Ratnaweera
Satoshi Takizawa
Xiaochang Wang
Tom Mollenkopf AO (Immediate Past President)
Marie-Pierre Whaley (resigned 10th August 2024)
Daniel A. Nolasco (resigned 10th August 2024)
Walter Kling (resigned 10th August 2024)
María Molinos-Senante (resigned 10th August 2024)
Peter Vanrolleghem (resigned 10th August 2024)

Company registered number

03597005 (England & Wales)

Charity registered number

1076690 (England & Wales)

Registered Office

1.04 & 1.05 Export Building, Republic, 1 Clove Crescent, London E14 2BA, UK

Company Secretary

Mr Satkunam Murugathas

Executive Director

Dr Kalanithy Vairavamoorthy

Independent auditor

Sayer Vincent LLP, 110 Golden Lane, London EC1Y 0TG, UK

Principal Bankers

HSBC Bank Plc, London SW1H 0NJ, UK

International Water Association

Trustees' Report

For the year ended 31 December 2024

The IWA Trustees (who are also Directors of the charity for the purposes of the Companies Act) present their annual report together with the audited consolidated financial statements of the International Water Association (the 'Association' or 'IWA') for the year ended 31 December 2024.

The Trustees confirm that the annual report and financial statements of the Association and the group comply with:

- a) the current statutory requirements;
- b) the requirements of the Association, and the Association's governing document; and
- c) the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

1. OBJECTIVES AND GENERAL ACTIVITIES

Objectives of the Association

These are to:

- (a) promote the art and science of water management for the public benefit, particularly, but not exclusively, by the encouragement of education, training, study, and research in water management and the publication of the useful results of such research;
- (b) advance the education of members of the public in the science and practice of water management;
- (c) promote and enable the development and direct provision of water management schemes worldwide for the public benefit, where "water management" means the establishing, maintaining, and securing of safe and sustainable water supplies, storm water systems, and wastewater treatment and disposal systems.

Strategies for achieving objectives

The Association fulfils its objectives by:

- (a) holding a World Water Congress and a Water and Development Congress in alternate years in different continents of the world;
- (b) holding worldwide regional and specialised conferences, seminars, webinars, and workshops, providing a continual source of knowledge and information;
- (c) publishing a range of books, journals, and reports; and
- (d) promoting multi-level collaboration amongst its members and others through, for example, specialist groups, task forces, forums, regional associations, projects, and programmes.

International Water Association

Trustees' Report

For the year ended 31 December 2024

Activities for achieving objectives

The International Water Association continues to develop as the global reference point for water professionals working on all aspects of the water cycle. IWA helps water professionals deliver innovative, pragmatic, and sustainable solutions to challenging global needs for safe water and sanitation, within urban areas and river basins.

IWA is a unique global knowledge hub for water professionals and anyone concerned about the future of water. As such, IWA continues to inspire change towards our common vision of a water-wise world.

Through the Association, members collaborate to lead the development of effective and sustainable approaches to water management, with emphasis on the science and management of drinking water, wastewater, stormwater, and the conservation of water resources throughout the world.

IWA's World Water Congress & Exhibition is an important component of its activities for achieving its objectives. This is the global event for water professionals to create new insights into how pioneering science, technological innovation and leading practices shape water management. The association delivered the latest successful edition of this event in August 2024, in Toronto, Canada.

More generally, the Association continued to maintain close working relationships with all the major international water agencies and associations, partnering with these bodies, and engaging members in joint projects, publications and representation of positions in international forums.

The Association has a strong and developing outreach programme concerned with the transfer of knowledge and skills in water management from professionals across all countries. With members engaged in the delivery of this programme, it maintains a strong focus on environmental health, hygiene, and sanitation issues in lower-income countries.

Main charitable activities for the public benefit

The Trustees confirm that they have complied with the duty in Section 17 of the Charities Act 2011 and have taken due regard to the Charity Commission's general guidance on public benefit.

This is achieved by the generation and dissemination of knowledge and best practices on all facets of the water cycle. This occurs formally at conferences, facilitated exchanges through the Association's Specialist Groups, task forces, and other member networks (such as the Young Water Professionals) and through the journals, books and other publications produced by the Association.

Activities during 2024 with a particular relevance to the public benefit included advancements through various initiatives and programmes, such as the Inclusive Urban Sanitation (IUS) Initiative and the Climate Smart Utilities Initiative, with the latter giving recognition to 28 utilities from around the world. This advancement was supported by enhanced evaluation processes, strategic partnerships, and expanded knowledge-sharing efforts. Further details of these activities are provided in Section 3.

Open Access publishing and the public benefit

Alongside notable growth in readership, support for Open Access publishing continued, with an adaptation of the existing Subscribe to Open (S2O) model being implemented in September, ensuring sustainability and long-term viability while upholding commitment to Open Access. Additionally, IWA Publishing expanded its open access book offering in 2024, releasing 13 titles, including *Women in Water and Sanitation for All*. IWA Publishing also signed the DORA Declaration on Research Assessment, reaffirming dedication to transparency and the societal impact of research.

International Water Association

Trustees' Report

For the year ended 31 December 2024

2. GROUP STRATEGIC OVERVIEW

The year 2024 marked another milestone in the IWA's journey, building on past successes and driving forward its mission to shape a sustainable water future. Amid global challenges, IWA continued to make a profound impact, uniting professionals, organisations, and thought leaders from across the world.

A standout event of the year was the IWA World Water Congress & Exhibition, held from 11-15 August in Toronto, Canada. Under the theme 'Shaping Our Water Future', the Congress attracted 7,000 participants, including leading scientists, policymakers, industry experts, and young professionals.

The Congress offered an outstanding opportunity to bridge policy and practice, and to present progress from our most important programmes and initiatives, including the Inclusive Urban Sanitation Initiative and the Climate Smart Utilities programme, among others.

The close of the Congress marked the official transition of leadership within IWA. Professor Hamanth Kasan from South Africa assumed the role of IWA President, succeeding Tom Mollenkopf. With over three decades of experience in academia, utilities, and international development, Professor Kasan brings a wealth of knowledge and vision to guide IWA's strategic direction. Serving alongside him, Dr Rose Kaggwa was elected Senior Vice President by the IWA Governing Assembly, and Dr. Ir. Mohmad Asari bin Daud was elected to the role of Vice President.

Another important feature of 2024 was the adoption by the IWA Governing Assembly of a new Strategic Plan. The current plan ran from 2019-2024 and the new plan runs from 2025-2030. IWA remains committed to its mission of fostering global water solutions through knowledge sharing, professional engagement, and sector-wide collaboration. The adoption of the new Strategic Plan for 2025-2030 marks a significant step in aligning IWA's efforts with the evolving challenges and opportunities in the water sector. This plan will guide the Association's work over the next five years, ensuring a continued focus on innovation, sustainability, and inclusive participation. For further details on the objectives and implementation of the Strategic Plan, see Section 8.

2024 was a year in which IWA made significant progress in advancing diversity, equity, and inclusion through strategic actions and partnerships. A key milestone was the expansion of its global network with the addition of six new Governing Members, bringing the total to 68. This diverse representation enhances IWA's ability to address water challenges on a global scale, fostering greater collaboration and innovation across regions.

The Young Water Professionals (YWP) community continued to grow with the establishment of four new country chapters globally. The first edition of IWA's LeaP Leadership Programme for Young Water Professionals got under way. Supported by the Emerging Water Leaders Endowment Fund, this new initiative will empower 12 exceptional participants with leadership training, professional growth opportunities, and mentorship from industry leaders, solidifying IWA's commitment to nurturing the next generation of water sector leaders. In further support of leadership development, the second cohort of the IWA-Grundfos Youth Action for SDG 6 Fellowship was also announced, providing a powerful platform for amplifying youth voices within the water sector.

2024 was a year of substantial progress and impactful engagement, reflecting IWA's commitment to addressing global water challenges and driving positive change in the water sector.

Overall, the Association continued to advance its core mission, visible through our diverse activities and a strong membership base that broadly remained steady in terms of membership numbers. This progress was supported by IWA's strong foundations, which are based on financial prudence and the commitment of all the many people involved – i.e., the Board, staff, members, and partners.

International Water Association

Trustees' Report

For the year ended 31 December 2024

Key financial performance indicators

The consolidated financial statements, as presented, comply with the legal requirements of both the Charity Commission and the Companies Act.

Income from charitable activities was £4,090,545 (2023: £2,055,802). The increase compared to the prior year reflects the Association's usual two-year income cycle, along with an additional grant received in 2024, which will be utilised in future years. Other income, including income from trading activities, investments, and other sources, was £4,774,491 (2023: £4,124,448) giving total income for the year of £ 8,865,036 (2023: £6,180,250).

Net income from unrestricted funds for the year was £1,403,099 (2023: net loss of £446,580), largely due to the positive financial impact of the World Water Congress and a new unrestricted grant received towards the end of the year, for which no related expenditure was incurred in 2024. These unrestricted grant funds will be used to support charitable activities over the next two years. Restricted funds reported a net deficit of £311,121 (2023: surplus of £118,839), as most restricted income had been received and recognised in previous years, while the associated expenditure was incurred during the current financial year.

The net reduction in group funds was £1,091,978 (2023: reduction £327,741) providing closing group funds as of 31 December 2024 of £ 5,071,018 (2023: £3,979,040).

3. ACHIEVEMENTS AND PERFORMANCE

Programmes

2024 marked another year of outstanding achievements for IWA's Programmes, with significant advancements across several key initiatives. The Inclusive Urban Sanitation (IUS) Initiative continued to gain traction through expanded engagement efforts and the ongoing promotion of its #SanitAction campaign. A series of pivotal milestones were celebrated during the 2024 IWA World Water Congress & Exhibition, further solidifying the initiative's impact on global sanitation challenges.

A major milestone for the IUS Initiative was the expert consultation on the City-wide Inclusive Sanitation (CWIS) framework, involving 22 members of the IUS Task Force. This consultation highlighted the need for a more practical and universally applicable framework, setting the stage for a global consultation process with all relevant stakeholders.

The Initiative also released a series of impactful publications in collaboration with partners, including four videos on Inclusive Urban Sanitation, showcasing successful case studies from Kenya, Brazil, Ghana, and India. Additional publications included two discussion papers: "Citywide Inclusive Sanitation: Reviewing the State of the Art" and "Climate Resilient Urban Sanitation: From Ideas to Action", as well as four articles published in IWA's magazine, *The Source*.

To promote knowledge exchange, the Initiative organised numerous workshops and webinars at major events, such as the IWA World Water Congress & Exhibition. These included sessions on the CWIS framework consultation and gender-inclusive leadership in the water and sanitation sector. Regional and global workshops were also held at events such as Africa Water Week in Cairo and the 10th World Water Forum, in collaboration with UN-HABITAT.

A key development in 2024 was the no-cost extension granted by the Initiative's donor, the Gates Foundation, extending the project's end date to 31 December 2025. The project scope was adjusted to focus on documenting lessons learned from the CWIS approach through a global consultation process, anticipated to culminate in a CWIS Global Forum at the IWA Water and Development Congress & Exhibition in Bangkok in December 2025.

Another Programme activity, the Climate Smart Utilities Initiative, maintained its leadership in addressing climate change impacts on water and sanitation services, with the third edition of the Recognition Programme held at the World Water Congress & Exhibition in Toronto. The year's programme introduced a revised evaluation framework that integrates both quantitative and qualitative indicators, recognising 28 utilities under two categories: "Achiever" (utilities with substantial climate-smart progress) and "Entrant" (utilities initiating their climate-smart efforts).

International Water Association

Trustees' Report

For the year ended 31 December 2024

Collaborating with the World Bank's NewIBNET benchmarking initiative, the programme expanded its global outreach, supporting utilities and associations worldwide in their climate transition plans. The Initiative hosted a series of webinars, Community of Practice (CoP) meetings, and case studies to foster knowledge exchange. A dedicated workshop at World Water Congress & Exhibition highlighted best practices in climate adaptation, mitigation, and leadership, while CoP sessions focused on N2O emissions and the integration of climate adaptation and mitigation strategies.

Partnerships with organisations such as the Water Research Foundation, GWOPA, and the US Water Alliance further strengthened global knowledge exchange. The publication of three utility climate stories showcased real-world climate-smart initiatives by utilities in the Global South.

In other Programme activity, the IWA Operations and Maintenance Network (OMN) made significant contributions in the year through the 6th International Conference for Water Safety in Uruguay. Organised in collaboration with the World Health Organization and other partners, the conference provided a global platform for discussing strategies and innovations in water safety. The network also hosted webinars to continue advancing knowledge exchange in water safety planning.

IWA's Specialist Groups (SGs) continue to be key centres of expertise and innovation, driving research and solutions in various areas of water management. In 2024, they organised 25 specialised conferences worldwide, and hosted webinars, contributing to global discussions on critical water and sanitation issues. The SG Leaders Forum in Toronto included a special session on Diversity, Equity, and Inclusion (DEI), promoting inclusive representation across SGs and Clusters. Members also published blogs and reports, addressing key challenges and advancing global water management practices.

The IWA Digital Water Programme continued to drive digital transformation in the water sector, equipping professionals with insights on cutting-edge tools to address climate-related challenges. The programme released two white papers, alongside a series of blogs, webinars, and podcasts, reinforcing its commitment to knowledge exchange. The programme successfully hosted the 3rd edition of the IWA Digital Water Summit in Bilbao, Spain (see following section).

Events

IWA's 2024 World Water Congress & Exhibition was held on 11-15 August 2024 at the Metro Toronto Convention Centre in Toronto, Canada. Marking the latest edition of IWA's biennial flagship event, the Congress brought together 7,000 participants from across the globe to exchange insights, build partnerships, and drive action on critical water issues.

The Congress advanced IWA's agenda and cooperation both in the North America region and globally. With a theme 'Shaping our Water Future', the Congress featured an extensive programme, including keynotes, technical sessions, workshops, and five important forums.

Keynote speaker Peter Gleick, a globally acclaimed scientist and communicator on water and climate issues, set the stage by outlining the Three Ages of Water, spanning the themes of his book of the same name, which explores water's "prehistoric past, its powerful present, and the hopeful future ahead".

The panel discussions convened by IWA featured participation of the leadership of key industry organisations from around the world, such as Water Services Association of Australia, AWWA, ESAWAS, WEF, DANVA, Australian Water Association, and ABES.

The Congress welcomed delegates from 106 countries, alongside 250 exhibitors and a comprehensive programme featuring 200 technical sessions, nearly 400 posters, and 42 workshops. Throughout the event, five dedicated forums fostered in-depth discussions on critical water issues: the Groundwater Forum, the Industrial Water Forum, the Utility Leaders Forum, the International Water Regulators Forum, and the Emerging Water Leaders Forum.

The 19th edition of the IWA Leading Edge Conference on Water and Wastewater Technologies took place in Essen,

International Water Association

Trustees' Report

For the year ended 31 December 2024

Germany, from 24 to 28 June 2024. The event was a resounding success, attracting over 400 participants from 42 countries. This conference provided a vital platform for sharing research and advancements in water and wastewater technologies. Some 68 high-quality presentations and more than 150 posters were presented during the event.

IWA's annual event lineup also featured the highly successful third edition of the Digital Water Summit, which returned to Bilbao, Spain. Designed as a business-to-business platform, the summit's programme and structure were tailored to foster connections between solution providers and end-user water utilities. The event drew considerable interest, attracting over 300 delegates who gathered to delve into the latest innovations and strategies shaping the future of digital water management.

The Source Magazine

The Source is IWA's quarterly magazine, delivered both in print and online. It is available to all IWA members as a benefit of membership.

The content of the magazine is specifically intended to reflect IWA's goal of inspiring a world in which water is wisely managed. It therefore offers features, viewpoints, and updates to help readers keep up to speed with the issues that shape the sector and progress in response to these topics.

Topics covered in detail in 2024 included: China's action on rural water supply; actions in Odisha, India, to supply clean piped water 24x7; the water sector's digital transformation; financing water resilience in Africa; the role of reuse for industrial water needs; the circular economy transformation of Japan's food security; prospects for a Positive Third Age of Water (from author Peter Gleick); Singapore's AI-enabled ambitions; progress towards net-zero desalination; the challenges of Citywide Inclusive Sanitation; and Tehran's 'Water Sensitive City' concept.

IWA Publishing

IWA Publishing's mission is to cultivate and share water-related knowledge globally, creating real-world impact. In May 2024, Dr Arash Hejazi was appointed as Managing Director, bringing expertise in scholarly publishing.

Alongside expanding the Open Access book offering during the year, in September IWA Publishing moved to an adapted version of the existing Subscribe to Open (S2O) journal model. IWA Publishing's Research Integrity Office was established to enhance quality control and safeguard the integrity of the scholarly literature published.

The year saw significant growth in our 14 journals, including Water Science & Technology and Aqua, with citations increasing from 4,100 in 2023 to 9,500 in 2024 for articles published in the last 5 years. The journals Water Research and Water Research X, where there is a partnership with Elsevier, also thrived, with a 6% citation increase.

Young Water Professionals (YWP) Community

The IWA's Young Water Professionals (YWP) community achieved another year of excellent progress and demonstrated exceptional leadership in 2024, further cementing its position as a driving force in empowering the next generation of water leaders. This year, the community expanded its global footprint with the establishment of four new Country Chapters, reflecting its growing influence and commitment to fostering young talent worldwide.

A standout moment of 2024 was the 6th Emerging Water Leaders Forum, held during the IWA World Water Congress & Exhibition. Centred around the theme "Harnessing Data and AI to Address and Solve Global Water Challenges", the forum provided a vibrant platform for YWPs to engage in thought-provoking discussions, hands-on workshops, and networking opportunities.

2024 marked the launch of the first edition of the IWA LeaP Leadership Programme for Young Water Professionals, a transformative initiative designed to equip 12 outstanding participants with advanced leadership skills, professional development opportunities, and mentorship from industry experts. Supported by the Emerging Water Leaders (EWL) Endowment Fund, the programme's first cohort convened in November for a leadership retreat in Borneo, Malaysia.

International Water Association

Trustees' Report

For the year ended 31 December 2024

Also, building on the success of its inaugural cohort, the IWA-Grundfos Youth Action for SDG 6 Fellowship launched its second edition in 2024. This initiative brings together a diverse group of exceptional young leaders to develop innovative solutions for achieving Sustainable Development Goal 6 (SDG 6).

Supported by the activity of IWA's office in Chennai, India, IWA's membership growth in South Asia has been substantially driven by student engagement. As part of this, Student Clubs have been introduced to enhance university engagement with YWPs.

IWA Awards

IWA's prestigious Awards programme honours outstanding achievements and thought leadership by individuals, companies, and organisations in the water sector. The programme is supported by the contributions of global and diverse judging panels and juries.

The main awards presented during 2024, at the World Water Congress & Exhibition, featured the IWA Global Water Award. This honours those who have made an extraordinary contribution to progress toward a future where water is properly managed via creative leadership and practice. The IWA Global Water Award was won by Dr Joan Rose, Michigan State University's Center for Advancing Microbial Risk Assessment (CAMRA), Center for Water Sciences (CWS), USA. The IWA Gender Diversity and Water Award, which recognises individuals for their excellent professional contributions to the growth of gender diversity in the water industry, was won by Juliet Willets, Institute for Sustainable Futures, University of Technology Sydney, Australia. The IWA Young Leadership Award is granted to an extraordinary water professional under the age of 35 who has made significant achievements in his or her career. This was won by Sabrina Rashid Sheonty from Canada.

Honorary Membership of IWA was presented to Darryl Day of Australia, Jiuhi Qu of China, Anders Bækgaard of Denmark, and Cheryl Davis of the USA. IWA's Outstanding Service Award was presented to Helle Katrine Andersen of Denmark and Jean-Luc Bertrand- Krajewski of France. IWA's Award for Outstanding Contribution to Water Management & Science went to Silver Mugisha of Uganda and Mathi Vathanan of India. The IWA Publishing Award was awarded to Professor Hong Ying Hu of China.

Also in 2024, IWA's Project Innovation Awards, presented at a special gala event during the World Water Congress & Exhibition, recognised outstanding innovation and leadership in the water industry, with 18 winners across six categories. The overall Grand Innovation Award went to the Committee of China Concept Wastewater Treatment Plant and CSD Water Service Co., Ltd for the China Concept Wastewater Resource Facility.

4. FINANCIAL REVIEW

IWA's income is primarily generated from Gift Aid contributions from its trading subsidiary, IWA Publishing, membership subscriptions, and surpluses from its biennial World Water Congress. Additional income is sourced through grants and contractual agreements with various organisations. Due to this structure, IWA's income profile tends to fluctuate between Congress and non-Congress years, with surpluses in Congress years helping to stabilise finances during alternate years. The financial outcome for 2024 is considered satisfactory, particularly in relation to unrestricted funds, which is having a surplus of £1,403,099, supported by the Congress and Unrestricted grant. Further details on the Group's financial performance are provided under 'Key Financial Performance Indicators' in Section 2 (page 7).

Investment policy and performance

Preservation of capital is the primary objective in guiding the risk profile of the Association's investment policy. Once the primary objective is satisfied, the secondary objective is to maximise the return on investment in accordance with the ethical investment policy. The investment position has been considered from both a Euro and Sterling currency perspective. The group's investments value is £1,344,288 as of 31 December 2024 (2023: £1,251,078). In 2024, performance improved compared with 2023 but remained below benchmark levels.

Assessment of going concern

Trustees are confident that the Association possesses adequate resources to sustain operational continuity for the

International Water Association

Trustees' Report

For the year ended 31 December 2024

foreseeable future. This assessment incorporates an evaluation of the reserves as of 31 December 2024, along with financial forecasts extending for at least one year from the approval date of this report and financial statement.

Our reserves remain robust due to favourable outcomes from conferences, sustained membership income, and ongoing publishing income. While publishing income has decreased in recent years, our reserves are deemed sufficient to endure any short to medium-term reduction in publishing revenue or other fluctuations. Management consistently conducts scenario analyses to evaluate potential impacts on our reserves. These assessments, combined with prudent financial management practices, ensure our resilience against unforeseen challenges. Despite fluctuations in publishing income, our medium-term financial outlook remains secure. We do not currently anticipate that the overall financial position of the group will be adversely affected, or its financial solvency threatened.

Reserves policy

IWA's Reserves Policy aims to strike a balance between utilizing the maximum portion of its income to fulfil its charitable objectives and maintaining an adequate level of reserves to ensure uninterrupted operations and provide a buffer to adapt to changes in financial circumstances.

A target range has been adopted for the Association's reserves, with the higher amount indicating the aspirational level of reserves, and the lower amount indicating the minimum level of reserves that should not be breached. The Board reserves the right to adjust the reserves level based on anticipated future strategic investment needs.

IWA Reserves Target Range: £1.38M - £1.80M

This proposed target range for reserves is deemed appropriate as it strikes a balance between the income needs to fulfil our charitable objectives the necessity to uphold operation as a going concern. It reflects IWA's business model and considers the potential financial impact of key risks. Given the inherent nature of our operation, flexibility within the range of the reserves is essential.

As of 31 December 2024, the group's free reserves stood at £3,819,584 (2023: £2,329,511). The increase in reserves is primarily due to the recognition of a large unrestricted grant, which is earmarked for use over the next two years. The Board has approved a five-year operational plan with committed expenditure and anticipates that reserve levels will decline as these commitments are fulfilled. In view of this planned spending, as well as other financial risks, the Board considers it prudent to hold a higher level of reserves at this time.

The target range for reserves aims to ensure financial stability, operational resilience, and the ability to fulfil our charitable objectives effectively.

This Reserves Policy will be reviewed periodically and adjusted as necessary to align with the evolving needs and circumstances of IWA.

Principal funding

The principal sources of funding for the charity include membership subscriptions, income from conferences, Gift Aid, and income from its wholly owned subsidiaries, IWA Publishing Limited and IWA Conference Limited. Additional income is received through grants and contracts from various organisations. The group does not engage any commercial or professional fundraisers and does not solicit donations from the general public. The charity has received no complaints in relation to its fundraising activities during the reporting period.

5. RISK MANAGEMENT

The Trustees have assessed the major risks to which the group is exposed, those related to the operations and finances of the Association. They are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

The Board recognises the importance of identifying and managing the risks of the Association and its subsidiaries. A risk management framework, which includes a risk and control register, identifying and prioritising the Association's key

International Water Association

Trustees' Report

For the year ended 31 December 2024

risks, is maintained. The register includes a programme of control measures and actions to manage material risks. The risk register is reviewed and updated annually by the management. A risk report is presented to the Finance and Investment Committee at the following meeting to discuss the basis for any movements in the risk register, and any "emerging risks", and to confirm the summary which will be presented at the next board meeting. Once per year, the Board is informed on the status of the risk register and the related mitigation measures.

Key internal risks for the Association include:

- a) Reduction in Gift Aid from IWA Publishing leading to lower revenues to support IWA's charitable activities:
- b) Overall financial resources will not keep pace with globally expanding IWA roles and responsibilities and associated activities in line with IWA's 2025-2030 Strategic Plan
- c) Breaches in the security of the IT systems including hacking, unauthorised access, fraud, permanent damage to electronic data, and manipulation of key data.
- d) Business disruption caused by loss of key staff.

Key external risks to the Association include:

- a) Possible reduction to publishing income influenced by changes in various partnership dynamics.
- b) Reduction in income from changes in the publishing landscape and the possible need to transition to a new business model.
- c) Disruption to or reduced income from World Water Congresses.

Financial risk management objectives and policies

The management team reviews, on behalf of the Board, matters concerning accounting, financial reporting, and internal controls, including the risk register. It also reviews the management accounts and the annual report and financial statements before they are submitted to the Board of Trustees and deals directly with the external auditor regarding the conduct of the audit.

6. STRUCTURE, GOVERNANCE, AND MANAGEMENT

Constitution

The Association is constituted under a Memorandum of Association dated 13 July 1998 and is a registered charity (number 1076690). The Articles of Association were most recently revised in September 2020 to authorise virtual general meetings. Liability of the members is limited by guarantee and the Association does not have share capital. Members of the Association guarantee to contribute an amount not exceeding £1 in the event of a deficiency of assets on winding up. The total number of such guarantees on 31 December 2024 was 15 (2023: 14)

Method of appointment or election of Trustees

The management of the Association is the responsibility of the Trustees who are elected and appointed under the terms of the Articles of Association. As noted earlier, the Trustees also constitute the Board of Directors for the purposes of the Companies Act.

The President and Vice Presidents are elected, and the other Trustees (other than the Executive Director) are appointed, in each case for a two year term, at an Annual General Meeting of the Association.

Policies adopted for the induction and training of Trustees

The Board of Directors has adopted a programme of trustee training which covers existing and new Board members. New Trustees attend an induction programme and a formal training session covering governance and trustees' legal responsibilities. New Trustees are provided with an induction pack that covers their general duties as well as a briefing on IWA-specific matters such as Strategic and Business Plans, financial reports, governance documents, and other relevant reports. All Board members attended a training session on the Duties and Responsibilities of Directors and Trustees in February 2023 and again in February 2025.

Organisational structure and decision-making

The Board of Directors is responsible for the management of the affairs of the Association. It sets the strategic direction of the Association, appoints the Executive Director (also a Trustee), and provides financial and

International Water Association

Trustees' Report

For the year ended 31 December 2024

programme oversight to the Association. The Board generally meets at least four times each year. There were six meetings in the year in London (February 2024), Brasov (May 2024), Toronto (August 2024) and by video (September, November and December 2024).

Additional meetings of the Board may be called as required, and the Articles of Association allow for written resolutions to be circulated for approval. Board Committees (see pages 14 and 15) support the Board in its role.

The Board of Directors

The names of the individuals serving on the Board, at any time during the year of report and up to the date of approval of this report, are as follows:

Hamanth Kasan (President, Chair)
Kala Vairavamoorthy (Executive Director)
Rose Kaggwa (Senior Vice President)
Mohamad Asari Bin Daud (Vice President, appointed on 10 August 2024)
Teodor Popa (Treasurer)
William Fernandes (appointed on 10 August 2024)
Blanca Jimenez (appointed on 10 August 2024)
Doulaye Kone (appointed on 10 August 2024)
Jabulile Mashwama (appointed on 10 August 2024)
Sankaralingam Mohan
Elisabeta Poci
Harsha Ratnaweera
Satoshi Takizawa
Xiaochang Wang
Tom Mollenkopf AO (Immediate Past President)
Walter Kling (Retired on 10 August 2024)
María Molinos-Senante (Retired on 10 August 2024)
Daniel A. Nolasco (Retired on 10 August 2024)
Peter Vanrolleghem (Retired on 10 August 2024)
Marie-Pierre Whaley (Retired on 10 August 2024)

International Water Association

Trustees' Report

For the year ended 31 December 2024

The Board of Directors (continued)

The Board comprises elected officers and other officeholders. Under the Articles of Association, all Board members (except the Executive Director) serve two-year terms. The elected officers (President and two Vice Presidents) generally serve for a single term of two years but may be re-elected to serve a second term. The other officeholders will usually serve two terms on the Board, aside from the Immediate Past President, who is limited to a single term.

The Board nominations process is overseen by the Governance, Diversity and Nominations Committee and, to the extent possible, a practice of rolling retirements is adopted to maintain continuity on the Board.

By accepting to serve on the Association's Board, Trustees commit to conduct themselves in accordance with the highest ethical standards in carrying out their responsibilities. The Board has therefore adopted an internal Code of Conduct, which provides ethical standards and criteria. All Boardmembers are required to adhere to the Code in the performance of their responsibilities to the Board.

Governing Assembly

The Governing Assembly is comprised of the representatives of the Governing Members around the world, each of whom is entitled to appoint three representatives to the assembly.

The Governing Assembly meets at least annually and is responsible for electing the Officers of the Association and appointing other Office holders and approving constitutional changes. As mentioned above, the 2024 AGM and Governing Assembly were held in Toronto, Canada on 10 August 2024, in accordance with the articles of association.

The Governing Assembly ensures that the interests of members – including Individual, Corporate and Governing Members – are represented and it provides oversight and input into the Association's overall direction. The Governing Members of IWA represent the core mechanism for national and regional interaction with members across a range of issues.

Key Committees and Strategic Council

The Association has established a number of key Committees and a Strategic Council, each of which plays a specific role in the Association's governance or activities. Further details on the Strategic Council and the various Board Committees are provided below.

Finance and Investment Committee

Teodor Popa (Treasurer) chairs the Finance and Investment Committee. Other members of the committee are Tom Mollenkopf and Matthew Woolcock. Hamanth Kasan (President) and Kalanithy Vairavamoorthy (Executive Director) are ex officio members. It reviews, on behalf of the Board, matters concerning accounting, financial reporting and internal controls, including the Risk Register. It also reviews the management accounts and the annual report and financial statements before they are submitted to the Board of Trustees and deals directly with the external auditor regarding the conduct of the audit. It also, on behalf of the Board, sets the Investment Manager's mandate and monitors performance on a quarterly basis.

International Water Association

Trustees' Report

For the year ended 31 December 2024

The Governance, Diversity and Nomination Committee

Rose Kaggwa (Senior Vice President) chairs the Governance, Diversity and Nomination Committee. Other members of the committee are Sankaralingam Mohan, Elisabeta Poci, Satoshi Takizawa and Yang Villa. Hamanth Kasan (President) and Kalanithy Vairavamoorthy (Executive Director) are ex officio members. The Committee advises the Board on corporate governance matters for the Association, including its subsidiaries, committees, and other Association entities; assists the President or the Board to ensure that appropriate individuals are selected for various Association entities; and defines and revises the processes for choosing the nominees and winners of the different awards of the Association.

The Membership and Engagement Committee

Mohmad Asari Bin Daud (Vice President) chairs the Membership and Engagement Committee. Other members of the committee are Blanca Jimenez, Sankaralingam Mohan, Jabulile Mashwama, Harsha Ratnaweera and Jacob Amengor. Hamanth Kasan (President) and Kalanithy Vairavamoorthy (Executive Director) are ex officio members. The Committee provides necessary policy oversight concerning the Association members, their expectations, and their participation follows the effectiveness of the recruitment process, discusses new schemes of membership, discusses the communications policy towards different segments of members, and the schemes of honours and awards.

Strategic Council

The Strategic Council plays two key roles within the Association. It provides strategic input to the Association's Board of Trustees and Governing Assembly. In addition, it provides guidance and assistance to the Association in the development of new activities and in the coordination of key existing activities.

Key Management Personnel

The IWA Management Team, led by the Executive Director Kalanithy Vairavamoorthy, comprises several Directors: Varghese Babu (IT & Digital Transformation Director); Daniela Bemfica (Strategic Programmes & Engagement Director); Keith Hayward (Marketing & Communications Director); Tao Li (Strategy & Development Director); Kizito Masinde (Events and Awards Director); Satkunam Murugathas (Finance Director & Company Secretary); and Keith Robertson (Operations Director).

The Trustees consider that they, together with the IWA Management Team, comprise the Association's key management personnel, in charge of directing and controlling the charity.

Except for the Executive Director, none of the Trustees are remunerated for their services to the charity. The Executive Director is remunerated (as permitted under clause 5.2 of the charity's memorandum of association) for his role as Executive Director. The Executive Director's remuneration is set by the non-executive members of the Board based on benchmarking of similar international roles in the charity or NGO sector and having regard to prevailing market rates. The remuneration of the members of the IWA Management Team is determined in line with those of other personnel within the group. Pay is determined by the Executive Director based on industry benchmarking of similar international roles in the Charity or NGO sector.

International Water Association

Trustees' Report

For the year ended 31 December 2024

IWA Publishing Limited

The Association has two wholly owned subsidiaries and the profits from these entities are transferred to the Association by way of Gift Aid. The financial results and year end position of the subsidiaries have been incorporated in the consolidated financial statements accompanying this report. IWA Publishing Limited, the principal business of which is the provision of publishing and information products and services to the international water supply and wastewater market. This includes the production and distribution of various publications of the Association. IWA – Conferences Limited, the principal business of which is raise funds for the Charity through commercial sponsorship and exhibition activity in relation to the Association's congresses.

Other related companies

In India:

- IWAT Science and Technology Private Limited

IWA also owns the following companies in full, which have remained dormant since incorporation:

- IWA Solutions International Limited
- IWA Global Enterprises Limited (previously named Aquarating Limited)

IWA also created NGOs in Kenya - called IWA Africa - and in India - called IWA Water Foundation. Both have remained dormant since their creation.

7. FUTURE PLANNING

The activity of the Association during 2024 has continued to be guided by the 2019-2024 Strategic Plan, which has been in operation following its adoption at the Governing Assembly held at the 2018 IWA World Water Congress & Exhibition in Tokyo.

This plan has provided the strategic foundation for the day-to-day activities of the organisation. We have actively progressing implementation of the plan, working with our members, strengthening our Association's membership value, providing insights into trends for the sector and beyond, being a platform for members to exchange knowledge and accelerate the diffusion of innovation, and collaborating on opportunities to address the SDG challenges.

A new IWA Strategic Plan for 2025-2030 was developed under the guidance of the IWA Board during 2024. The new plan was endorsed by the Governing Assembly in August 2024 held at the IWA World Water Congress & Exhibition in Toronto. This new plan builds upon the achievements of the previous 2019-2024 Strategic Plan while further positioning the Association to respond effectively to evolving global water challenges.

As part of the transition to the new Strategic Plan, work commenced in 2024 on preparation of the Operational Plan to facilitate its implementation. This plan outlines specific actions, engagement of key groups, resource allocation, and timelines for execution. It was completed in early 2025 and approved by the IWA Board in February 2025.

The 2025-2030 Strategic Plan reinforces IWA's commitment to advancing sustainable water management, broadening global engagement, and supporting water-related innovations.

The 2025-2030 Strategic Plan is built around commitment to the following five objectives for IWA to achieve over the coming six years:

Driving Change: Uniting Voices for Water Sustainability

Sustain a vibrant, diverse membership across IWA's spectrum of water interests, promoting connectivity, inclusivity, impact, influence, professional growth, and shared success within the global water community.

Elevating Water Wisdom: Leading the Charge for Sustainability

Solidify our role as a trusted authority and global hub for water knowledge, adeptly addressing and raising awareness on core water supply and sanitation needs, of wider emerging trends and issues, and championing sustainable outcomes worldwide through pioneering thought leadership and impactful programmes.

International Water Association

Trustees' Report

For the year ended 31 December 2024

Empowering Solutions: Tailored Content for the Global Water Sector

Have diligently curated and delivered an expansive spectrum of professional content and programming, bolstered by empowering our members, and precisely tailored to meet the evolving demands of the water sector around the world.

Global Collaboration for Water Innovation and Leadership Development

Leverage the participation of global leaders in research and practice in its network to drive water sector innovation, advancing governance and partnerships to achieve this, while at the same time supporting strengthening of sector capacity and leadership to facilitate tangible progress.

Navigating the World's Water Challenges: Leading Advocacy and Collaboration

We will strengthen our position as a leading advocate for water within global communities, prioritising informed action on the Sustainable Development Goals and climate change, while also preparing for the post-2030 agenda, by fostering a secure environment for sharing water management knowledge and celebrating impactful collaborations.

8. TRUSTEES' RESPONSIBILITIES STATEMENT

The Trustees (who are also Directors of the International Water Association for the purposes of company law) are responsible for preparing the Trustees' report and the 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 financial year which give a true and fair view of the state of affairs of the charity and the group and of income and expenditure of the group for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in Accounting and Reporting by charities;
- make a Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Report Standard applicable in the UK and Republic of Ireland (FRS 102);
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departure disclosed and explained in the financial statements;
- prepare the financial statements on a going concern basis, unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping accounting records that disclose with reasonable accuracy at any time the financial position of the charity and the group and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities Act 2011, and regulations made thereunder. They are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

International Water Association

Trustees' Report

For the year ended 31 December 2024

Disclosure of information to auditor

In so far as the Trustees are aware:

- there is no relevant audit information of which the group's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Approved by the Trustees and signed on their behalf by:



Hamanth Kasan
President and Chairman

Approved on: 12 June 2025

Independent auditor's report

To the members of

International Water Association

Opinion

We have audited the financial statements of International Water Association (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2024 which comprise the consolidated statement of financial activities, the group and parent charitable company balance sheets, the consolidated statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 December 2024 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the group financial statements section of our report. We are independent of the group and parent 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.

Conclusions relating to going concern

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

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

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

Other Information

The other information comprises the information included in the trustees' annual report, including the strategic report, other than the group financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the group 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 group financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the group 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.

Independent auditor's report

To the members of

International Water Association

Opinions on other matters prescribed by the Companies Act 2006

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

- The information given in the trustees' annual report, including the strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements
- The trustees' annual report, including the strategic report has been prepared in accordance with applicable legal requirements

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report, including the strategic report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and Charities Act 2011 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- The parent charitable company financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit; or

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, the trustees (who are also the directors of the parent 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 group's and the parent 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 group or the parent 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

We have been appointed auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

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 are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

Independent auditor's report

To the members of

International Water Association

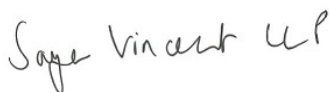
- We enquired of management, which included obtaining and reviewing supporting documentation, concerning the group's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the group operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the group from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of our report

This report is made solely to the charitable company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. 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.



Jonathan Orchard (Senior statutory auditor)
17 September 2025
for and on behalf of Sayer Vincent LLP, Statutory Auditor
110 Golden Lane, LONDON, EC1Y 0TG

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006

International Water Association

Consolidated statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 December 2024

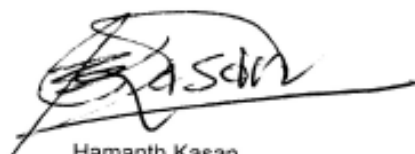
	Note	2024			2023		
		Unrestricted £	Restricted and endowment £	Total £	Unrestricted £	Restricted and endowment £	Total £
Income from:							
Charitable activities							
Membership subscriptions		702,632	-	702,632	648,451	-	648,451
Income from projects and grants		868,616	155,228	1,023,844	-	788,200	788,200
Income from conferences		2,329,621	34,448	2,364,069	603,091	16,060	619,151
Other trading activities							
Income from publications		3,885,555	-	3,885,555	3,902,360	-	3,902,360
Income from Events		770,579	-	770,579	159,038	-	159,038
Income from IWAT India		5,263	-	5,263	-	-	-
Other sales income		21,763	-	21,763	30,198	-	30,198
Investments		34,870	54,323	89,193	30,778	-	30,778
Other		2,138	-	2,138	2,074	-	2,074
Total income		8,621,037	243,999	8,865,036	5,375,990	804,260	6,180,250
Expenditure on:							
Raising funds							
Investment management costs	2	11,049	-	11,049	10,257	-	10,257
Publications costs	2	1,878,415	-	1,878,415	2,068,999	-	2,068,999
Charitable activities							
Engaged & collaborative membership	2	1,507,419	71,575	1,578,994	1,696,216	-	1,696,216
Source of leading-edge water knowledge	2	627,280	-	627,280	468,757	-	468,757
Platform for water knowledge exchange	2	2,693,339	23,342	2,716,681	1,173,229	17,821	1,191,050
Bridging science to practice	2	597,091	425,086	1,022,177	487,150	654,413	1,141,563
Tax payable by subsidiaries	13	9,775	-	9,775	-	-	-
Other		-	-	-	-	-	-
Total expenditure		7,324,368	520,003	7,844,371	5,904,608	672,234	6,576,841
Net (expenditure) / income, before net gains on investments		1,296,669	(276,004)	1,020,665	(528,617)	132,026	(396,591)
Net gains on investments		71,313	-	71,313	67,992	-	67,992
Net income / (expenditure) for the year	4	1,367,982	(276,004)	1,091,978	(460,625)	132,026	(328,599)
Transfers between funds		35,117	(35,117)	-	14,045	(13,187)	858
Net income / (expenditure) before other recognised gains and losses		1,403,099	(311,121)	1,091,978	(446,580)	118,839	(327,741)
Actuarial losses on defined benefit pension schemes		-	-	-	-	-	-
Net movement in funds		1,403,099	(311,121)	1,091,978	(446,580)	118,839	(327,741)
Reconciliation of funds:							
Total funds brought forward		2,566,378	1,412,662	3,979,040	3,012,958	1,293,823	4,306,781
Total funds carried forward		3,969,477	1,101,541	5,071,018	2,566,378	1,412,662	3,979,040

All other activities are continuing. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 21a to the financial statements.

As at 31 December 2024

	Note	The group		The charity	
		2024 £	2023 £	2024 £	2023 £
Fixed assets:					
Intangible assets	8	1,783	13,455	-	-
Tangible assets	9	144,746	223,412	136,712	221,478
Investments	10	1,344,288	1,251,078	1,494,290	1,401,081
		1,490,817	1,487,945	1,631,002	1,622,559
Current assets:					
Stock	13	2,216	2,216	-	-
Debtors	14	1,735,363	2,091,178	2,793,457	1,448,002
Cash at bank and in hand		5,867,743	3,550,618	3,540,062	2,553,157
		7,605,322	5,644,012	6,333,519	4,001,159
Liabilities:					
Creditors: amounts falling due within one year	15	(3,905,121)	(3,032,917)	(2,773,503)	(1,524,678)
Net current assets		3,700,201	2,611,095	3,560,016	2,476,481
Total assets less current liabilities		5,191,018	4,099,040	5,191,018	4,099,040
Creditors: amounts falling due after one year	17	(120,000)	(120,000)	(120,000)	(120,000)
Net assets excluding pension asset / (liability)		5,071,018	3,979,040	5,071,018	3,979,040
Defined benefit pension scheme asset	18	-	-	-	-
Total net assets		5,071,018	3,979,040	5,071,018	3,979,040
Funds:					
Restricted income funds	20a	372,337	666,206	372,337	666,206
Endowment funds		729,204	746,456	729,204	746,456
Unrestricted income funds:					
Designated funds		149,893	236,867	149,893	236,867
Revaluation reserve		278,482	207,169	278,482	207,169
General funds		3,541,102	2,122,342	3,541,102	2,122,342
Non-charitable subsidiary funds		-	-	-	-
Pension reserve		-	-	-	-
Total unrestricted funds		3,969,477	2,566,378	3,969,477	2,566,378
Total funds		5,071,018	3,979,040	5,071,018	3,979,040

Approved by the trustees on 12 June 2025 and signed on their behalf by


Hamanth Kasan
President and Chairman

International Water Association

Consolidated statement of cash flows

For the year ended 31 December 2024

	Note	2024	restated	restated
		£	£	2023
		£	£	£
Cash flows from operating activities				
Net income for the reporting period (as per the statement of financial activities)		1,091,978	(327,741)	
Depreciation charges		89,117	92,083	
Amortisation charges		11,672	30,735	
Gains on investments		(71,313)	(67,992)	
Dividends, interest and rent from investments		(89,193)	(30,778)	
Finance and administrative costs in respect of defined benefit pension scheme		-	-	
Foreign exchange loss		-	50,736	
(Increase)/decrease in stocks		-	-	
(Increase)/decrease in debtors		355,815	198,025	
Increase in creditors		872,204	(758,325)	
Net cash provided by operating activities		2,260,280		(813,257)
Cash flows from investing activities:				
Investment income		89,193	30,778	
Purchase of tangible and intangible fixed assets		(10,452)	(2,900)	
Disposal of tangible and intangible fixed assets		-	-	
Proceeds from sale of investments		1,048,330	316,293	
Purchase of investments		(1,073,703)	(347,292)	
Change in cash held by investment manager		3,478	12,614	
Net cash provided used in investing activities		56,846		9,493
Change in cash and cash equivalents in the year		2,317,126		(803,764)
Cash and cash equivalents at the beginning of the year		3,550,617		4,354,381
Change in cash and cash equivalents due to exchange rate movements		-		-
Cash and cash equivalents at the end of the year		5,867,743		3,550,617

1 Accounting policies

a) Company status

International Water Association is a charitable company limited by guarantee and is incorporated in England.

The registered office address is Export Building, First Floor, 1 Clove Crescent, London, E14 2BA.

b) Basis of preparation and consolidation

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 (FRS 102) - (Charities SORP FRS 102), The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

These financial statements consolidate the results of the Association and its wholly-owned subsidiaries IWA Publishing Limited and IWA Conferences Limited and IWAT Science and Technology Private Limited. Transactions and balances between the charity and its subsidiaries have been eliminated from the consolidated financial statements. Balances between the entities are disclosed in the notes of the charity's balance sheet. A separate statement of financial activities, or income and expenditure account, for the Association itself is not presented because the charity has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006.

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

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

c) Public benefit entity

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

d) Assessment of going concern

The Trustees have assessed the appropriateness of preparing the financial statements on a going concern basis, considering whether there are any material uncertainties that may cast significant doubt on the Group's and the Association's ability to continue as a going concern for a period of at least twelve months from the date of approval of the financial statements.

In conducting this assessment, the Trustees have reviewed financial forecasts and operational plans, including those of group entities, and have taken into account the potential implications of the ongoing reduction in publishing revenue - primarily due to the transition to open access.

Trustees are satisfied that the Group and the Association hold sufficient cash reserves to meet operational requirements for the foreseeable future. Accordingly, the financial statements have been prepared on a going concern basis.

The Trustees have therefore concluded that the group has adequate resources to continue in operational existence for the foreseeable future and to meet liabilities as they fall due for a period of at least 12 months following the Trustees' approval of these financial statements. Further commentary on the Trustees' assessment of going concern may be found within the Trustees' report accompanying the financial statements.

1 Accounting policies (continued)

e) Critical accounting estimates and areas of judgement

Preparation of the financial statements requires the trustees and management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include:

- The estimate of the group's liability in respect of a defined benefit pension scheme previously offered to IWA staff, the valuation of which has been estimated by an independent actuary taking account of various assumptions including the long term rates of return on scheme assets, the long-term anticipated rate of inflation, the life expectancy of scheme participants, and the discount rate applied;
- The estimates of the useful economic lives of tangible and intangible fixed assets used to determine the annual depreciation charge;
- The estimated future cost of reinstating short term leasehold property to its original condition in line with the terms of the lease agreement
- The assumptions adopted by the trustees and management in determining the value of any designations required from the charity's general unrestricted funds;
- The basis on which support costs have been allocated across expenditure headings; and
- Judgements and assumptions made in forecasting future income and expenditure for the purposes of assessing whether the going concern basis of preparing the financial statements is appropriate.

f) Income

All income is recognised once the Association or group has entitlement to the income, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount of income receivable can be measured reliably.

Donated services or facilities are recognised when the Association or group has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the item is probable and the economic benefit can be measured reliably.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the gift to the Association or group which is the amount the Association or group would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the bank.

g) Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Association and which have not been designated for other purposes.

Designated funds comprise of unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

The investments revaluation reserve is an unrestricted fund and reflects the balance included within fixed asset investments which has arisen as a consequence of the cumulative impact of market value changes to the Association's investment assets.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Association for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

h) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis.

All expenses including support costs and governance costs are allocated to the applicable expenditure headings.

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

The estimated costs of reinstating short term leasehold property is also capitalised at the point of the modification works being undertaken.

1 Accounting policies (continued)

i) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

<input type="checkbox"/> Engaged & collaborative membership	45%
<input type="checkbox"/> Source of leading-edge water knowledge	15%
<input type="checkbox"/> Platform for water knowledge exchange	17%
<input type="checkbox"/> Bridging science to practice	22%
<input type="checkbox"/> Support costs	0%
<input type="checkbox"/> Governance costs	1%

Support and governance costs are re-allocated to each of the activities on the following basis which is an estimate, based on staff time, of the amount attributable to each activity.

<input type="checkbox"/> Engaged & collaborative membership	45%
<input type="checkbox"/> Source of leading-edge water knowledge	16%
<input type="checkbox"/> Platform for water knowledge exchange	17%
<input type="checkbox"/> Bridging science to practice	22%

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

j) Tangible fixed assets

Assets are capitalised where the purchase price exceeds £500.

Tangible fixed assets are stated at cost less depreciation. The estimated cost of reinstating short term leasehold properties is also capitalised at the point of the modification works being undertaken.

Depreciation is provided at rates calculated to write off the cost of the fixed assets, less their estimated residual value over their expected useful lives on the following basis:

<input type="checkbox"/> Leasehold improvements	10 years straight line
<input type="checkbox"/> Fixtures and fittings	5-6 years straight line
<input type="checkbox"/> Office equipment	6 years straight line
<input type="checkbox"/> Computer equipment	3 years straight line

k) Intangible fixed assets

Assets are capitalised where the purchase price exceeds £500.

Intangible fixed assets are stated at cost less amortisation. Amortisation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

<input type="checkbox"/> Online Platform	5 years straight line
--	-----------------------

l) Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Any change in fair value will be recognised in the statement of financial activities. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading "Net gains/(losses) on investments" in the statement of financial activities. The charity does not acquire put options, derivatives or other complex financial instruments.

Investments in subsidiary companies which are unlisted are carried on the Association's balance sheet at cost less impairment.

1 Accounting policies (continued)

m) Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads. Net realisable value is the price at which stocks can be sold in the normal course of business after allowing for the costs of realisation.

n) Taxation

The Association is an exempt charity within the meaning of schedule 3 of the Charities Act 2021 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. The group's liability for current tax in this regard is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period within the relevant jurisdiction. The group incurred tax charges in Nanjing, China.

o) Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount repaid net of any trade discounts due.

p) Cash at bank and in hand

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

q) Creditors and provisions

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

r) Financial instruments

The Association only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

s) Foreign currencies

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date. Exchange gains and losses are recognised in the Statement of Financial Activities.

t) Pensions

Group employees are able to participate in defined contribution schemes administered in the UK, Netherlands and China. The assets of the schemes are held separately from those of the group. In addition, IWA Publishing Ltd makes contributions into the personal pension plans for some of its employees. The costs of providing pensions are charged to the SOFA as incurred, i.e. in line with the contribution payable by the group in the period.

The Association previously offered employees access to a defined benefit pension scheme administered in the UK. This scheme is now closed to new entrants and has no remaining active members.

A formal actuarial valuation under FRS 102 has not been undertaken for the year ended 31 December 2024, as the scheme currently holds a material surplus. This surplus, based on the latest triennial valuation carried out in 2023, has arisen in part due to the death of a scheme member. In light of this, the Trustees have initiated the process of purchasing annuities for the remaining pensioners.

Given the projected surplus, the Trustees have suspended the requirement for deficit recovery contributions with effect from April 2024. The surplus has not been recognised on the balance sheet as the final net position will only be determined once the annuity transactions are completed and all associated costs have been accounted for.

u) Conferences

The World Water Congress is held bi-annually. Expenditure incurred in preparing for the Congress is also carried forward and recognised in the year of the Congress itself, except for the cost of staff time which is recognised in the financial year in which the services were rendered by the employees.

1 Accounting policies (continued)

v) Specialist group funds

Specialist groups run independently from the Association and their income, expenditure, assets and liabilities are not included in the Association's financial statements.

Where specialist groups use the Association's services, these are charged to the group and shown as income for the Association. In many cases, this relates to a share of income from events organised by the specialist group in agreement with the Association. This income is accounted for once confirmation is received of the amount due and it is reasonably certain that it will be received.

The Association holds funds on behalf of the specialist groups. The balances due to the groups are included in creditors.

International Water Association

Notes to the financial statements

For the year ended 31 December 2024

2a Analysis of expenditure (current year)

	Raising funds		Charitable activities				Governance costs £	Support costs £	2024 Total £	2023 Total £
	Investment Management £	Publications £	Engaged & collaborative membership £	Source of leading-edge water knowledge £	Platform for water knowledge exchange £	Bridging science to practice £				
Staff costs (Note 4)	-	883,801	1,059,975	364,382	403,436	519,971	20,000	60,000	3,311,565	3,339,444
Staff Recruitment & Consultancy	-	32,129	967	2,471	2,424	47,085	-	89,136	174,211	88,536
Event Organising Costs	-	-	74,184	8,136	2,053,165	11,410	-	23,025	2,169,920	523,891
Travel & Accommodation	-	67,358	50,358	624	92,871	216,464	-	7,713	435,388	282,351
Printing and Distribution	-	-	10,564	102,421	-	1,683	-	-	114,668	97,733
Publishing Direct Costs	-	642,369	-	-	-	-	-	-	642,369	62,020
Marketing and Communication	-	26,499	1,300	4,826	2,829	26,110	-	271	61,834	939,416
Other Member Services	-	-	21,115	20,482	24,735	22,595	-	-	88,927	266,187
Investment management costs	11,049	-	-	-	-	-	-	-	11,049	10,257
Support costs within subsidiaries	-	-	-	-	-	-	-	-	-	68,913
Tax payable by subsidiaries	-	-	-	-	-	-	-	-	9,775	-
Rents, rates and services	-	99,442	-	-	-	-	-	233,638	333,080	324,163
Legal and professional fees	-	14,772	-	-	-	-	-	36,950	51,722	63,027
IT costs	-	40,567	-	-	-	-	-	45,763	86,330	85,327
Insurance	-	18,076	-	-	-	-	-	37,344	55,420	54,125
Depreciation and impairment	-	34,927	-	-	-	-	-	65,863	100,790	123,788
Audit	-	18,475	-	-	-	-	18,300	2,450	39,225	28,200
AGM and Trustee meetings	-	-	-	-	-	-	158,098	-	158,098	219,463
	11,049	1,878,415	1,218,463	503,342	2,579,459	845,318	196,398	602,152	7,844,371	6,576,841
Support costs	-	-	269,565	92,667	102,599	132,235	5,086	(602,152)	-	-
Governance costs	-	-	90,967	31,271	34,623	44,624	(201,484)	-	-	-
Total expenditure 2024	11,049	1,878,415	1,578,994	627,280	2,716,681	1,022,177	-	-	7,834,596	-
Total expenditure 2023	10,257	2,068,999	1,808,543	433,912	1,114,909	1,140,221	-	-	-	6,576,841

International Water Association

Notes to the financial statements

For the year ended 31 December 2024

2b Analysis of expenditure (prior year)

	Raising funds			Charitable activities						2023 Total £
	Investment Management £	Publications £	Nanjing Operation - discontinued £	Engaged & collaborative membership £	Source of leading-edge water knowledge £	Platform for water knowledge exchange £	Bridging science to practice £	Governance costs £	Support costs £	
Staff costs (Note 4)	-	829,587	-	1,165,661	234,488	450,375	579,333	20,000	60,000	3,339,444
Staff Recruitment & Consultancy	-	-	-	69,923	560	2,691	15,362	-	-	88,536
Event Organising Costs	-	-	-	138	-	442,921	80,832	-	-	523,891
Travel & Accommodation	-	-	-	20,119	9,431	37,117	215,683	-	-	282,351
Printing and Distribution	-	-	-	-	97,733	-	-	-	-	97,733
Marketing and Communication	-	-	-	16,375	2,758	13,168	29,719	-	-	62,020
Publishing Direct Costs	-	939,416	-	-	-	-	-	-	-	939,416
Other Member Services	-	-	-	189,037	14,800	26,235	36,115	-	-	266,187
Investment management costs	10,257	-	-	-	-	-	-	-	-	10,257
Support costs within subsidiaries	-	33,566	-	-	-	-	-	-	35,347	68,913
Rents, rates and services	-	122,234	-	-	-	-	-	-	201,929	324,163
Legal and professional fees	-	28,139	-	-	-	-	-	-	34,888	63,027
IT costs	-	42,015	-	-	-	-	-	-	43,312	85,327
Insurance	-	15,041	-	-	-	-	-	-	39,084	54,125
Depreciation and impairment	-	53,701	-	-	-	-	-	-	70,087	123,788
Audit	-	5,300	-	-	-	-	-	22,900	-	28,200
AGM and Trustee meetings	-	-	-	-	-	-	-	219,463	-	219,463
	10,257	2,068,999	-	1,461,253	359,770	972,507	957,044	262,363	484,647	6,576,841
Support costs	-	-	-	225,315	48,102	92,388	118,842	-	(484,647)	-
Governance costs	-	-	-	121,974	26,040	50,014	64,335	(262,363)	-	-
Total expenditure 2023	10,257	2,068,999	-	1,808,543	433,912	1,114,909	1,140,221	-	-	6,576,841

3 Net income / (expenditure) after taxation, before net gains on investments

This is stated after charging / (crediting):

	2024	2023
	£	£
Depreciation of tangible fixed assets	89,117	92,083
Amortisation of intangible fixed assets	11,672	30,735
Loss or profit on disposal of fixed assets		
Auditor's remuneration:		
Statutory audit	24,000	28,200
Other services	1,500	1,500
Foreign exchange gains	(40,480)	(56,952)
	 	

4 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff and consultants costs were as follows:

	2024	2023
	£	£
Salaries and wages	2,541,041	2,455,515
Redundancy and termination costs	-	20,432
Social security costs	270,083	294,634
Pension costs	230,272	308,506
Consultants charges	202,607	229,796
Other benefits costs	67,562	30,561
	3,311,565	3,339,444

The following number of employees received employee benefits (excluding employer pension costs and employer's national insurance) during the year between:

	2024	2023
	No.	No.
£60,001 - £70,000	-	1
£70,001 - £80,000	-	2
£80,001 - £90,000	3	3
£90,001 - £100,000	2	3
£100,001 - £110,000	-	1
£120,001 - £130,000	1	-
£140,001 - £150,000	1	-
£150,001 - £160,000	-	1
£250,001 - £260,000	-	-
£260,001 - £270,000	1	-

The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel were £1,300,387 (2023: £1,284,157).

The total contributions to the defined contribution pension schemes during the year was £113,452 (2023: £161,215). At the year end £7,452 (2023: £132) was outstanding.

No fees or remuneration are paid to any members or officers of the Association with the exception of the Executive Director who received £282,665 during the year (2023: £282,735). Clause 4 of the Memorandum of the Association provides specific power to make such payment to the Executive Director. The Association incurred a total of £153,124 (2023: £208,626) in respect of international travel, subsistence and venue costs for 15 (2023:13) Board members.

During the year the Association maintained an Indemnity Insurance cover for its officers for up to £10 million (2023: £10 million) at a cost of £8,105 per annum (2023 £7,000).

5 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was 52 (2023: 51).

The average number of employees during the year was as follows (including casual and part-time staff):

	2024	2023
	No.	No.
Charitable activities	34	34
Publishing activities	14	13
Management and administration	4	4
	52	51

6 Related party transactions

During the year Trustees received reimbursement of expenses as set out in note 5.

Trustees are required to be members of the Association, for which they pay the Association a membership fee. Furthermore, they may from time to time purchase goods or services from the Association (e.g. books, journals, conference attendances). The payment of fees or purchase of good or services are on normal commercial terms with no preferential treatment by virtue of being a trustee.

Other than the above, there were no related party transactions to report in the period of report (2023: none).

7 Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes. The charity's trading subsidiaries IWA Publishing Limited and IWA Conferences Limited distributes under Gift Aid available profits to the parent charity. Its charge to corporation tax in the year was:

	2024	2023
	£	£
UK corporation tax at 19%	-	-

8 Intangible fixed assets**The group****Cost**

	Online platform £	Total £
At the start of the year	346,448	346,448
Additions in year	-	-
Disposals in year	-	-
At the end of the year	<u>346,448</u>	<u>346,448</u>

Amortisation

At the start of the year	332,993	332,993
Charge for the year	11,672	11,672
Eliminated on disposal	-	-
At the end of the year	<u>344,665</u>	<u>344,665</u>

Net book value

At the end of the year	<u>1,783</u>	<u>1,783</u>
-------------------------------	--------------	---------------------

At the start of the year	<u>13,455</u>	<u>13,455</u>
--------------------------	---------------	---------------

All of the above assets are used for charitable purposes.

9 Tangible fixed assets**The group**

	Leasehold improvement £	Fixtures and fittings £	Office equipment £	Computers £	Total £
Cost					
At the start of the year	120,000	409,442	13,674	32,819	575,935
Additions in year	-	-	2,208	8,244	10,452
Disposals in year	-	-	-	-	-
At the end of the year	120,000	409,442	15,882	41,063	586,387
Depreciation					
At the start of the year	48,000	267,088	8,505	28,931	352,524
Charge for the year	12,000	70,372	2,647	4,098	89,117
Eliminated on disposal	-	-	-	-	-
At the end of the year	60,000	337,460	11,152	33,029	441,641
Net book value					
At the end of the year	60,000	71,982	4,730	8,034	144,746
At the start of the year	72,000	142,354	5,169	3,888	223,411

The charity

	Leasehold improvement £	Fixtures and fittings £	Office equipment £	Computers £	Total £
Cost					
At the start of the year	120,000	409,442	13,674	29,919	573,035
Additions in year	-	-	2,208	-	2,208
Disposals in year	-	-	-	-	-
At the end of the year	120,000	409,442	15,882	29,919	575,243
Depreciation					
At the start of the year	48,000	267,088	8,505	27,964	351,557
Charge for the year	12,000	70,372	2,647	1,955	86,974
Eliminated on disposal	-	-	-	-	-
At the end of the year	60,000	337,460	11,152	29,919	438,531
Net book value					
At the end of the year	60,000	71,982	4,730		136,712
At the start of the year	72,000	142,354	5,169	1,955	221,478

All of the above assets are used for charitable purposes.

10 Investments

	The group		The charity	
	2024	2023	2024	2023
	£	£	£	£
Fair value at the start of the year	1,251,078	1,164,700	1,401,081	1,314,703
Additions at cost	1,073,703	347,292	1,073,703	347,292
Disposal proceeds	(1,048,330)	(316,293)	(1,048,330)	(316,293)
Net gain / (loss) on change in fair value	52,298	36,363	52,298	36,363
	1,328,749	1,232,062	1,478,752	1,382,065
Cash held by investment broker pending reinvestment	15,539	19,016	15,539	19,016
Fair value at the end of the year	1,344,288	1,251,078	1,494,291	1,401,081

Investments comprise:

	The group		The charity	
	2024	2023	2024	2023
	£	£	£	£
Shares listed on the London Stock Exchange	346,795	531,950	346,795	558,878
Overseas listed investments	947,493	582,750	947,493	642,200
Unlisted income bonds in the UK	50,000	50,000	50,000	50,000
Investment in subsidiaries	-	-	150,003	150,003
	1,344,288	1,164,700	1,494,291	1,401,081

11 Subsidiary undertakings

The Association holds a controlling interest in IWA Publishing Limited, IWA Conferences Limited, IWA Development Solutions Limited, IWA Global Enterprises Limited, Nanjing IWA Science & Technology Co. Ltd (China), IWAT Science and Technology Private Limited (India) and IWA Water Foundation (India), whose details are given below.

IWA Publishing Limited

The charity owns the whole of the issued ordinary share capital of IWA Publishing Limited, a company registered in England. The company number is 03690822. The registered office address is Export Building, First Floor, 1 Clove Crescent, London, E14 2BA.

The subsidiary is used for non-primary purpose trading activities, these being the publishing of books, periodicals and video recordings. All activities have been consolidated on a line by line basis in the statement of financial activities. Available profits are distributed under Gift Aid to the parent charity.

The trustees Kalanithy Vairavamoorthy, Teodor Popa and Xiaochang Wang are also directors of the subsidiary.

A summary of the results of the subsidiary is shown below:

	2024	2023
	£	£
Turnover	3,878,466	3,893,162
Cost of sales	(637,840)	(743,894)
Cost of sales related to purchases from parent undertaking	-	-
Gross profit	3,240,626	3,149,268
Administrative expenses	(1,240,575)	(1,325,105)
Profit on ordinary activities before interest and taxation	2,000,051	1,824,163
Interest receivable and similar income	7,089	9,198
Profit on ordinary activities before taxation	2,007,140	1,833,361
Taxation on profit on ordinary activities	-	-
Profit for the financial year	2,007,140	1,833,361
Retained earnings		
Total retained earnings brought forward	-	-
Profit for the financial year	2,007,140	1,833,361
Distribution under Gift Aid to parent charity	(2,007,140)	(1,833,361)
Total retained earnings carried forward	-	-
The aggregate of the assets, liabilities and reserves was:		
Assets	2,497,315	2,006,581
Liabilities	(2,347,315)	(1,856,581)
Reserves	150,000	150,000

Amounts owed to the parent undertaking were: £1,239,377 (2023: £666,341).

11 Subsidiary undertakings (continued)**IWA Conference Limited**

The charity owns the whole of the issued ordinary share capital of IWA Conference Limited, a company registered in England. The company number is 05653997. The registered office address is Export Building, First Floor, 1 Clove Crescent, London, E14 2BA.

The subsidiary is used for non-primary purpose trading activities, these being the Events and other Sponsorship. All activities have been consolidated on a line by line basis in the statement of financial activities. Available profits are distributed under Gift Aid to the parent charity.

The trustees Kalanithy Vairavamoorthy is also directors of the subsidiary.

A summary of the results of the subsidiary is shown below:

	2024	2023
	£	£
Turnover	771,649	159,038
Cost of sales	-	-
Cost of sales related to purchases from parent undertaking	-	-
Gross profit	771,649	159,038
Administrative expenses	1,071	-
Profit on ordinary activities before interest and taxation	772,720	159,038
Interest receivable and similar income	-	-
Profit on ordinary activities before taxation	772,720	159,038
Taxation on profit on ordinary activities	-	-
Profit for the financial year	772,720	159,038
Retained earnings		
Total retained earnings brought forward	-	-
Profit for the financial year	772,720	159,038
Distribution under Gift Aid to parent charity	(772,720)	(159,038)
Total retained earnings carried forward	-	-
The aggregate of the assets, liabilities and reserves was:		
Assets	1,126,093	477,038
Liabilities	(1,126,093)	(477,038)
Reserves	-	-

Amounts owed to the parent undertaking were: £355,514 (2023: £159,038).

11 Subsidiary undertakings (continued)**IWAT Science and Technology Private Limited**

The charity owns the whole of the issued ordinary share capital of IWAT Science and Technology Private Limited, a company registered in India. The company's activities in the year were that of promoting the art and science of water management globally, by the encouragement of training, study and research in water management and the publications of the useful results of such research; to share advances technologies and best practices with water professionals and organisations.

The subsidiary is used for non-primary purpose trading activities. All activities have been consolidated on a line by line basis in the statement of financial activities. Available profits are held in the company for future operations.

A summary of the results of the subsidiary is shown below:

	2024	2023
	£	£
Turnover	5,263	1,094
Turnover from sales to parent undertaking	215,240	134,872
Cost of sales	-	-
Cost of sales related to purchases from parent undertaking	-	-
Gross profit/(loss)	220,503	135,966
Administrative expenses	(191,325)	(130,910)
Management charge payable to parent undertaking	-	-
Management charge due from parent undertaking	-	16,859
Other operating income	-	-
Profit/(loss) on ordinary activities before interest and taxation	29,178	21,915
Interest receivable and similar income	-	-
Interest payable	-	-
Interest payable to parent undertaking	-	-
Profit on ordinary activities before taxation	29,178	21,915
Taxation on profit on ordinary activities	(9,775)	(5,056)
Profit for the financial year	19,403	16,859
Retained earnings		
Total retained earnings brought forward	16,859	-
Profit for the financial year	19,403	16,859
Total retained earnings carried forward	36,262	16,859
The aggregate of the assets, liabilities and reserves was:		
Assets	22,513	16,859
Liabilities	(22,513)	-
Reserves	-	16,859

12 Parent charity

The parent charity's gross income and the results for the year are disclosed as follows:

	2024 £	2023 £
Gross income	6,986,621	4,111,251
Result for the year	<u>1,091,978</u>	<u>(327,741)</u>

13 Stock

	The group		The charity	
	2024 £	2023 £	2024 £	2023 £
Goods held for resale	2,216	2,216	-	-
	<u>2,216</u>	<u>2,216</u>	<u>-</u>	<u>-</u>

14 Debtors

	The group		The charity	
	2024 £	2023 £	2024 £	2023 £
Trade debtors	1,295,029	1,581,298	56,302	145,352
Other debtors	365,939	276,937	298,457	244,326
Prepayments and accrued income	73,297	231,846	73,297	231,846
Amounts due from subsidiary undertakings	1,098	1,098	2,365,401	826,478
	<u>1,735,363</u>	<u>2,091,179</u>	<u>2,793,457</u>	<u>1,448,002</u>

15 Creditors: amounts falling due within one year

	The group		The charity	
	2024 £	2023 £	2024 £	2023 £
Trade creditors	104,008	209,260	5,880	127,638
Other creditors	1,248,515	794,836	853,963	599,512
Social security costs	69,990	71,095	52,730	55,606
Specialist Group funds	241,814	179,454	241,814	179,454
Accruals and deferred income (note 16)	2,240,794	1,778,272	1,619,116	562,468
	<u>3,905,121</u>	<u>3,032,917</u>	<u>2,773,503</u>	<u>1,524,678</u>

16 Deferred income

Deferred income comprises income collected in advance for future journal, membership subscriptions and events.

	The group		The charity	
	2024 £	2023 restated £	2024 £	2023 restated £
Balance at the beginning of the year	1,778,272	1,778,272	562,468	562,468
Amount released to income in the year	(1,778,272)	(1,778,272)	(562,468)	(562,468)
Amount deferred in the year	2,240,794	1,778,272	1,619,116	562,468
Balance at the end of the year	<u>2,240,794</u>	<u>1,778,272</u>	<u>1,619,116</u>	<u>562,468</u>

17 Creditors: amounts falling due after one year

	The group		The charity	
	2024	2023	2024	2023
	£	£	£	£
Provision for dilapidation	120,000	120,000	120,000	120,000
	120,000	120,000	120,000	120,000

Provision for dilapidations represents the estimated cost of reinstatement works, repairs and redecoration, as well as specific works that will need to be made in line with the office lease. (Export Building, First Floor, 1 Clove Crescent, London E14 2BA.

18 Pension scheme

Group and company

The group operates a Defined Benefit Pension Scheme.

A formal actuarial valuation in accordance with FRS 102 has not been carried out as the Association's Defined Benefit Pension scheme is currently in surplus and the Trustees have commenced a process to purchase annuities for the remaining pensioners in the scheme. Based on the latest triennial valuation undertaken by the Trustees, the fund is expected to generate a surplus of approximately £310,000 following the completion of the annuity buyout and settlement of all associated costs.

Due to the projected surplus, the Trustees—acting on the Actuary's advice—have suspended the need for deficit recovery contributions from April 2024 onwards. However, the surplus identified in the 2024 valuation has not been recognised on the balance sheet, as the final net surplus will only be confirmed after the annuities are purchased and all associated costs are settled.

19a Analysis of group net assets between funds (current year)

	General unrestricted £	Designated funds £	Revaluation reserve £	Restricted funds £	Total funds £
Intangible fixed assets	-	1,783	-	-	1,783
Tangible fixed assets	-	144,746	-	-	144,746
Investments	1,065,806	-	278,482	-	1,344,288
Net current assets	3,327,864	-	-	372,337	3,700,201
Long term liabilities	(120,000)	-	-	-	(120,000)
Net assets at 31 December 2024	4,273,670	146,529	278,482	372,337	5,071,018

19b Analysis of group net assets between funds (prior year restated)

	General unrestricted £	Designated funds £	Revaluation reserve £	Restricted funds £	Total funds £
Intangible fixed assets	-	13,455	-	-	13,455
Tangible fixed assets	-	223,412	-	-	223,412
Investments	1,111,901	-	139,177	-	1,251,078
Net current assets	1,942,673	-	-	666,206	2,608,879
Long term liabilities	(120,000)	-	-	-	(120,000)
Net assets at 31 December 2023	2,934,574	236,867	139,177	666,206	3,976,824

20a Movements in funds (current year)

	At 1 January 2024 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 December 2024 £
Restricted funds:					
Citywide inclusive sanitation	621,089	-	(325,902)	-	295,187
Climate Smart Utilities Initiative	742	-		(742)	-
Operation and Maintenance Network	5,216	37,281	(41,165)	-	1,332
Diffuse Pollution SG Fund	21,164	-	(5,011)	-	16,153
LAC HRWS	3,475	-		-	3,475
Youth Action for SDG6 Fellowship fund	16,281	55,265	(53,008)	-	18,538
Experts for Reinvented Toilet		62,682		(34,375)	28,307
World Bank Grant	(1,761)	34,448	(23,342)	-	9,345
Total restricted funds	666,206	189,676	(448,428)	(35,117)	372,337
Endowment funds:					
Emerging Water Leaders fund	746,456	54,323	(71,575)		729,204
Total Endowment funds	746,456	54,323	(71,575)	-	729,204
Unrestricted funds:					
Designated funds:					
Tangible and intangible assets	236,867		(86,974)	-	149,893
Total designated funds	236,867	-	(86,974)	-	149,893
Revaluation reserve	207,169	71,313	-	-	278,482
General funds	2,122,342	8,621,037	(7,237,394)	35,117	3,541,102
Total unrestricted funds	3,312,834	8,746,673	(7,395,943)	35,117	4,698,681
Pension reserve	-	-	-	-	-
Total funds	3,979,040	8,936,349	(7,844,371)	-	5,071,018

The narrative to explain the purpose of each fund is given at the foot of the note below.

20b Movements in funds (prior year restated)

	At 1 January 2023 £	Income & gains £	Expenditure & losses £	Transfers £	At 1 January 2024 £
Restricted funds:					
Citywide inclusive sanitation	999,034	-	(377,945)	-	621,089
Climate Smart Utilities Initiative	742	-	-	-	742
Aquarating - Sierra Leone	8,492	-	(8,640)	148	-
Aquarating - Mongolia	873	-	(773)	(100)	-
Operation and Maintenance Network	13,969	38,429	(47,002)	-	5,216
Diffuse Pollution SG Fund	21,164	-	-	-	21,164
Prime Water	98,123	3,495	(101,618)	-	-
Water-wise Cities Project	13,235	-	-	(13,235)	-
LAC HRWS	3,475	-	-	-	3,475
Youth Action for SDG6 Fellowship fund	134,716	-	(118,435)	-	16,281
World bank Grant	-	16,060	(17,821)	-	(1,761)
Total restricted funds	1,293,823	57,984	(672,234)	(13,187)	666,206
Endowment funds:					
Emerging Water Leaders fund		746,456			746,456
Total Endowment funds	-	746,456	-	-	746,456
Unrestricted funds:					
Designated funds:					
Tangible and intangible assets	356,785	-	(119,918)	-	236,867
Nanjing Fund	(858)	-	-	858	-
Total designated funds	355,927	-	(119,918)	858	236,867
Revaluation reserve	139,177	67,992	-	-	207,169
General funds	2,517,854	5,375,990	(5,784,689)	13,187	2,122,342
Total unrestricted funds	3,012,958	6,190,438	(5,904,607)	14,045	3,312,834
Pension reserve	-	-	-	-	-
Total funds	4,306,781	6,248,422	(6,576,841)	858	3,979,040

Purposes of restricted funds

Citywide inclusive sanitation

The IWA is working with our partners, through this project IWA aims at identifying the needs, opportunities, and tools for action to support and inspire regulators in their contribution to achieving citywide inclusive sanitation in the context of the Sustainable Development Goals.

Climate Smart Utilities Initiative

Climate Smart Utilities are water, sanitation, and urban drainage service providers that enhance their resilience to climate change while actively reducing carbon emissions. As part of a broader initiative, they aim to build a community of forward-thinking leaders who can inspire utilities, regulators, governance bodies, and urban planners to adopt Climate Smart practices.

Aquarating

The funds received from Millennium Corporation, USA toward the execution of a technical cooperation programme for the implementation of a rating system Aqua Rating for the water and sanitation providers.

Water-Wise Cities Project

Funded by SIAAP towards help city leaders ensure that everyone in their cities has access to safe water and sanitation. One of the aims is to ensure that water is integrated in planning and design in cities to provide increased resilience to climate change, liveability, efficiencies, and a sense of place for urban communities.

Operation and Maintenance Network

Funds received from Ministry of Health, Labour and Welfare ("MHLW") Japan to support, raise awareness and develop capacities to effectively address operations and maintenance of water supply and sanitation systems and protect public health.

Prime Water

Funded through EU Horizon 2020 – the Framework Programme for Research and Innovation for delivering advanced predictive tools from medium to seasonal range for water dependent industries and exploiting the cross-cutting potential of EO and hydro-ecological modelling (in short Prime Water).

Diffuse Pollution Specialist Group

Conference surplus funds received from the Diffuse Pollution Specialist Group towards the cost of future activities.

Climate Resilient WSP's

funding provided by OPEC Fund for International Development (OFID) for implementing climate resilient water safety planning to improve water supply and public health.

Youth Action for SDG6 Fellowship fund

Launched in 2022, the IWA & Grundfos Youth Action For SDG 6 Fellowship provides participants unparalleled networking and career development opportunities, allowing them to gain international visibility and access to a global network of experts within and beyond the water sector.

Experts for Reinvented Toilet

Funded by BMGF to identify experts for Reinvented Toilet cost reduction with the aim to create and execute a call for applications that will increase robustness of Reinvented Toilets and accelerate the reduction of cost for Reinvented Toilets allowing scaled deployment in low- middle-income countries.

World bank Grant

Collaborating with the World Bank's New IBNET benchmarking initiative, the programme expanded its global outreach, supporting utilities and associations worldwide in their climate transition plans.

Purposes of Endowment funds

Emerging Water Leaders fund

The IWA LeaP Leadership Programme is made possible through the support of the Emerging Water Leaders Endowment Fund, with founding donors Glen and Patty Daigger contributing generously to create a lasting legacy. Designed to empower and inspire, this initiative offers a unique opportunity for professional growth and global perspective. Each year, the programme invites 12 outstanding young water professionals from diverse backgrounds and regions to take on the challenge of leadership and shape the future of the water sector.

Purposes of designated funds

Tangible and Intangible asset fund

This fund balance represents the carrying value of the Association's tangible and intangible fixed assets net of any associated liabilities. This fund has been established in recognition of the fact that the assets are used in the day to day work of the charity and do not represent reserves available to finance its operations.

Investment revaluation reserve

This fund balance represents the balance included within fixed asset investments which has arisen as a consequence of the cumulative impact of market value changes to the Association's investment assets. It has been separated in order to provide an indication of the difference between the value of listed investments at the balance sheet date relative to its historic cost. A calculation is provided at note 19 to the financial statements.

Pension reserve

This fund represents the Association's long-term liability in respect of its defined benefit pension scheme. It is separated in order acknowledgement that the liability is long-term and may be disregarded in considering the availability of free reserves in meeting the day-to-day obligations of the Association and the group.

Nanjing Fund

This fund represents the net asset under the control of the Association's subsidiary, Nanjing IWA Science & Technology Co.Ltd in China. Those net assets are essential to the operations in China and therefore separately ring-fenced in these accounts.

21 Operating lease commitments payable as a lessee

The group's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods:

	Property		Equipment	
	2024	2023	2024	2023
	£	£	£	£
Less than one year	226,485	226,485	-	2,900
One to five years	905,940	905,940	-	7,250
Over five years	75,495	301,980	-	-
	1,207,920	1,434,405	-	10,150

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods:

	Property		Equipment	
	2024	2023	2024	2023
	£	£	£	£
Less than one year	158,539	158,539	-	2,900
One to five years	634,158	634,158	-	10,150
Over five years	52,846	211,386	-	-
	845,543	1,004,083	-	13,050

22 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

INTERNATIONAL WATER ASSOCIATION

England & Wales - Charity number 1076690

Accounts

Company number: 03597005
Charity number: 1076690

International Water Association

Report and financial statements
For the year ended 31 December 2023

International Water Association

Contents

For the year ended 31 December 2023

Trustees' annual report	3
Independent auditor's report	19
Statement of financial activities (incorporating an income and expenditure account)	22
Balance sheet	23
Statement of cash flows	24
Notes to the financial statements	25

International Water Association

Trustees' Report

For the year ended 31 December 2023

Trustees

Thomas Mollenkopf AO (President, Chair)
Kalanithy Vairavamoorthy (Executive Director)
Marie-Pierre Whaley (Senior Vice President)
Daniel A. Nolasco (Vice President)
Teodor Popa (Treasurer)
Rose Kaggwa
Walter Kling
Sankaralingam Mohan
María Molinos-Senante
Elisabeta Poci
Harsha Ratnaweera
Satoshi Takizawa
Peter Vanrolleghem
Xiaochang Wang
Hamanth Kasan (President-Elect)

Company registered number

03597005 (England & Wales)

Charity registered number

1076690 (England & Wales)

Registered Office

1.04 & 1.05 Export Building, Republic, 1 Clove Crescent, London E14 2BA, UK

Company Secretary

Mr Satkunam Murugathas

Executive Director

Dr Kalanithy Vairavamoorthy

Independent auditor

Sayer Vincent LLP, Invicta House, 110 Golden Lane, London EC1Y 0TG, UK

Principal Bankers

HSBC Bank Plc, London SW1H 0NJ, UK

International Water Association

Trustees' Report

For the year ended 31 December 2023

The IWA Trustees (who are also Directors of the charity for the purposes of the Companies Act) present their annual report together with the audited consolidated financial statements of the International Water Association (the 'Association' or 'IWA') for the year ended 31 December 2023.

The Trustees confirm that the annual report and financial statements of the Association and the group comply with:

- a) the current statutory requirements;
- b) the requirements of the Association, and the Association's governing document; and
- c) the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

1. OBJECTIVES AND GENERAL ACTIVITIES

Objectives of the Association

These are to:

- (a) promote the art and science of water management for the public benefit, particularly, but not exclusively, by the encouragement of education, training, study, and research in water management and the publication of the useful results of such research;
- (b) advance the education of members of the public in the science and practice of water management;
- (c) promote and enable the development and direct provision of water management schemes worldwide for the public benefit, where "water management" means the establishing, maintaining, and securing of safe and sustainable water supplies, storm water systems, and wastewater treatment and disposal systems.

Strategies for achieving objectives

The Association fulfils its objectives by:

- (a) holding a World Water Congress and a Water and Development Congress in alternate years in different continents of the world;
- (b) holding worldwide regional and specialised conferences, seminars, webinars, and workshops, providing a continual source of knowledge and information;
- (c) publishing a range of books, journals, and reports; and
- (d) promoting multi-level collaboration amongst its members and others through, for example, specialist groups, task forces, forums, regional associations, projects, and programmes.

International Water Association

Trustees' Report

For the year ended 31 December 2023

Activities for achieving objectives

The Association continues to develop as the global reference point for water professionals working on all aspects of the water cycle. IWA helps water professionals deliver innovative, pragmatic, and sustainable solutions to challenging global needs for safe water and sanitation, within urban areas and river basins.

IWA is a unique global knowledge hub for water professionals, and anyone concerned about the future of water. As such, IWA continues to inspire change towards our common vision of a water-wise world.

Through the Association, members collaborate to lead the development of effective and sustainable approaches to water management, with emphasis on the science and management of drinking water, wastewater, stormwater, and the conservation of water resources throughout the world.

IWA's Water and Development Congress & Exhibition is an important component of its activities for achieving its objectives. This event has a particular focus on the needs of and potential solutions relevant to low- and middle-income countries, serving as a platform for networking for water sector professionals from such countries. The Association delivered an extremely successful edition of this event, held in Kigali, Rwanda, in December 2023.

More generally, the Association continued to maintain close working relationships with major international water agencies and associations, partnering with these bodies, and engaging members, on joint projects, publications, and representation of positions in international forums.

The Association has a strong and developing outreach programme concerned with the transfer of knowledge and skill in water management from professionals across all countries. With members engaged in the delivery of this programme, it maintains a strong focus on environmental health, hygiene, and sanitation issues in lower-income countries.

Main charitable activities for the public benefit

The Trustees confirm that they have complied with the duty in Section 17 of the Charities Act 2011 and have taken due regard to the Charity Commission's general guidance on public benefit.

This is achieved by the generation and dissemination of knowledge and best practices on all facets of the water cycle. This occurs formally at conferences, facilitated exchanges through the Specialist Groups, Task Forces, and other member networks (such as the Young Water Professionals) and through the journals, books and other publications produced by the Association.

Activities during 2023 with a particular relevance to public benefit included contributions through various initiatives and programmes. These included the focus on sanitation, especially the need for progress in low- and middle-income countries, provided in particular through IWA's Inclusive Urban Sanitation (IUS) initiative. At the same time, climate change has already had and will increasingly have a significant impact on utilities' ability to provide safe water and sanitation services while also protecting people and assets. In this context, progress with IWA's Climate Smart Utilities initiative during 2023 is of note. This included extension of a dedicated Recognition Programme to inspire progress for utilities in low- and middle-income countries. All activities are described in more detail in the relevant sections below.

Open Access publishing and the public benefit

In 2023, continued impacts of the move of journals to Open Access were seen, including a 55% increase in the total number of citations progress, and work continued to increase the diversity and representativeness of journal editorial teams, which has seen editorial board membership from Africa, Asia, the Middle East, and Latin America grow by 141% between 2018 and 2023. Meanwhile, 70% of book titles published were Open Access.

International Water Association

Trustees' Report

For the year ended 31 December 2023

2. GROUP STRATEGIC OVERVIEW

A successful year marked another significant chapter in IWA's journey, building on the successes and momentum achieved in 2022 as the world emerged from the global pandemic.

One highlight was the Association's annual Governing Assembly, held this year in Bordeaux, France in September 2023. The Governing Assembly saw excellent participation and representation of its 61 Governing Members. The Governing Assembly's business included voting on the next President of IWA. As a result of this vote, IWA is able to welcome Dr Hamanth Kasan of South Africa as its President-Elect. Dr Kasan will take up the role of President at the end of the World Water Congress & Exhibition in Toronto, Canada in August 2024. Dr Kasan brings a wealth of experience, leadership, and international connections to the position, with involvement with the Association extending back some 35 years.

An important development for 2023 was the launch of the IWA Connect Plus membership platform at the start of the year. This powerful new resource has been launched to support global networking, the hosting and sharing of thousands of items of content mainly from IWA events, and the management of IWA's many member groups, among other features. Its use as the registration platform for key IWA events was also introduced during the year. In all, the platform gathered some 75,000 visits during its first year of use.

A standout event of the year was the 2023 IWA Water and Development Congress & Exhibition held in Kigali, Rwanda, on 10-14 December. With nearly 3000 water and development professionals, organisations, visitors, and companies in attendance, this Congress can be seen as IWA's most successful in this event series yet. Under the theme 'Water, sanitation, and climate resilience – keys to a water-wise future', the Congress provided an excellent platform for dialogue, collaboration, and knowledge exchange. It was very much by and for those from low- and middle-income countries, with a particular focus on addressing pressing challenges in Africa.

The Congress also offered an opportunity for IWA to feature important programmes and initiatives, including the Inclusive Urban Sanitation and Climate Smart Utilities initiatives, among others.

During the year, IWA made significant strides in advancing diversity, equity, and inclusion through various actions and partnerships, reinforcing its commitment to fostering a more inclusive water community. Notably, the addition of seven new Governing Members marks a significant expansion of IWA's global network and influence. This diverse representation strengthens IWA's ability to address water challenges on a global scale, fostering collaboration and innovation across regions.

Important progress in IWA's youth-related activity included the establishment of the Emerging Water Leaders Endowment Fund that will support the IWA Emerging Water Leaders Scholarship Programme. The year also witnessed the successful expansion of the Young Water Professionals Community, with the addition of five new Country Chapters globally. Also, 13 young professionals were able to participate in the UN Water Conference in New York under the Youth Action for SDG 6 Fellowship.

2023 was therefore a year of substantial progress and impactful engagement, reflecting IWA's commitment to addressing global water challenges and driving positive change in the water sector.

Overall, the Association continued to advance its core mission, visible through our diverse activities and a strong membership base that broadly remained steady in terms of membership numbers. This progress was supported by IWA's strong foundations, which are based on financial prudence and the commitment of all the many people involved – i.e., the Board, staff, members, and partners.

International Water Association

Trustees' Report

For the year ended 31 December 2023

Key financial performance indicators

The consolidated financial statements, as presented, comply with the legal requirements of both the Charity Commission and the Companies Act.

Income from charitable activities was £2,055,802 (2022: £6,255,611), with the decline on the prior year reflecting the Association's normal two-year income cycle. Other income, including income from trading activities, investments, and other sources, was £4,124,448 (2022: £4,258,756) giving total income for the year of £ 6,180,250 (2022: £10,14,368).

After making provision for gain on investments of £67,992 (2021: Loss £187,827) the net reduction in group funds was £327,741 (2022 increase of: £1,415,622) providing closing group funds as of 31 December 2023 of £ 3,979,040 (2022: £4,306,781).

3. ACHIEVEMENTS AND PERFORMANCE

Programmes

2023 was an extremely successful year for IWA's Programmes, with significant progress for several key initiatives. Launched at the 2022 IWA World Water Congress & Exhibition, the Inclusive Urban Sanitation (IUS) initiative gained greater momentum in 2023 through various engagement efforts and further promotion of its #SanitAction campaign. In particular, a number of key milestones were achieved during the 2023 IWA Water and Development Congress & Exhibition (WDCE).

A prominent feature in the WDCE programme was the day-long IWA High-Level Sanitation Summit. This provided a pivotal engagement platform for politicians and policymakers to underscore the imperative of shaping policy and action. Meanwhile, the Innovation Acceleration Forum and SanitAction Innovators Expo held there provided a unique platform for innovators to display their solutions and prototypes. The summit brought together innovators, government officials, utilities, city managers, and practitioners to explore innovative solutions and thinking around the sanitation agenda, with a special focus on Africa and its unique challenges.

The seven winners of the inaugural Inclusive Urban Sanitation Champions Programme were announced during the closing ceremony of the WDCE. This programme, aimed at acknowledging outstanding contributions towards achieving SDG 6.2 in low- and middle-income countries, received an excellent response, with 106 submissions from 21 countries. A distinguished 13-member expert jury evaluated these submissions, highlighting initiatives that advanced sustainable and inclusive sanitation practices. The Champions Programme is structured into seven categories, with one winner selected for each category.

The IUS initiative also presented a new publication at the WDCE. The white paper 'Sanitation Financing in Eight South Asian and Sub-Saharan African Cities' aims to shed light on critical aspects related to utility and government financing for urban sanitation. Focused on eight cities across Sub-Saharan Africa and South Asia, the publication covers several important themes, including the types of policies influencing finance allocation within the sanitation sector, resource sufficiency and gaps, equitable allocation to marginalised communities, and financial monitoring, and contributes to the ongoing dialogue on sustainable sanitation practices.

Across the rest of the year, the establishment of a diverse Advisory Board and Task Force, along with the formation of strategic subgroups, underscored the IUS initiative's commitment to addressing urban sanitation challenges comprehensively. Moreover, the initiative remains committed to knowledge generation and dissemination, evidenced by the publication of 35 high-impact case stories, a discussion paper, and an article in IWA's magazine, *The Source*. Additionally, the initiative organised three strategic IUS webinars, furthering its reach and impact, and forged new institutional partnerships as shown by the signing of MoUs with two South Asian institutions, ASCI (India) and ITN BUET Bangladesh, during the WCDE.

The Climate Smart Utilities initiative continued its leadership efforts around climate change and water and sanitation services. A key highlight for the year was the second edition of the Climate Smart Utilities Recognition Programme at the WDCE. This honoured 20 utilities in low- and middle-income countries for their innovative efforts in building a low-carbon water and sanitation sector. Support for participation by utilities in low- and middle-income countries was received through a collaboration with the World Bank's NewIBNET benchmarking initiative.

In September 2023, the IWA Climate Smart Utilities GHG sub-group released a new short guide titled 'Greenhouse Gas

International Water Association

Trustees' Report

For the year ended 31 December 2023

Emissions and Water Resource Recovery Facilities'. This guide draws upon recent research and publications, emphasizing the importance of life cycle carbon accounting and wider life cycle assessment. It serves as the first instalment in a series focusing on GHG emissions, monitoring, and mitigation in wastewater treatment.

The initiative conducted workshops at both the UN-Water Conference and the Bonn Climate Conference in 2023, in addition to organising a webinar series showcasing Danish national monitoring programmes and initiatives undertaken by utilities. Furthermore, two Community of Practice meetings, attended by 70 participants, delved into discussions on trends in N₂O off-gas monitoring in wastewater treatment.

In 2023, the Digital Water Programme (DWP) went from strength to strength, underscoring the pivotal role the programme is increasingly playing in supporting the advance of digital transformation within the water sector. The programme led delivery of the 2nd Digital Water Summit, held in Bilbao in November. Further activities under the programme included the launch of several initiatives spotlighting members, including multiple newsletters, podcasts, and blogs underscoring our commitment to knowledge exchange and collaboration within the digital water community.

IWA's Operations and Maintenance Network (OMN) achieved a significant milestone in 2023 with the launch of the second edition of the Water Safety Plan manual in collaboration with the World Health Organization (WHO). The launch event convened experts and stakeholders from around the world to discuss the importance of water safety planning and share insights and experiences gained over a decade of practical implementation.

Also, IWA's Specialist Groups (SGs) continue to serve as dynamic hubs of expertise and innovation, driving forward-thinking research and solutions in various domains of water management. In 2023, SG-related developments included the launch of a Cluster on wastewater-based epidemiology and the establishment of the new SG on Sustainable Coastal and Estuarine Development. Throughout the year, SGs organised 23 conferences, conducted over 20 online webinars, and delivered various presentations during the IWA Water and Development Congress & Exhibition. Also, SG leaders actively participated in the first online SG Leaders Forum, focusing on enhancing engagement among SGs.

Events

The year saw what can be regarded as IWA's most successful Water Development Congress & Exhibition (WDCE) to date. Held on 10-14 December 2023 at Rwanda's iconic Kigali Convention Centre, the event brought together almost 3000 water and development professionals, organisations, visitors, and companies, primarily from low- and middle-income countries.

The Congress set a benchmark for IWA's growing presence and support for the sector in Africa, reflecting the critical role of the continent in IWA's future. With a theme focused on 'Water, Sanitation, and Climate Resilience – keys to a water-wise future', the Congress featured an extensive programme, including keynotes, technical sessions, workshops, and five important forums.

Keynote speaker Mathi Vathanan, Principal Secretary from the Government of Odisha in India, set the tone by sharing insights into his state's successful transition to 24/7 water systems, prioritising the importance of the urban poor and engaging women water teams.

Sanitation and climate resilience were key topics throughout the event, with highlights including the High-Level Summit on Sanitation and the second edition of IWA's Climate Smart Utilities Recognition Programme.

The success of the event was made possible through collaboration with local, regional, and global partners, especially the Government of Rwanda and utility WASAC Group, who provided invaluable support. The event also saw the announcement of the winners of the prestigious Water and Development Awards 2023 (see later section).

There was participation of delegates representing 85 countries, well over 100 exhibitors, and a comprehensive programme including 39 technical sessions with almost 160 papers and 42 workshops. The special forums were: the High-Level Sanitation Summit; the Innovation Acceleration Forum; the Utility Leaders Forum; the International Water Regulators Forum; and the Emerging Water Leaders Forum. As such, the event provided an outstanding platform focusing on the challenges and opportunities faced by low- and middle-income countries.

The 19th edition of IWA's Leading Edge Conference on Water and Wastewater Technologies was held in Daegu, South Korea on 29 May to 2 June 2023. The successful event saw an impressive turnout, drawing more than 300 participants from 36 countries. This prestigious event served as a platform for the dissemination of cutting-edge research and insights in water and wastewater technologies, featuring 67 top-tier presentations and showcasing more than 100 posters highlighting the latest innovations and findings in the field.

International Water Association

Trustees' Report

For the year ended 31 December 2023

IWA's programme of events for the year also included a highly successful second edition of the Digital Water Summit, held once again in Bilbao Spain. This is focused as a business-to-business event with programme content and structure designed to connect solutions providers and end user water utilities. The event garnered significant attention, with nearly 400 delegates convening to explore the latest innovations and strategies in digital water management.

A further important event-related development was the selection during the IWA Board and Governing Assembly meetings held in September of Kuching, Malaysia and São Paulo, Brazil as the locations for the World Water Congress & Exhibition editions to be held in 2028 and 2030, respectively.

The Source magazine

The Source is IWA's quarterly magazine, delivered both in print and online. It is available to all IWA members as a benefit of membership.

The content of the magazine is specifically intended to reflect IWA's goal of inspiring a world in which water is wisely managed. It therefore offers features, viewpoints and updates to help readers keep up to speed with the issues that shape the sector and the progress in response to these topics.

Topics covered in detail in 2023 included: experiences of implementing city resilience in New York; the opportunities presented by digital technology for IWA's development; a leading example from Hong Kong of the use of wastewater based epidemiology as a means of informing public health measures; thinking on the opportunities to progress inclusive urban sanitation; how decentralised approaches offer ways to overcome barriers to access to services; alternative, circular paths for wastewater treatment; progress with improving the sustainability of desalination technologies; and the potential for contract frameworks to support improvements in operations and maintenance.

IWA Publishing

In the third year since the strategic transition to Open Access, IWA Publishing continued to see the impacts of this transformation in 2023.

As of 2023, all IWA Publishing journals have Impact Factors. The median Impact Factor of the journals increased by an average of 3%. The journals outperformed other journals in the JCR Water Resources category by 15.4%. More than half of the journals moved up a quartile, with seven now placed in Q1 or Q2.

The total number of papers published increased from 1636 to 1756, while the total number of citations increased from 5067 to 7828. This impressive 55% growth in citations and the high quality of the journals are thanks to the continued hard work, dedication, and valuable research of our authors and editors.

Work continues to increase the diversity and representativeness of IWA Publishing Journal Editorial teams. Between 2018 and 2023, Editorial Board membership from Africa, Asia, the Middle East, and Latin America grew by 141%. These engagement initiatives will carry on in future years. One of the key objectives of IWA Publishing's new Strategic Plan is to ensure that the teams running the journals align closely with the authors who publish in them.

The book programme continued to grow in 2023. 70% of titles published were Open Access, increasing the visibility of the authors' works. The most notable book published during the year was the second edition of Biological Wastewater Treatment: Principles, Modelling and Design, the updated version of IWA Publishing's bestselling title.

Young Water Professionals (YWP)

IWA's Young Water Professionals (YWP) community showed notable growth and impactful initiatives through 2023. With the addition of five new Country Chapters globally, the community continues to expand its reach and influence.

A highlight of the year came as part of the YWP Youth Action for SDG 6 Fellowship, a collaboration with Grundfos. The support enabled 13 outstanding YWPs to attend the UN Water Conference in New York, further enhancing their exposure and engagement in water sector discussions. A further result of the collaboration was a publication by the SDG 6 Fellows launched during the WDCE, aiming to underscore the crucial role young individuals play in the UN 2030 SDG Agenda. It focused on illustrating how the water sector can be revolutionised by their passion and ingenuity.

International Water Association

Trustees' Report

For the year ended 31 December 2023

A significant milestone in IWA's youth-related activity was reached in 2023 with the successful establishment of the Emerging Water Leaders Endowment Fund. The fund will support the Emerging Water Leaders Scholarship Programme. The intention to create the programme and fund, and the support of founding donors Glen and Patty Daigger, had been announced at the IWA World Water Congress & Exhibition in 2022. The aim of the fund is to provide a sustainable financial foundation for the future endeavours of the association, playing a crucial role in supporting long-term initiatives and ensuring the continued growth and success of IWA's mission.

The successful staging of the Emerging Water Leaders Forum at the WDCE in Kigali further underscored the commitment and leadership of the next generation in addressing water-related challenges. Lastly, plans to recognise the YWP Chapter of the Year were announced in Kigali, Rwanda, with the inaugural edition slated for celebration during the upcoming Emerging Water Leaders Forum in Toronto in 2024.

IWA Awards

The IWA Water and Development Awards 2023 were announced and presented during the Opening Ceremony of the IWA Water and Development Congress on 10 December in Kigali, Rwanda. The recipients of the IWA Water and Development Awards were Dr Veena Srinivasan for Research and Dr Doulaye Kone for Practice.

These awards honour excellence, leadership, and innovation in the water sector, aiming to promote sustainable water management in low- and middle-income countries. Judged by a diverse panel of experts, they acknowledge outstanding contributions to research or practice that have made a tangible impact in these regions.

In deciding to recognise the achievements of Dr Veena Srinivasan, the judges noted that she demonstrated bravery and passion in her quest to follow an emerging but much-needed knowledge path in socio-hydrology, but also through advocacy for research and the establishment of WELL Labs in Bengaluru, India.

Dr Doulaye Kone of the Bill & Melinda Gates Foundation was lauded for catalysing technological innovations in non-sewered sanitation through the Reinvent the Toilet Challenge and promoting sustainability in faecal sludge management. His visionary leadership has influenced policies and strategies in the water and sanitation sector.

Both winners have extensive experience and have made significant contributions to their respective fields, driving impactful change in water and sanitation.

4. FINANCIAL REVIEW

IWA income is principally based on Gift Aid from its trading subsidiary, IWA Publishing, membership subscriptions and surpluses from its World Water Congress, which is held every two years. Some income is also received through grants and contract income from various organisations. IWA's income profile tends to fluctuate with surpluses from Congress years used to smooth out lower income in alternate years. 2023 represented an acceptable financial outcome for the group, considering it was a non-World Water Congress year. Additional details on the group's financial results for the year are provided under the section on 'Key financial performance indicators' in Section 2 (page 7). Overall, the result for the year was a deficit of £327,741 (2022: Surplus £1,415,622).

Investment policy and performance

Preservation of capital is the primary objective in guiding the risk profile of the Association's investment policy. After satisfying the primary objective, the secondary objective is to maximize the return on the investment in accordance with the ethical investment policy. The investment position has been considered from both a Euro and Sterling currency perspective. The group's investments value is £1,251,078 as of 31 December 2023 (2022: £1,164,700). In 2023, there were improvements in performance since 2022 but still falls below benchmark levels.

Assessment of going concern

Trustees are confident that the Association possesses adequate resources to sustain operational continuity for the foreseeable future. This assessment incorporates an evaluation of the reserves as of 31 December 2023, along with financial forecasts extending for at least one year from the approval date of this report and financial statement.

International Water Association

Trustees' Report

For the year ended 31 December 2023

Our reserves remain robust due to favorable outcomes from conferences, sustained membership income, and ongoing publishing income. While publishing income has decreased in recent years, our reserves are deemed sufficient to endure any short to medium-term reduction in publishing revenue or other fluctuations. Management consistently conducts scenario analyses to evaluate potential impacts on our reserves. These assessments, combined with prudent financial management practices, ensure our resilience against unforeseen challenges. Despite fluctuations in publishing income, our medium-term financial outlook remains secure. We do not currently anticipate that the overall financial position of the group will be adversely affected, or its financial solvency threatened.

Reserves policy

IWA's Reserves Policy aims to strike a balance between utilizing the maximum portion of its income to fulfil its charitable objectives and maintaining an adequate level of reserves to ensure uninterrupted operations and provide a buffer to adapt to changes in financial circumstances.

A target range has been adopted for the Association's reserves, with the higher amount indicating the aspirational level of reserves, and the lower amount indicating the minimum level of reserves that should not be breached. The Board reserves the right to adjust the reserves level based on anticipated future strategic investment needs.

IWA Reserves Target Range: £1.38M - £1.80M

This proposed target range for reserves is deemed appropriate as it strikes a balance between the income needs to fulfil our charitable objectives the necessity to uphold operation as a going concern. It reflects IWA's business model and considers the potential financial impact of key risks. Given the inherent nature of our operation, flexibility within the range of the reserves is essential.

The group free reserves as of 31 December 2023 are at the level of £ 2,329,511 (compared with 2022: £2,657,031). This is above the intended target range however the Board considers that it is appropriate to hold an additional buffer for future strategic investment needs.

The target range for reserves aims to ensure financial stability, operational resilience, and the ability to fulfil our charitable objectives effectively.

This Reserves Policy will be reviewed periodically and adjusted as necessary to align with the evolving needs and circumstances of IWA.

Principal funding

Principal funding sources for the charity are membership, conferences, Gift Aid Income from its wholly owned subsidiary IWA Publishing Limited and IWA Conference Limited, and grant and contract income from various organisations. The group does not work with any commercial or professional fundraisers and does not solicit donations from the public.

5. RISK MANAGEMENT

The Trustees have assessed the major risks to which the group is exposed, those related to the operations and finances of the Association. They are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

The Board recognises the importance of identifying and managing the risks of the Association and its subsidiaries. A risk management framework, which includes a risk and control register, identifying and prioritising the Association's key risks, is maintained. The register includes a programme of control measures and actions to manage material risks. The risk register is reviewed and updated quarterly by the management. A risk report is presented to the Finance and Investment Committee at the following meeting to discuss the basis for any movements in the risk register, and any "emerging risks", and to confirm the summary which will be presented at the next board meeting. Twice per year, the Board is informed on the status of the risk register and the related mitigation measures.

International Water Association

Trustees' Report

For the year ended 31 December 2023

Key internal risks for the Association include:

- a) Reduction in Gift Aid from IWA Publishing leading to lower revenues to support IWA's charitable activities:
- b) Overall financial resources will not keep pace with globally expanding IWA roles and responsibilities and associated activities in line with IWA's 2019-2024 Strategic Plan
- c) Breaches in the security of the IT systems including hacking, unauthorised access, fraud, permanent damage to electronic data, and manipulation of key data.
- d) Business disruption caused by loss of key staff.

Key external risks to the Association include:

- a) Reduction in income due to renegotiation of publishing partnership agreement on less favorable terms
- b) Reduction in income from changes in the publishing landscape and the possible need to transition to a new business model.
- c) Disruption to or reduced income from World Water Congresses.
- d) Risk related to rent review after 5 years (May 2025) leading to significant cost increase.

Financial risk management objectives and policies

The management team reviews, on behalf of the Board, matters concerning accounting, financial reporting, and internal controls, including the risk register. It also reviews the management accounts and the annual report and financial statements before they are submitted to the Board of Trustees and deals directly with the external auditor regarding the conduct of the audit.

6. STRUCTURE, GOVERNANCE, AND MANAGEMENT

7. Constitution

The Association is constituted under a Memorandum of Association dated 13 July 1998 and is a registered charity (number 1076690). The Articles of Association were most recently revised in September 2020 to authorise virtual general meetings. Liability of the members is limited by guarantee and the Association does not have share capital. Members of the Association guarantee to contribute an amount not exceeding £1 in the event of a deficiency of assets on winding up. The total number of such guarantees on 31 December 2023 was 14 (2020: 15)

Method of appointment or election of Trustees

The management of the Association is the responsibility of the Trustees who are elected and appointed under the terms of the Articles of Association. As noted earlier, the Trustees also constitute the Board of Directors for the purposes of the Companies Act.

The President and Vice Presidents are elected, and the other Trustees (other than the Executive Director) are appointed, in each case for a two year term, at an Annual General Meeting of the Association.

Policies adopted for the induction and training of Trustees

The Board of Directors has adopted a programme of trustee training which covers existing and new Board members. New Trustees attend an induction programme and a formal training session covering governance and trustees' legal responsibilities. New Trustees are provided with an induction pack that covers their general duties as well as a briefing on IWA-specific matters such as Strategic and Business Plans, financial reports, governance documents, and other relevant reports. All Board members attended a training session on the Duties and Responsibilities of Directors and Trustees in February 2023.

Organisational structure and decision-making

The Board of Directors is responsible for the management of the affairs of the Association. It sets the strategic direction of the Association, appoints the Executive Director (also a Trustee), and provides financial and programme oversight to the Association. The Board generally meets at least four times each year. The four meetings in the year were in London (February 2023), Toronto (May 2023), Bordeaux (September 2023) and by video (December 2023).

International Water Association

Trustees' Report

For the year ended 31 December 2023

Additional meetings of the Board may be called as required, and the Articles of Association allow for written resolutions to be circulated for approval. Board Committees (see pages 14 and 15) support the Board in its role.

The Board of Directors

The names of the individuals serving on the Board, at any time during the year of report and up to the date of approval of this report, are as follows:

Thomas Mollenkopf AO (President, Chair)
Kalanithy Vairavamoorthy (Executive Director)
Marie-Pierre Whaley (Senior Vice President)
Daniel A Nolasco (Vice President)
Teodor Popa (Treasurer)
Rose Kaggwa
Walter Kling
Sankaralingam Mohan
María Molinos-Senante
Elisabeta Poci
Harsha Ratnaweera
Satoshi Takizawa
Peter Vanrolleghem
Xiaochang Wang
Hamanth Kasan (President-Elect, appointed on 16 September 2023)

International Water Association

Trustees' Report

For the year ended 31 December 2023

The Board of Directors (continued)

The Board comprises elected officers and other officeholders. Under the Articles of Association, all Board members (except the Executive Director) serve two-year terms. The elected officers (President and two Vice Presidents) generally serve for a single term of two years but may be re-elected to serve a second term. The other officeholders will usually serve two terms on the Board, aside from the Immediate Past President, who is limited to a single term.

The Board nominations process is overseen by the Governance and Nominations Committee and, to the extent possible, a practice of rolling retirements is adopted to maintain continuity on the Board.

By accepting to serve on the Association's Board, Trustees commit to conduct themselves in accordance with the highest ethical standards in carrying out their responsibilities. The Board has therefore adopted an internal Code of Conduct, which provides ethical standards and criteria. All Boardmembers are required to adhere to the Code in the performance of their responsibilities to the Board.

Governing Assembly

The Governing Assembly is comprised of the representatives of the Governing Members around the world, each of whom is entitled to appoint three representatives to the assembly.

The Governing Assembly meets at least annually and is responsible for electing the Officers of the Association and appointing other Office holders and approving constitutional changes. As mentioned above, the 2023 AGM and Governing Assembly were held in Bordeaux, France on 16 September 2023, in accordance with the articles of association. The Governing Assembly ensures that the interests of members – including Individual, Corporate and Governing Members – are represented and it provides oversight and input into the Association's overall direction. The Governing Members of IWA represent the core mechanism for national and regional interaction with members across a range of issues.

Key Committees and Strategic Council

The Association has established a number of key Committees and a Strategic Council, each of which plays a specific role in the Association's governance or activities. Further details on the Strategic Council and the various Board Committees are provided below.

Finance and Investment Committee

Teodor Popa (Treasurer) chairs the Finance and Investment Committee. Other members of the committee are Hamanth Kasan (President-Elect), Marie-Pierre Whaley (past Treasurer) (resigned 24th February 2024), and Mr Matthew Woolcock (Member nominated). Mr Thomas Mollenkopf (President) and Dr Kalanithy Vairavamoorthy (Executive Director) are ex officio members. It reviews, on behalf of the Board, matters concerning accounting, financial reporting and internal controls, including the Risk Register. It also reviews the management accounts and the annual report and financial statements before they are submitted to the Board of Trustees and deals directly with the external auditor regarding the conduct of the audit. It also, on behalf of the Board, sets the Investment Manager's mandate and monitors performance on a quarterly basis.

International Water Association

Trustees' Report

For the year ended 31 December 2023

The Governance and Nomination Committee

Marie-Pierre Whaley (Senior Vice President) chairs the Governance and Nomination Committee. Other members of the committee are Rose Kaggwa, Walter Kling, Elisabeta Poci, Satoshi Takizawa and Yang Villa. Thomas Mollenkopf (President) and Kalanithy Vairavamoorthy (Executive Director) are ex officio members. The Committee advises the Board on corporate governance matters for the Association, including its subsidiaries, committees, and other Association entities; assists the President or the Board to ensure that appropriate individuals are selected for various Association entities; and defines and revises the processes for choosing the nominees and winners of the different awards of the Association.

The Membership and Engagement Committee

Daniel A Nolasco (Vice President) chairs the Membership and Engagement Committee. Other members of the committee are Ed McCormick, Sankaralingam Mohan, María Molinos-Senante, Harsha Ratnaweera and Xiaochang Wang. Thomas Mollenkopf (President) and Kalanithy Vairavamoorthy (Executive Director) are ex officio members. The Committee provides necessary policy oversight concerning the Association members, their expectations, and their participation follows the effectiveness of the recruitment process, discusses new schemes of membership, discusses the communications policy towards different segments of members, and the schemes of honours and awards.

Strategic Council

The Strategic Council plays two key roles within the Association. It provides strategic input to the Association's Board of Trustees and Governing Assembly. In addition, it provides guidance and assistance to the Association in the development of new activities and in the coordination of key existing activities.

Key management personnel

The IWA Management Team, led by the Executive Director Kalanithy Vairavamoorthy, comprises several Directors: Varghese Babu (IT & Digital Transformation Director); Daniela Bemfica (Strategic Programmes & Engagement Director); Keith Hayward (Marketing & Communications Director); Tao Li (Strategy & Development Director); Kizito Masinde (Events and Awards Director); Satkunam Murugathas (Finance Director & Company Secretary); and Keith Robertson (Operations Director).

The Trustees consider that they, together with the IWA Management Team, comprise the Association's key management personnel, in charge of directing and controlling the charity.

Except for the Executive Director, none of the Trustees are remunerated for their services to the charity. The Executive Director is remunerated (as permitted under clause 5.2 of the charity's memorandum of association) for his role as Executive Director. The Executive Director's remuneration is set by the non-executive members of the Board based on benchmarking of similar international roles in the charity or NGO sector and having regard to prevailing market rates.

The remuneration of the members of the IWA Management Team is determined in line with those of other personnel within the group. Pay is determined by the Executive Director based on industry benchmarking of similar international roles in the Charity or NGO sector.

International Water Association

Trustees' Report

For the year ended 31 December 2023

IWA Publishing Limited

The Association has a wholly owned subsidiary, IWA Publishing Limited (IWAP), the principal business of which is the provision of publishing and information products and services to the international water supply and wastewater market. This includes the production and distribution of various publications of the Association. Profits are transferred to the Association by way of Gift Aid. The financial results and year-end position of the subsidiary have been incorporated in the consolidated financial statements accompanying this report.

Other related companies

In India:

- IWAT Science and Technology Private Limited

IWA also owns the following companies in full, which have remained dormant since incorporation:

- IWA – Conferences Limited
- IWA Solutions International Limited
- IWA Global Enterprises Limited (previously named Aquarating Limited)

IWA also created NGOs in Kenya - called IWA Africa - and in India - called IWA Water Foundation. Both have remained dormant since their creation.

8. FUTURE PLANNING

IWA's 2019-2024 Strategic Plan has been in operation following its adoption at the Governing Assembly held at the 2018 IWA World Water Congress & Exhibition in Tokyo. This plan remains effective as the strategic foundation for the day-to-day activities of the organisation. We are actively progressing further implementation of the plan, working with our members, strengthening our Association's membership value, providing insights into trends for the sector and beyond, being a platform for members to exchange knowledge and accelerate the diffusion of innovation, and collaborating on opportunities to address the SDG challenges.

Alongside continuing with implementation of the current plan, a new Strategic Plan for 2025-2030 will be developed during the year. The development and adoption of the new plan will be overseen by the IWA Board of Directors.

Importantly, the current IWA Strategic Plan refers to diversity. This is backed by a strong Board-level commitment to champion diversity throughout the organisation. Actions to progress diversity include working across the Association's many structures, rotating roles to extend this diversity, and monitoring our progress. For 2024, IWA anticipates being able to further progress its plans of achieving more comprehensive progress on diversity. Leveraging the success of the 2023 Water and Development Congress & Exhibition in Kigali, Rwanda, this will be especially in terms of supporting and securing more equal participation by low- and middle-income countries, as well as individuals and organisations from these countries, with the support of funding received from the Bill & Melinda Gates Foundation.

Likewise, there is a great need for more rapid progress with inclusive urban sanitation, particularly in low- and middle-income countries. Continuing work with the Inclusive Urban Sanitation initiative will advance creation and uptake of a framework with broad practical application to define global goals and the core principles of a public service approach to outcomes that can advance inclusive urban sanitation, particularly in low- and middle-income countries.

We will also continue to work to make our published material more easily accessible online and available in different languages, to enhance our contribution to resolving water challenges around the world. This will be done by building on the progress with Open Access achieved during 2021-2023.

In addition to this, IWA officially launched its new digital membership platform, IWA Connect Plus, at the start of 2023. This platform improves on core needs, such as membership administration. It also provides the basis for enhanced and expanded functionality in terms of information sharing and networking, strengthening IWA's membership offering. During 2024, we will work to widen the benefits achieved with the platform, especially in terms of its use by key

International Water Association

Trustees' Report

For the year ended 31 December 2023

communities such as our Governing Members and Specialist Groups.

Five-year goals

The Strategic Plan is based on the following five commitments for the IWA to achieve over the coming five years:

- 1. An engaged and balanced membership** - The IWA will have an engaged membership that is globally representative of the multiple segments, actors, and practice areas of the water sector.
- 2. A source for leading-edge water knowledge** - The IWA will have strengthened our position as an authoritative source and a global reference point for water knowledge, addressing and informing on emerging and potentially disruptive trends within the sector and the wider world.
- 3. A space for professionals to exchange water knowledge** - The IWA will have provided a broad range of professional content and programming that is relevant and widely valued by the water sector worldwide.
- 4. A bridge between research and practice** - The IWA will play a pivotal role in bridging the chasm between research and practice to accelerate the development and diffusion of innovation in the global water sector.
- 5. Support to the implementation of SDGs** - The IWA will support and promote the Sustainable Development Goals and strengthen the sector through professional and capacity development so that people and countries can pursue their ambitions in relation to water-related SDGs.

8. TRUSTEES' RESPONSIBILITIES STATEMENT

The Trustees (who are also Directors of the International Water Association for the purposes of company law) are responsible for preparing the Trustees' report and the 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 financial year which give a true and fair view of the state of affairs of the charity and the group and of income and expenditure of the group for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in Accounting and Reporting by charities;
- make a Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102);
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departure disclosed and explained in the financial statements;
- prepare the financial statements on a going concern basis, unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping accounting records that disclose with reasonable accuracy at any time the financial position of the charity and the group and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities Act 2011, and regulations made thereunder. They are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

International Water Association

Trustees' Report

For the year ended 31 December 2023

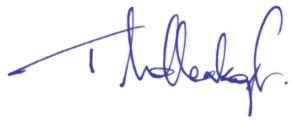
Disclosure of information to auditor

In so far as the Trustees are aware:

- there is no relevant audit information of which the group's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Approved by the Trustees and signed on their behalf by:



Mr. Thomas Mollenkopf AO

President and Chairman

Approved on: 29 May 2024

Independent auditor's report

To the members of

International Water Association

Opinion

We have audited the financial statements of International Water Association (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2023 which comprise the consolidated statement of financial activities, the group and parent charitable company balance sheets, the consolidated statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 December 2023 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the group financial statements section of our report. We are independent of the group and parent 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.

Conclusions relating to going concern

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

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

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

Other Information

The other information comprises the information included in the trustees' annual report, including the strategic report, other than the group financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the group 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 group financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the group 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.

Independent auditor's report

To the members of

International Water Association

Opinions on other matters prescribed by the Companies Act 2006

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

- The information given in the trustees' annual report, including the strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements
- The trustees' annual report, including the strategic report has been prepared in accordance with applicable legal requirements

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report, including the strategic report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and Charities Act 2011 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- The parent charitable company financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit; or

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, the trustees (who are also the directors of the parent 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 group's and the parent 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 group or the parent 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

We have been appointed auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

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 are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and

Independent auditor's report

To the members of

International Water Association

non-compliance with laws and regulations, our procedures included the following:

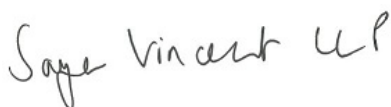
- We enquired of management, which included obtaining and reviewing supporting documentation, concerning the group's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the group operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the group from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of our report

This report is made solely to the charitable company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state 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.



Jonathan Orchard (Senior statutory auditor)

DATE

for and on behalf of Sayer Vincent LLP, Statutory Auditor
Invicta House, 110 Golden Lane, LONDON, EC1Y 0TG

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006

International Water Association

Consolidated statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 December 2023

	Note	2023			Restated		Restated	
		Continuing Unrestricted £	Restricted and endowment £	Total £	Continuing Unrestricted £	Discontinued Unrestricted £	Restricted and endowment £	Total £
Income from:								
Charitable activities								
Membership subscriptions		648,451	-	648,451	653,149	-	-	653,149
Income from projects and grants		-	788,200	788,200	-	-	1,562,463	1,562,463
Income from conferences		603,091	16,060	619,151	4,039,999	-	-	4,039,999
Other trading activities								
Income from publications		3,902,360	-	3,902,360	4,006,670	-	-	4,006,670
Income from Events		159,038	-	159,038	-	-	-	-
Income from Nanjing operation		-	-	-	-	42,053	-	42,053
Other sales income		30,198	-	30,198	38,518	-	-	38,518
Investments		30,778	-	30,778	26,371	-	-	26,371
Other		2,074	-	2,074	145,144	-	-	145,144
Total income		5,375,990	804,260	6,180,250	8,909,852	42,053	1,562,463	10,514,368
Expenditure on:								
Raising funds								
Investment management costs	2	10,257	-	10,257	10,889	-	-	10,889
Publications costs	2	2,068,999	-	2,068,999	2,004,202	-	-	2,004,202
Nanjing operations costs	2	-	-	-	-	497,762	-	497,762
Charitable activities								
Engaged & collaborative membership	2	1,696,216	-	1,696,216	1,874,032	-	-	1,874,032
Source of leading-edge water knowledge	2	468,757	-	468,757	467,619	-	-	467,619
Platform for water knowledge exchange	2	1,173,229	17,821	1,191,050	3,199,371	-	-	3,199,371
Bridging science to practice	2	487,150	654,413	1,141,563	596,476	-	260,568	857,044
Total expenditure		5,904,607	672,234	6,576,841	8,152,589	497,762	260,568	8,910,919
Net (expenditure) / income, before net gains on investments		(528,617)	132,026	(396,591)	757,263	(455,709)	1,301,895	1,603,449
Net gains on investments		67,992	-	67,992	(187,827)	-	-	(187,827)
Net income / (expenditure) for the year	4	(460,625)	132,026	(328,599)	569,436	(455,709)	1,301,895	1,415,622
Transfers between funds		14,045	(13,187)	858	53,035	-	(53,035)	-
Net income / (expenditure) before other recognised gains and losses		(446,580)	118,839	(327,741)	622,471	(455,709)	1,248,860	1,415,622
Actuarial losses on defined benefit pension schemes		-	-	-	-	-	-	-
Net movement in funds		(446,580)	118,839	(327,741)	622,471	(455,709)	1,248,860	1,415,622
Reconciliation of funds:								
Total funds brought forward		3,012,958	1,293,823	4,306,781	2,391,347	454,849	44,963	2,891,159
Total funds carried forward		2,566,378	1,412,662	3,979,040	3,013,818	(860)	1,293,823	4,306,781

Discontinued activities relate to Nanjing operations. All other activities are continuing. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 21a to the financial statements.

Balance sheets

Company no. 03597005

As at 31 December 2023

	Note	The group		The charity	
		2023 £	restated 2022 £	2023 £	restated 2022 £
Fixed assets:					
Intangible assets	9	13,455	44,190	-	-
Tangible assets	10	223,412	312,595	221,478	312,595
Investments	11	1,251,078	1,164,700	1,401,081	1,314,703
		1,487,945	1,521,485	1,622,559	1,627,298
Current assets:					
Stock	14	2,216	52,953	-	-
Debtors	15	2,091,179	2,289,204	1,448,002	1,669,510
Cash at bank and in hand		3,550,617	4,354,381	2,553,157	3,336,724
		5,644,012	6,696,538	4,001,159	5,006,234
Liabilities:					
Creditors: amounts falling due within one year	16	(3,032,917)	(3,791,242)	(1,524,678)	(2,205,893)
Net current assets		2,611,095	2,905,296	2,476,481	2,800,341
Total assets less current liabilities		4,099,040	4,426,781	4,099,040	4,427,639
Creditors: amounts falling due after one year	18	(120,000)	(120,000)	(120,000)	(120,000)
Net assets excluding pension asset / (liability)		3,979,040	4,306,781	3,979,040	4,307,639
Defined benefit pension scheme asset	19	-	-	-	-
Total net assets		3,979,040	4,306,781	3,979,040	4,307,639
Funds:	21a				
Restricted income funds		666,206	1,293,823	666,206	1,293,823
Endowment funds		746,456		746,456	
Unrestricted income funds:					
Designated funds		236,867	355,927	236,867	356,785
Revaluation reserve		207,169	139,177	207,169	139,177
General funds		2,122,342	2,517,854	2,122,342	2,517,854
Non-charitable subsidiary funds		-	-	-	-
Pension reserve		-	-	-	-
Total unrestricted funds		2,566,378	3,012,958	2,566,378	3,013,816
Total funds		3,979,040	4,306,781	3,979,040	4,307,639

Approved by the trustees on 29th May 2024 and signed on their behalf by


Thomas Mollenkopf
President and Chairman

International Water Association

Consolidated statement of cash flows

For the year ended 31 December 2023

	Note	2023	restated	restated
		£	£	2022
		£	£	£
Cash flows from operating activities				
Net income for the reporting period (as per the statement of financial activities)		(327,741)	1,442,961	
Depreciation charges		92,083	118,262	
Amortisation charges		30,735	69,646	
Gains on investments		(67,992)	187,827	
Dividends, interest and rent from investments		(30,778)	(26,371)	
Finance and administrative costs in respect of defined benefit pension scheme		-	-	
Foreign exchange loss		50,736	(144,747)	
(Increase)/decrease in stocks		-	-	
(Increase)/decrease in debtors		198,025	(555,491)	
Increase in creditors		(758,325)	160,732	
Net cash provided by operating activities		(813,257)		1,252,819
Cash flows from investing activities:				
Investment income		30,778	26,371	
Purchase of tangible and intangible fixed assets		(2,900)	(17,516)	
Disposal of tangible and intangible fixed assets		-	167,517	
Proceeds from sale of investments		316,293	218,316	
Purchase of investments		(347,292)	(227,611)	
Change in cash held by investment manager		12,614	(6,187)	
Net cash provided used in investing activities		9,493		160,890
Change in cash and cash equivalents in the year		(803,764)		1,413,709
Cash and cash equivalents at the beginning of the year		4,354,381		2,940,672
Change in cash and cash equivalents due to exchange rate movements		-		-
Cash and cash equivalents at the end of the year		3,550,617		4,354,381

1 Accounting policies

a) Company status

The Association is a charitable company limited by guarantee and is incorporated in England.

The registered office address is Export Building, First Floor, 1 Clove Crescent, London, E14 2BA.

b) Basis of preparation and consolidation

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 (FRS 102) - (Charities SORP FRS 102), The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

These financial statements consolidate the results of the Association and its wholly-owned subsidiaries IWA Publishing Limited and Nanjing IWA Science & Technology Co. Ltd. Transactions and balances between the charity and its subsidiaries have been eliminated from the consolidated financial statements. Balances between the entities are disclosed in the notes of the charity's balance sheet. A separate statement of financial activities, or income and expenditure account, for the Association itself is not presented because the charity has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006.

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

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

c) Public benefit entity

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

d) Assessment of going concern

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements. In forming their assessment, the Trustees have also given consideration to financial forecasts and business plans, including group entities. They have also given due consideration to the impact of the COVID-19 pandemic on the group's operations, with a focus on its effect on the Association's membership, customers, suppliers, employees and investments. The Trustees acknowledge the disruption caused by the pandemic to the group's day-to-day operations and confirm that they do not consider this to be cause for material uncertainty in respect of the group's ability to continue as a going concern. The group has successfully employed contingency plans, and trustees have considered that the charity has sufficient cash resources to continue for the foreseeable future, despite the current crisis.

The Trustees have therefore concluded that the group has adequate resources to continue in operational existence for the foreseeable future and to meet liabilities as they fall due for a period of at least 12 months following the Trustees' approval of these financial statements. Further commentary on the Trustees' assessment of going concern may be found within the Trustees' report accompanying the financial statements.

1 Accounting policies (continued)

e) Critical accounting estimates and areas of judgement

Preparation of the financial statements requires the trustees and management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include:

- The estimate of the group's liability in respect of a defined benefit pension scheme previously offered to IWA staff, the valuation of which has been estimated by an independent actuary taking account of various assumptions including the long term rates of return on scheme assets, the long-term anticipated rate of inflation, the life expectancy of scheme participants, and the discount rate applied;
- The estimates of the useful economic lives of tangible and intangible fixed assets used to determine the annual depreciation charge;
- The estimated future cost of reinstating short term leasehold property to its original condition in line with the terms of the lease agreement
- The assumptions adopted by the trustees and management in determining the value of any designations required from the charity's general unrestricted funds;
- The basis on which support costs have been allocated across expenditure headings; and
- Judgements and assumptions made in forecasting future income and expenditure for the purposes of assessing whether the going concern basis of preparing the financial statements is appropriate.

f) Income

All income is recognised once the Association or group has entitlement to the income, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount of income receivable can be measured reliably.

Donated services or facilities are recognised when the Association or group has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the item is probable and the economic benefit can be measured reliably.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the gift to the Association or group which is the amount the Association or group would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the bank.

g) Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Association and which have not been designated for other purposes.

Designated funds comprise of unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

The investments revaluation reserve is an unrestricted fund and reflects the balance included within fixed asset investments which has arisen as a consequence of the cumulative impact of market value changes to the Association's investment assets.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Association for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

h) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis.

All expenses including support costs and governance costs are allocated to the applicable expenditure headings.

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

The estimated costs of reinstating short term leasehold property is also capitalised at the point of the modification works being undertaken.

1 Accounting policies (continued)

i) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Where such information about the aims, objectives and projects of the charity is also provided to potential donors, activity costs are apportioned between fundraising and charitable activities on the basis of area of literature occupied by each activity.

<input type="checkbox"/>	Engaged & collaborative membership	46%
<input type="checkbox"/>	Source of leading-edge water knowledge	10%
<input type="checkbox"/>	Platform for water knowledge exchange	19%
<input type="checkbox"/>	Bridging science to practice	25%
<input type="checkbox"/>	Support costs	0%
<input type="checkbox"/>	Governance costs	0%

Support and governance costs are re-allocated to each of the activities on the following basis which is an estimate, based on staff time, of the amount attributable to each activity.

<input type="checkbox"/>	Engaged & collaborative membership	25%
<input type="checkbox"/>	Source of leading-edge water knowledge	25%
<input type="checkbox"/>	Platform for water knowledge exchange	25%
<input type="checkbox"/>	Bridging science to practice	25%

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

j) Tangible fixed assets

Assets are capitalised where the purchase price exceeds £500.

Tangible fixed assets are stated at cost less depreciation. The estimated cost of reinstating short term leasehold properties is also capitalised at the point of the modification works being undertaken.

Depreciation is provided at rates calculated to write off the cost of the fixed assets, less their estimated residual value over their expected useful lives on the following basis:

<input type="checkbox"/>	Leasehold improvements	10 years straight line
<input type="checkbox"/>	Fixtures and fittings	5-6 years straight line
<input type="checkbox"/>	Office equipment	6 years straight line
<input type="checkbox"/>	Computer equipment	3 years straight line

k) Intangible fixed assets

Assets are capitalised where the purchase price exceeds £500.

Intangible fixed assets are stated at cost less amortisation. Amortisation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

<input type="checkbox"/>	Computer equipment	5 years straight line
--------------------------	--------------------	-----------------------

l) Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Any change in fair value will be recognised in the statement of financial activities. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading "Net gains/(losses) on investments" in the statement of financial activities. The charity does not acquire put options, derivatives or other complex financial instruments.

Investments in subsidiary companies which are unlisted are carried on the Association's balance sheet at cost less impairment.

1 Accounting policies (continued)

m) Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads. Net realisable value is the price at which stocks can be sold in the normal course of business after allowing for the costs of realisation.

n) Taxation

The Association is an exempt charity within the meaning of schedule 3 of the Charities Act 2021 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. The group's liability for current tax in this regard is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period within the relevant jurisdiction. The group incurred tax charges in Nanjing, China.

o) Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount repaid net of any trade discounts due.

p) Cash at bank and in hand

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

q) Creditors and provisions

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

r) Financial instruments

The Association only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

s) Foreign currencies

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date. Exchange gains and losses are recognised in the Statement of Financial Activities.

t) Pensions

Group employees are able to participate in defined contribution schemes administered in the UK, Netherlands and China. The assets of the schemes are held separately from those of the group. In addition, IWA Publishing Ltd makes contributions into the personal pension plans for some of its employees. The costs of providing pensions are charged to the SOFA as incurred, i.e. in line with the contribution payable by the group in the period.

The Association also previously offered employees access to a defined benefit pension scheme administered in the UK. The defined benefit pension scheme is now closed to future new entrants and there are no remaining active members in the scheme. For the defined benefits scheme, the Statement of Financial Activities (SOFA) is charged with the cost of providing pension benefits earned by former employees in the period. The expected return on pension scheme assets less the interest on the pension scheme liabilities is included as part of this charge. Actuarial gains and losses arising in the period for the difference between actual and expected returns in the pension scheme assets, experience gains and losses on pension scheme liabilities and the effect of changes in demographics and financial assumptions, are included as after recognised gains and losses in the Statement of Financial Activities. The accumulated pension scheme deficit is recognised in full and included in the balance sheet. However, in the event that the scheme is in net surplus position, the asset is not recognised in the balance sheet as it is not expected that the surplus will be realisable by the Association until after buying out pension benefits to the pensioners.

u) Conferences

The World Water Congress is held bi-annually. Expenditure incurred in preparing for the Congress is also carried forward and recognised in the year of the Congress itself, except for the cost of staff time which is recognised in the financial year in which the services were rendered by the employees.

1 Accounting policies (continued)

v) Specialist group funds

Specialist groups run independently from the Association and their income, expenditure, assets and liabilities are not included in the Association's financial statements.

Where specialist groups use the Association's services, these are charged to the group and shown as income for the Association. In many cases, this relates to a share of income from events organised by the specialist group in agreement with the Association. This income is accounted for once confirmation is received of the amount due and it is reasonably certain that it will be received.

The Association holds funds on behalf of the specialist groups. The balances due to the groups are included in creditors.

2a Analysis of expenditure (current year)

	Raising funds			Charitable activities						2023 Total £	2022	Total £
	Investment Management £	Publications £	Nanjing Operation - discontinued £	Engaged & collaborative membership £	Source of leading-edge water knowledge £	Platform for water knowledge exchange £	Bridging science to practice £	Governance costs £	Support costs £			
Staff costs (Note 5)	-	829,587	-	1,165,661	234,488	450,375	579,333	20,000	60,000	3,339,444	3,439,372	
Other costs	-	939,416	-	239,649	120,576	582,696	377,797	-	-	2,260,134	4,625,399	
Investment management costs	10,257	-	-	-	-	-	-	-	-	10,257	-	
Support costs within subsidiaries	-	33,566	-	-	-	-	-	-	35,347	68,913	98,015	
Rents, rates and services	-	122,234	-	-	-	-	-	-	201,929	324,163	292,039	
Legal and professional fees	-	28,139	-	-	-	-	-	-	34,888	63,027	51,434	
IT costs	-	42,015	-	-	-	-	-	-	43,312	85,327	71,459	
Insurance	-	15,041	-	-	-	-	-	-	39,084	54,125	60,966	
Depreciation and impairment	-	53,701	-	-	-	-	-	-	70,087	123,788	199,994	
Audit	-	5,300	-	-	-	-	-	22,900	-	28,200	18,184	
AGM and Trustee meetings	-	-	-	-	-	-	-	219,463	-	219,463	54,059	
	10,257	2,068,999	-	1,405,310	355,064	1,033,071	957,130	262,363	484,647	6,576,841	8,910,921	
Support costs	-	-	-	225,315	48,102	92,388	118,842	-	(484,647)	-		
Governance costs	-	-	-	65,591	65,591	65,591	65,591	(262,363)	-	-		
Total expenditure 2023	10,257	2,068,999	-	1,696,216	468,757	1,191,050	1,141,563	-	-	6,576,841		
Total expenditure 2022	10,889	2,004,202	497,762	1,894,036	458,392	3,189,754	855,881	-	-		8,910,921	

International Water Association

Notes to the financial statements

For the year ended 31 December 2023

2b Analysis of expenditure (prior year)

	Raising funds			Charitable activities						2022 Total £
	Investment Management £	Publications £	Nanjing Operation - discontinued £	Engaged & collaborative membership £	Source of leading-edge water knowledge £	Platform for water knowledge exchange £	Bridging science to practice £	Governance costs £	Support costs £	
Staff costs (Note 5)	-	874,043	392,276	1,120,386	233,189	219,100	520,376	20,000	60,000	3,439,370
Other costs	10,889	903,394	39,469	419,956	155,747	2,905,039	187,655	3,250	-	4,625,399
Investment management costs	-	-	-	-	-	-	-	-	-	-
Support costs within subsidiaries	-	-	-	-	-	-	-	-	98,015	98,015
Rents, rates and services	-	81,786	9,526	-	-	-	-	-	200,727	292,039
Legal and professional fees	-	5,325	7,094	-	-	-	-	-	39,015	51,434
IT costs	-	20,382	328	-	-	-	-	-	50,749	71,459
Insurance	-	17,410	1,011	-	-	-	-	-	42,545	60,966
Depreciation and impairment	-	92,862	47,874	-	-	-	-	-	59,258	199,994
Audit	-	9,000	184	-	-	-	-	9,000	-	18,184
AGM and Trustee meetings	-	-	-	-	-	-	-	54,059	-	54,059
	10,889	2,004,202	497,762	1,540,342	388,936	3,124,139	708,031	86,309	550,309	8,910,919
Support costs	-	-	-	312,113	57,106.0	53,655.0	127,435	-	(550,309)	
Governance costs	-	-	-	21,577	21,577	21,577	21,578	(86,309)	-	-
Total expenditure 2022	10,889	2,004,202	497,762	1,874,032	467,619	3,199,371	857,044	-	-	8,910,919

Notes to the financial statements

For the year ended 31 December 2023

3 Other activities

During the year, the Association deregistered its wholly owned subsidiary, Nanjing IWA Science & Technology Co. Ltd, registered in Nanjing, China, following the decision to close its operations in Nanjing.

4 Net income / (expenditure) after taxation, before net gains on investments

This is stated after charging / (crediting):

	2023 £	2022 £
Depreciation of tangible fixed assets	92,083	118,262
Amortisation of intangible fixed assets	30,735	69,646
Loss or profit on disposal of fixed assets		
Auditor's remuneration:		
Statutory audit	28,200	18,500
Other services	1,500	1,500
Foreign exchange gains or losses	(56,952)	144,747
	<u> </u>	<u> </u>

5 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff and consultants costs were as follows:

	2023 £	2022 £
Salaries and wages	2,455,515	2,665,076
Redundancy and termination costs	20,432	71,608
Social security costs	294,634	283,168
Pension costs	308,506	294,043
Consultants charges	229,796	125,477
Other benefits costs	30,561	-
	<u>3,339,444</u>	<u>3,439,372</u>

The following number of employees received employee benefits (excluding employer pension costs and employer's national insurance) during the year between:

	2023 No.	2022 No.
£60,001 - £70,000	1	2
£70,001 - £80,000	2	1
£80,001 - £90,000	3	4
£90,001 - £100,000	3	1
£100,001 - £110,000	1	-
£130,001 - £140,000	-	1
£140,001 - £150,000	-	2
£150,001 - £160,000	1	-
£250,001 - £260,000	-	1
£260,001 - £270,000	1	-
	<u> </u>	<u> </u>

The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel were £1,284,157 (2022: £987,912).

The total contributions to the defined contribution pension schemes during the year was £161,215 (2022: £145,712). At the year end £132 (2022: £nil) was outstanding.

No fees or remuneration are paid to any members or officers of the Association with the exception of the Executive Director who received £282,735 during the year (2022: £270,900). Clause 4 of the Memorandum of the Association provides specific power to make such payment to the Executive Director. The Association incurred a total of £208,626 (2022: £53,905) in respect of international travel, subsistence and venue costs for 13 (2022:6) Board members.

During the year the Association maintained an Indemnity Insurance cover for its officers for up to £10 million (2022: £10 million) at a cost of £7,000 per annum (2022 £6,750).

6 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was 51 (2022: 51).

The average number of employees during the year was as follows (including casual and part-time staff):

	2023	2022
	No.	No.
Charitable activities	34	33
Publishing activities	13	14
Management and administration	4	4
	51	51

7 Related party transactions

During the year Trustees received reimbursement of expenses as set out in note 5.

Trustees are required to be members of the Association, for which they pay the Association a membership fee. Furthermore, they may from time to time purchase goods or services from the Association (e.g. books, journals, conference attendances). The payment of fees or purchase of good or services are on normal commercial terms with no preferential treatment by virtue of being a trustee.

Other than the above, there were no related party transactions to report in the period of report (2022: none).

8 Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes. The charity's trading subsidiary IWA Publishing Limited distributes under Gift Aid available profits to the parent charity. Its charge to corporation tax in the year was:

	2023	2022
	£	£
UK corporation tax at 19%	-	-

9 Intangible fixed assets**The group****Cost**

	Online platform £	Total £
At the start of the year	346,448	346,448
Additions in year	-	-
Disposals in year	-	-
At the end of the year	<u>346,448</u>	<u>346,448</u>

Amortisation

At the start of the year	302,258	302,258
Charge for the year	30,735	30,735
Eliminated on disposal	-	-
At the end of the year	<u>332,993</u>	<u>332,993</u>

Net book value

At the end of the year	<u>13,455</u>	<u>13,455</u>
-------------------------------	---------------	----------------------

At the start of the year	<u>44,190</u>	<u>44,190</u>
--------------------------	---------------	---------------

All of the above assets are used for charitable purposes.

10 Tangible fixed assets**The group**

	Leasehold improvement £	Fixtures and fittings £	Office equipment £	Computers £	Total £
Cost					
At the start of the year	120,000	409,442	13,674	108,607	651,723
Additions in year	-	-	-	2,900	2,900
Disposals in year	-	-	-	(64,151)	(64,151)
At the end of the year	120,000	409,442	13,674	47,356	590,472
Depreciation					
At the start of the year	36,000	196,717	6,226	100,185	339,128
Charge for the year	12,000	70,371	2,279	7,433	92,083
Eliminated on disposal	-	-	-	(64,151)	(64,151)
At the end of the year	48,000	267,088	8,505	43,467	367,060
Net book value					
At the end of the year	72,000	142,354	5,169	3,889	223,412
At the start of the year	84,000	212,725	7,448	8,422	312,595

The charity

	Leasehold improvement £	Fixtures and fittings £	Office equipment £	Computers £	Total £
Cost					
At the start of the year	120,000	409,442	13,674	94,070	637,186
Additions in year	-	-	-	-	-
Disposals in year	-	-	-	(64,151)	(64,151)
At the end of the year	120,000	409,442	13,674	29,919	573,035
Depreciation					
At the start of the year	36,000	196,717	6,226	85,648	324,591
Charge for the year	12,000	70,371	2,279	6,467	91,117
Eliminated on disposal	-	-	-	(64,151)	(64,151)
At the end of the year	48,000	267,088	8,505	27,964	351,557
Net book value					
At the end of the year	72,000	142,354	5,169	1,955	221,478
At the start of the year	84,000	212,725	7,448	8,422	312,595

All of the above assets are used for charitable purposes.

11 Investments

	The group		The charity	
	2023 £	2022 £	2023 £	2022 £
Fair value at the start of the year	1,164,700	1,311,602	1,314,703	1,461,605
Additions at cost	347,292	227,611	347,292	227,611
Disposal proceeds	(316,293)	(218,316)	(316,293)	(218,316)
Net gain / (loss) on change in fair value	36,363	(187,827)	36,363	(187,827)
	1,232,062	1,133,070	1,382,065	1,283,073
Cash held by investment broker pending reinvestment	19,016	31,630	19,016	31,630
Fair value at the end of the year	1,251,078	1,164,700	1,401,081	1,314,703

Investments comprise:

	The group		The charity	
	2023 £	2022 £	2023 £	2022 £
Shares listed on the London Stock Exchange	558,878	531,950	558,878	531,950
Overseas listed investments	642,200	582,750	642,200	582,750
Unlisted income bonds in the UK	50,000	50,000	50,000	50,000
Investment in subsidiaries	-	-	150,003	150,003
	1,251,078	1,164,700	1,401,081	1,314,703

12 Subsidiary undertakings

The Association holds a controlling interest in IWA Publishing Limited, IWA Conferences Limited, IWA Development Solutions Limited, IWA Global Enterprises Limited, Nanjing IWA Science & Technology Co. Ltd (China), IWAT Science and Technology Private Limited (India) and IWA Water Foundation (India), whose details are given below.

IWA Publishing Limited

The charity owns the whole of the issued ordinary share capital of IWA Publishing Limited, a company registered in England. The company number is 03690822. The registered office address is Export Building, First Floor, 1 Clove Crescent, London, E14 2BA.

The subsidiary is used for non-primary purpose trading activities, these being the publishing of books, periodicals and video recordings. All activities have been consolidated on a line by line basis in the statement of financial activities. Available profits are distributed under Gift Aid to the parent charity.

The trustees Kalanithy Vairavamoorthy, Enrique Cabrera Rochera, Marie-Pierre Whaley and Peter Vanrolleghem are also directors of the subsidiary.

A summary of the results of the subsidiary is shown below:

	2023	2022
	£	£
Turnover	3,860,459	4,006,312
Cost of sales	(743,894)	(780,542)
Cost of sales related to purchases from parent undertaking	-	-
Gross profit	3,116,565	3,225,770
Administrative expenses	(1,326,073)	(1,223,660)
Profit on ordinary activities before interest and taxation	1,790,492	2,002,110
Interest receivable and similar income	9,198	358
Profit on ordinary activities before taxation	1,799,690	2,002,468
Taxation on profit on ordinary activities	-	-
Profit for the financial year	1,799,690	2,002,468
Retained earnings		
Total retained earnings brought forward	-	-
Profit for the financial year	1,799,690	2,002,468
Distribution under Gift Aid to parent charity	(1,799,690)	(2,002,468)
Total retained earnings carried forward	-	-
The aggregate of the assets, liabilities and reserves was:		
Assets	1,992,530	2,900,025
Liabilities	(1,842,530)	(2,750,025)
Reserves	150,000	150,000

Amounts owed to the parent undertaking were: £611,638 (2022: £1,166,273).

12 Subsidiary undertakings (continued)**IWA Conference Limited**

The charity owns the whole of the issued ordinary share capital of IWA Conference Limited, a company registered in England. The company number is 05653997. The registered office address is Export Building, First Floor, 1 Clove Crescent, London, E14 2BA.

The subsidiary is used for non-primary purpose trading activities, these being the Events and other Sponsorship. All activities have been consolidated on a line by line basis in the statement of financial activities. Available profits are distributed under Gift Aid to the parent charity.

The trustees Kalanithy Vairavamoorthy is also directors of the subsidiary.

A summary of the results of the subsidiary is shown below:

	2023 £	2022 £
Turnover	159,038	-
Cost of sales	-	-
Cost of sales related to purchases from parent undertaking	-	-
Gross profit	159,038	-
Administrative expenses	-	-
Profit on ordinary activities before interest and taxation	159,038	-
Interest receivable and similar income	-	-
Profit on ordinary activities before taxation	159,038	-
Taxation on profit on ordinary activities	-	-
Profit for the financial year	159,038	-
Retained earnings		
Total retained earnings brought forward	-	-
Profit for the financial year	159,038	-
Distribution under Gift Aid to parent charity	(159,038)	-
Total retained earnings carried forward	-	-
The aggregate of the assets, liabilities and reserves was:		
Assets	477,038	-
Liabilities	(477,038)	-
Reserves	-	-

Amounts owed to the parent undertaking were: £159,038 (2022: £0).

12 Subsidiary undertakings (continued)**Nanjing IWA Science & Technology Co. Ltd**

The charity owns the whole of the issued ordinary share capital of Nanjing IWA Science & Technology Co. Ltd, a company registered in China. The company's activities in the year were that of promoting the art and science of water management globally, by the encouragement of training, study and research in water management and the publications of the useful results of such research; to share advances technologies and best practices with water professionals and organisations.

The subsidiary is used for non-primary purpose trading activities. All activities have been consolidated on a line by line basis in the statement of financial activities. Available profits are held in the company for future operations.

A summary of the results of the subsidiary is shown below:

	2023	2022
	£	£
Turnover	-	41,539
Turnover from sales to parent undertaking	-	-
Cost of sales	-	(39,469)
Cost of sales related to purchases from parent undertaking	-	-
Gross profit/(loss)	-	2,070
Administrative expenses	-	(458,293)
Management charge payable to parent undertaking	-	-
Management charge due from parent undertaking	-	-
Other operating income	-	-
Profit/(loss) on ordinary activities before interest and taxation	-	(456,223)
Interest receivable and similar income	-	514
Interest payable	-	-
Interest payable to parent undertaking	-	-
Profit on ordinary activities before taxation	-	(455,709)
Taxation on profit on ordinary activities	-	-
Profit for the financial year	-	(455,709)
Retained earnings		
Total retained earnings brought forward	(858)	454,850
Transfer from IWA	858	
Profit for the financial year	-	(455,709)
Total retained earnings carried forward	-	(858)
The aggregate of the assets, liabilities and reserves was:		
Assets	-	742
Liabilities	-	(1,600)
Reserves	-	(858)

Amounts owed to/from the parent undertaking were: £x (2022.: £nil)

12 Subsidiary undertakings (continued)

IWAT Science and Technology Private Limited

The charity owns the whole of the issued ordinary share capital of IWAT Science and Technology Private Limited, a company registered in India. The company's activities in the year were that of promoting the art and science of water management globally, by the encouragement of training, study and research in water management and the publications of the useful results of such research; to share advances technologies and best practices with water professionals and organisations.

The subsidiary is used for non-primary purpose trading activities. All activities have been consolidated on a line by line basis in the statement of financial activities. Available profits are held in the company for future operations.

A summary of the results of the subsidiary is shown below:

	2023 £	2022 £
Turnover	1,094	-
Turnover from sales to parent undertaking	134,872	-
Cost of sales	-	-
Cost of sales related to purchases from parent undertaking	-	-
Gross profit/(loss)	135,966	-
Administrative expenses	(130,910)	-
Management charge payable to parent undertaking	-	-
Management charge due from parent undertaking	16,859	-
Other operating income	-	-
Profit/(loss) on ordinary activities before interest and taxation	21,915	-
Interest receivable and similar income	-	-
Interest payable	-	-
Interest payable to parent undertaking	-	-
Profit on ordinary activities before taxation	21,915	-
Taxation on profit on ordinary activities	(5,056)	-
Profit for the financial year	16,859	-
Retained earnings		
Total retained earnings brought forward	-	-
Profit for the financial year	16,859	-
Total retained earnings carried forward	16,859	-
The aggregate of the assets, liabilities and reserves was:		
Assets	16,859	-
Liabilities	-	-
Reserves	16,859	-

13 Parent charity

The parent charity's gross income and the results for the year are disclosed as follows:

	2023	restated 2022
	£	£
Gross income	2,118,852	1,071,339
Result for the year	4,507,842	(1,217,868)

14 Stock

	The group		The charity	
	2023	2022	2023	2022
	£	£	£	£
Goods held for resale	2,216	52,953	-	-
	2,216	52,953	-	-

15 Debtors

	The group		The charity	
	2023	2022	2023	2022
	£	£	£	£
Trade debtors	1,581,298	1,840,188	145,352	106,877
Other debtors	276,937	301,855	244,326	301,855
Prepayments and accrued income	231,846	146,063	231,846	93,407
Amounts due from subsidiary undertakings	1,098	1,098	826,478	1,167,371
	2,091,179	2,289,204	1,448,002	1,669,510

16 Creditors: amounts falling due within one year

	The group		The charity	
	2023	restated 2022	2023	restated 2022
	£	£	£	£
Trade creditors	209,260	882,091	127,638	793,219
Other creditors	794,836	743,826	599,512	528,396
Social security costs	71,095	65,602	55,606	49,561
Specialist Group funds	179,454	230,939	179,454	230,939
Accruals and deferred income (note 16)	1,778,272	1,868,784	562,468	603,778
	3,032,917	3,791,242	1,524,678	2,205,893

17 Deferred income

Deferred income comprises income collected in advance for future journal, membership subscriptions and events.

	The group		The charity	
	2023	2022 restated	2023	2022 restated
	£	£	£	£
Balance at the beginning of the year	1,868,784	2,281,021	603,778	1,964,377
Amount released to income in the year	(1,868,784)	(2,212,651)	(603,778)	(1,896,007)
Amount deferred in the year	1,778,272	1,800,414	562,468	535,408
Balance at the end of the year	1,778,272	1,868,784	562,468	603,778

18 Creditors: amounts falling due after one year

	The group		The charity	
	2023	2022	2023	2022
	£	£	£	£
Provision for dilapidation	120,000	120,000	120,000	120,000
	120,000	120,000	120,000	120,000

Provision for dilapidations represents the estimated cost of reinstatement works, repairs and redecoration, as well as specific works that will need to be made in line with the office lease. (Export Building, First Floor, 1 Clove Crescent, London E14 2BA.

19 Pension scheme

Group and company

The group operates a Defined Benefit Pension Scheme.

The amounts recognised in the Balance Sheet are as follows:

	2023	2022
	£	£
Present value of funded obligations	(1,929,000)	(1,933,000)
Fair value of scheme assets	2,523,000	2,461,000
Surplus not recognised	(594,000)	(528,000)
Surplus in scheme at end of the year and available to the Association	-	-

The latest actuarial valuation at 31 December 2023 shows a pension surplus of £594,000 (2022:£528,000). The surplus valuation results in 2022 is not recognised on the balance sheet as an asset because it is not available to the Association by way of reduced future contributions. Actuarial gains and losses arising from new valuations and from updating valuations to the balance sheet date are recognised in the statement of financial activities as other recognised gains and losses.

The amounts recognised in the Statement of Financial Activities are as follows:

	2023	2022
	£	£
Interest on obligation	(86,000)	(54,000)
Expected return on scheme assets	113,000	59,000
	27,000	5,000

Movements in the present value of the defined benefit obligation were as follows:

	2023	2022
	£	£
Opening defined benefit obligation	1,933,000	2,950,000
Interest cost	86,000	54,000
Actuarial losses	70,000	(893,000)
Benefits paid	(212,000)	(293,000)
Administration cost	52,000	115,000
Closing defined benefit obligation	1,929,000	1,933,000

19 Pension scheme (continued)

Group and company

Changes in the fair value of scheme assets were as follows:

	2023 £	2022 £
Opening fair value of scheme assets	2,461,000	3,190,000
Expected return on assets	113,000	59,000
Actuarial gains	14,000	(640,000)
Contribution by employer	147,000	145,000
Benefits paid	(212,000)	(293,000)
	2,523,000	2,461,000

The group expects to contribute £36,822 to its Defined Benefit Pension Scheme in 2024 (2023: £147,000).

Principal actuarial assumptions at the Balance Sheet date (expressed as weighted averages):

	2023 £	2022 £
Discount rate at 31 December	4.45%	4.75%
Future pension increases	3.40%	3.30%
Retail price inflation	3.55%	3.40%
	11.40%	11.45%

Longevity assumptions as at 31 December 2023

Males (M) or Females (F)	2023	2022
Base table	S3PA tables with 92% Male and 102% Female scaling factor	S3PA tables with 92% Male and 102% Female scaling factor
Future improvements	CMI 2022 core model with a long term rate of improvement of 1.5% p.a. for males and 1.0% p.a. for females, with a smoothing parameter of Sk=7.0.	CMI 2021 model allowing for 25% of the data from 2020 and 2021 with a long term rate of improvement of 1.5% p.a. for males and 1.0% p.a. for females, with a smoothing parameter of Sk=7.0.

20a Analysis of group net assets between funds (current year)

	General unrestricted £	Designated funds £	Revaluation reserve £	Restricted funds £	Total funds £
Intangible fixed assets	-	13,455	-	-	13,455
Tangible fixed assets	-	223,412	-	-	223,412
Investments	1,043,909	-	207,169	-	1,251,078
Net current assets	1,944,889	-	-	666,206	2,611,095
Long term liabilities	(120,000)	-	-	-	(120,000)
Net assets at 31 December 2023	2,868,798	236,867	207,169	666,206	3,979,040

20b Analysis of group net assets between funds (prior year restated)

	General unrestricted £	Designated funds £	Revaluation reserve £	Restricted funds £	Total funds £
Intangible fixed assets	-	44,190	-	-	44,190
Tangible fixed assets	-	312,595	-	-	312,595
Investments	1,025,523	-	139,177	-	1,164,700
Net current assets	1,612,331	(858)	-	1,293,823	2,905,296
Long term liabilities	(120,000)	-	-	-	(120,000)
Net assets at 31 December 2022	2,517,854	355,927	139,177	1,293,823	4,306,781

21a Movements in funds (current year)

	At 1 January 2023 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 December 2023 £
Restricted funds:					
Citywide inclusive sanitation	999,034	-	(377,945)	-	621,089
Climate Smart Utilities Initiative	742	-	-	-	742
Aquarating - Sierra Leone	8,492	-	(8,640)	148	-
Aquarating - Mongolia	873	-	(773)	(100)	-
Operation and Maintenance Network	13,969	38,249	(47,002)	-	5,216
Diffuse Pollution SG Fund	21,164	-	-	-	21,164
Prime Water	98,123	3,495	(101,618)	-	-
Water-Wise Cities Project	13,235	-	-	(13,235)	-
LAC HRWS	3,475	-	-	-	3,475
Youth Action for SDG6 Fellowship fund	134,716	-	(118,435)	-	16,281
World Bank Grant	-	16,060	(17,821)	-	(1,761)
Total restricted funds	1,293,823	57,804	(672,234)	(13,187)	666,206
Endowment funds:					
Emerging Water Leaders fund	-	746,456	-	-	746,456
Total Endowment funds	-	746,456	-	-	746,456
Unrestricted funds:					
Designated funds:					
Tangible and intangible assets	356,785	-	(119,918)	-	236,867
Nanjing Fund	(858)	-	-	858	-
Total designated funds	355,927	-	(119,918)	858	236,867
Revaluation reserve	139,177	67,992	-	-	207,169
General funds	2,517,854	5,375,990	(5,784,689)	13,187	2,122,342
Total unrestricted funds	3,012,958	6,190,438	(5,904,607)	14,045	3,312,834
Pension reserve	-	-	-	-	-
Total funds	4,306,781	6,248,242	(6,576,841)	858	3,979,040

The narrative to explain the purpose of each fund is given at the foot of the note below.

21b Movements in funds (prior year restated)

	At 1 January 2022 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 December 2022 £
Restricted funds:					
Improving water security for the poor	-	-	-	-	-
Citywide inclusive sanitation	-	1,165,189	(166,155)	-	999,034
GIZ Carbon Neutrality in Water	(7,615)	28,490	(525)	(20,350)	-
Climate Smart Utilities Initiative	-	36,684	(35,942)	-	742
Aquarating - Sierra Leone	-	43,495	(3,566)	(31,437)	8,492
Aquarating - Mongolia	-	-	(6,164)	7,037	873
Climate Resilient WSPs	-	-	(202)	202	-
Operation and Maintenance Network	11,133	35,236	(23,913)	(8,487)	13,969
Diffuse Pollution SG Fund	21,164	-	-	-	21,164
Prime Water	-	118,653	(20,530)	-	98,123
Water-wise Cities Project	14,775	-	(1,540)	-	13,235
Reach Project	-	-	-	-	-
LAC HRWS	5,506	-	(2,031)	-	3,475
Youth Action for SDG6 Fellowship fund	-	134,716	-	-	134,716
Regulators NBS	-	-	-	-	-
Total restricted funds	44,963	1,562,463	(260,568)	(53,035)	1,293,823
Unrestricted funds:					
Designated funds:					
Tangible and intangible assets	549,947	-	-	(193,162)	356,785
Nanjing Fund	454,849	42,053	(497,760)	-	(858)
Total designated funds	1,004,796	42,053	(497,760)	(193,162)	355,927
Revaluation reserve	327,004	(187,827)	-	-	139,177
General funds	1,514,396	8,909,852	(8,152,591)	246,197	2,517,854
Total unrestricted funds	2,846,196	8,764,078	(8,650,351)	53,035	3,012,958
Pension reserve	-	-	-	-	-
Total funds	2,891,159	10,326,541	(8,910,919)	-	4,306,781

Purposes of restricted funds**Improving water security for the poor**

The REACH programme is led by Oxford University and brings together a consortium of global leaders in water science, policy and practice. REACH is a new global research programme to improve water security for the poor by delivering world-class science that transforms policy and practice.

Citywide inclusive sanitation

The IWA is working with our partners, through this project IWA aims at identifying the needs, opportunities, and tools for action to support and inspire regulators in their contribution to achieving citywide inclusive sanitation in the context of the Sustainable Development Goals.

GIZ Carbon Neutrality in Water

The IWA is working on a project with GIZ, funded by the German Federal Ministry of Environment, Nature Conservation, to improve the carbon balance across utilities. The project focuses on parts of the nexus as addressing greenhouse gas reduction and energy efficiency produces benefits for water efficiency and recovers resources. The fund currently having a deficit balance, pending payment receivable from the donor.

Movements in funds (continued)

Purposes of restricted funds

Aquarating

The funds received from Millennium Corporation, USA toward the execution of a technical cooperation programme for the implementation of a rating system Aqua Rating for the water and sanitation providers. The Aquarating Mongolia and Aquarating Sierra Leone fund currently having a deficit balance, pending payment receivable from the donor.

Water-Wise Cities Project

Funded by SIAAP towards help city leaders ensure that everyone in their cities has access to safe water and sanitation. One of the aims is to ensure that water is integrated in planning and design in cities to provide increased resilience to climate change, livability, efficiencies, and a sense of place for urban communities. The ultimate goal of these Principles is to encourage collaborative action, underpinned by a shared vision, so that local governments, urban professionals, and individuals actively engage in addressing and finding solutions for managing all waters of the city.

Operation and Maintenance Network

Funds received from Ministry of Health, Labour and Welfare ("MHLW") Japan to support, raise awareness and develop capacities to effectively address operations and maintenance of water supply and sanitation systems and protect public health.

GEF Floods & Droughts

Funds received from UN Enviro Programme to develop adaptive, sociotechnical risk management measures and strategies for coastal communities against extreme hydro-meteorological events minimising social, economic and environmental impacts and increasing the resilience of Coastal Regions in Europe.

Prime Water

Funded through EU Horizon 2020 – the Framework Programme for Research and Innovation for delivering advanced predictive tools from medium to seasonal range for water dependent industries and exploiting the cross-cutting potential of EO and hydro-ecological modelling (in short PrimeWater).

Diffuse Pollution Specialist Group

Conference surplus funds received from the Diffuse Pollution Specialist Group towards the cost of future activities.

WSP - Asia-Pacific Network

Funds received from UNOPS towards hosting the WSP Network Asia, the thematic network for capacity development for water safety plans and to strengthen the Asia Pacific WSP network to support the development of climate resilient, adaptable systems for water supply.

Climate Resilient WSP's

funding provided by OPEC Fund for International Development (OFID) for implementing climate resilient water safety planning to improve water supply and public health.

Movements in funds (continued)

Purposes of restricted funds

Youth Action for SDG6 Fellowship fund

funding provided by Grundfos towards the participation of 14 bright and promising international young water professionals (YWPs) at the UN 2023 Water Conference, on 22-24 March 2023 in New York, USA.

Regulators - Nature Based Solutions (NBS)

Funds received from The Nature Conservancy (TNC) towards Supporting regulators and regulation to enable consideration and investment in nature based solution to improve water security and safety.

Purposes of designated funds

Tangible and Intangible asset fund

This fund balance represents the carrying value of the Association's tangible and intangible fixed assets net of any associated liabilities. This fund has been established in recognition of the fact that the assets are used in the day to day work of the charity and do not represent reserves available to finance its operations.

Investment revaluation reserve

This fund balance represents the balance included within fixed asset investments which has arisen as a consequence of the cumulative impact of market value changes to the Association's investment assets. It has been separated in order to provide an indication of the difference between the value of listed investments at the balance sheet date relative to its historic cost. A calculation is provided at note 19 to the financial statements.

Pension reserve

This fund represents the Association's long-term liability in respect of its defined benefit pension scheme. It is separated in order to acknowledge that the liability is long-term and may be disregarded in considering the availability of free reserves in meeting the day-to-day obligations of the Association and the group.

Nanging Fund

This fund represents the net asset under the control of the Association's subsidiary, Nanjing IWA Science & Technology Co. Ltd in China. Those net assets are essential to the operations in China and therefore separately ring-fenced in these accounts.

22 Operating lease commitments payable as a lessee

The group's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods:

	Property		Equipment	
	2023 £	2022 £	2023 £	2022 £
Less than one year	75,495	75,495	2,900	2,900
One to five years	1,132,425	1,132,425	7,250	10,150
Over five years	452,970	528,465	-	-
	1,660,890	1,736,385	10,150	13,050

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods:

	Property		Equipment	
	2023 £	2022 £	2023 £	2022 £
Less than one year	226,485	226,485	2,900	2,900
One to five years	1,132,425	1,132,425	7,250	10,150
Over five years	75,495	301,980	-	-
	1,434,405	1,660,890	10,150	13,050

23 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

24 Impact of change in accounting policy

As a result of the implementation of the new CRM system and the subsequent improvement in revenue recognition processes, the Association revised its accounting policy. The revised policy now stipulates the recognition of membership income based on the actual days of membership (instead of months), reflecting a more accurate reflection of the Association's financial performance. In accordance with the revised accounting policy, prior-year adjustment of £68,370 to the membership income have been incorporated into the financial statements.

Reserves position	Unrestricted £	Restricted £	Total £
Total funds at 31 December 2021 as previously stated	2,887,227	44,963	2,932,190
Adjustments to deferred income	(41,031)	-	(41,031)
Total funds at 31 December 2021 as restated	<u>2,846,196</u>	<u>44,963</u>	<u>2,891,159</u>
Total funds at 31 December 2022 as previously stated	3,081,328	1,293,823	4,375,151
Adjustments to deferred income	(68,370)	-	(68,370)
Total Funds as at 31 December 2022 as restated	<u>3,012,958</u>	<u>1,293,823</u>	<u>4,306,781</u>
Impact on income and expenditure 2022	Unrestricted £	Restricted £	Total £
Net income as previously reported	194,101	1,248,860	1,442,961
Adjustment to deferred income pre 2022	(41,031)	-	(41,031)
Adjustments to deferred income 2022	(27,339)	-	(27,339)
Net income as restated	<u>125,731</u>	<u>1,248,860</u>	<u>1,374,591</u>

INTERNATIONAL WATER ASSOCIATION

England & Wales - Charity number 1076690

Accounts

Company number: 03597005

Charity number: 1076690

International Water Association

Report and financial statements

For the year ended 31 December 2022

International Water Association

Contents

For the year ended 31 December 2022

Trustees' annual report	2
Independent auditor's report	19
Statement of financial activities (incorporating an income and expenditure account)	24
Balance sheet	25
Statement of cash flows	26
Notes to the financial statements	27

International Water Association

Trustees' Report

For the year ended 31 December 2022

Trustees

Thomas Mollenkopf (President, Chair)
Kalanithy Vairavamoorthy (Executive Director)
Marie-Pierre Whaley (Senior Vice President)
Daniel A. Nolasco (Vice President)
Teodor Popa (Treasurer)
Rose Kaggwa
Walter Kling
Sankaralingam Mohan
María Molinos-Senante
Elisabeta Poci
Harsha Ratnaweera
Satoshi Takizawa
Peter Vanrolleghem
Xiaochang Wang

Company registered number

03597005 (England & Wales)

Charity registered number

1076690 (England & Wales)

Registered Office

1.04 & 1,05 Export Building, Republic, 1 Clove Crescent, London E14 2BA, UK

Company Secretary

Mr Satkunam Murugathas

Executive Director

Dr Kalanithy Vairavamoorthy

Independent auditor

Sayer Vincent LLP, Invicta House, 108-114 Golden Lane, London EC1Y 0TL, UK

Principal Bankers

HSBC Bank Plc, London SW1H 0NJ, UK

International Water Association

Trustees' Report

For the year ended 31 December 2022

The IWA Trustees (who are also Directors of the charity for the purposes of the Companies Act) present their annual report together with the audited consolidated financial statements of the International Water Association (the 'Association' or 'IWA') for the year ended 31 December 2022.

The Trustees confirm that the annual report and financial statements of the Association and the group comply with:

- a) the current statutory requirements;
- b) the requirements of the Association, and the Association's governing document; and
- c) the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

1. OBJECTIVES AND GENERAL ACTIVITIES

Objectives of the Association

These are to:

- (a) promote the art and science of water management for the public benefit, particularly, but not exclusively, by the encouragement of education, training, study, and research in water management and the publication of the useful results of such research;
- (b) advance the education of members of the public in the science and practice of water management;
- (c) promote and enable the development and direct provision of water management schemes worldwide for the public benefit, where "water management" means the establishing, maintaining, and securing of safe and sustainable water supplies, storm water systems, and wastewater treatment and disposal systems.

Strategies for achieving objectives

The Association fulfils its objectives by:

- (a) holding a World Water Congress every two years in different continents of the world;
- (b) holding worldwide regional and specialised conferences, seminars, webinars, and workshops, providing a continual source of knowledge and information;
- (c) publishing a range of books, journals, and reports; and
- (d) promoting multi-level collaboration amongst its members and others through, for example, specialist groups, task forces, forums, regional associations, projects, and programmes.

Activities for achieving objectives

The International Water Association continues to develop as the global reference point for water professionals working on all aspects of the water cycle. IWA helps water professionals deliver innovative, pragmatic, and sustainable solutions to challenging global needs for safe water and sanitation, within urban areas and river basins.

IWA is a unique global knowledge hub for water professionals, and anyone concerned about the future of water. As such, IWA continues to inspire change towards our common vision of a water-wise world.

Through the Association, members collaborate to lead the development of effective and sustainable approaches to water management, with emphasis on the science and management of drinking water, wastewater, stormwater, and the conservation of water resources throughout the world.

IWA's World Water Congress & Exhibition is an important component of its activities for achieving its objectives. 2022 saw the world begin to emerge from the COVID-19 pandemic and during the year the Association delivered an extremely successful edition of this event, held in Copenhagen, Denmark.

More generally, the Association continued to maintain close working relationships with all the major international water agencies and associations, partnering with these bodies, and engaging members, on joint projects, publications, and representation of positions in international forums.

The Association has a strong and developing outreach programme concerned with the transfer of knowledge and skill in water management from professionals across all countries. With members engaged in the delivery of this programme, it maintains a strong focus on environmental health, hygiene, and sanitation issues in lower-income countries.

Main charitable activities for the public benefit

The Trustees confirm that they have complied with the duty in Section 17 of the Charities Act 2011 and have taken due regard to the Charity Commission's general guidance on public benefit.

This is achieved by the generation and dissemination of knowledge and best practices on all facets of the water cycle. This occurs formally at conferences, facilitated exchanges through the specialist groups, task forces, and other member networks (such as the Young Water Professionals) and through the journals, books and other publications produced by the Association.

Activities during 2022 with a particular relevance to public benefit included launch by IWA of a major initiative on Inclusive Urban Sanitation (IUS). This is an ambitious programme that seeks to reshape the urban sanitation agenda globally, securing more inclusive progress, especially in low- and middle-income countries. Also, the unprecedented effects of climate change have already had and will have a significant impact on utilities' ability to provide safe water and sanitation services while also protecting people and assets. It is notable therefore that progress with IWA's Climate Smart Utilities initiative during 2022 included launch of a dedicated Recognition Programme to inspire progress by utilities. Both initiatives are described in more detail in Section 3.

Open Access publishing and the public benefit

In 2022, further progress was made with the delivery of publications under an Open Access model and on increasing diversity and representativeness in relation to publications. In particular, the number of citations of journal papers more than doubled in 2022, increasing by 114%, and with 66% of citations coming from researchers in the Global South. On the books programme, 81% of titles published were Open Access. This helped a high level of online readership, with 1.1 million book downloads in 2022.

2. GROUP STRATEGIC OVERVIEW

2022 was an extremely successful year for IWA. With the world emerging from the COVID-19 pandemic, a particular highlight of the year was the 2022 IWA World Water Congress & Exhibition 2022, held in the city of Copenhagen, Denmark from 11-15 September. With some 8900 participants and a comprehensive programme that featured, for example, IWA's first-ever High-Level Summit, this edition represented the most successful ever. Built around the theme of 'Water for Smart Liveable Cities', the event secured a high level of visibility for IWA and its activities.

There has been strong progress with various programmes. In particular, this year has seen the launch of a new initiative on Inclusive Urban Sanitation, which aims to reshape the global urban sanitation agenda. Also, the Climate Smart Utilities programme is gathering pace, bringing together an increasing number of water and wastewater utilities to share responses to climate change. A particular highlight here was the launch of the Climate Smart Utilities Recognition Programme, under which the activities of 42 utilities from around the world were celebrated during the Congress.

2022 was also a successful year in terms of progress with work to support younger water professionals. Groups in IWA's Young Water Professionals community held or participated in numerous events across the year, new country Chapters were formed, and YWPs were highly integrated into the Congress programme. In addition to this, two important initiatives were announced during the Congress. One of these was the agreement to create the Emerging Water Leaders Endowment Fund, supported by Glen and Patty Daigger; the other was the IWA-Grundfos 'Youth Action for SDG 6' Fellowship, as a result of which 12 young individuals were selected to attend the UN Water Conference in 2023.

A further important step for IWA during the year was the inaugural Digital Water Summit – also IWA's first dedicated business-to-business event. Building on the success of our Digital Water Programme, this brought together solutions providers and utility end users to focus on this rapidly evolving topic.

Other activities during the year have included launching an initiative on Diversity, Equity and Inclusivity as a focus for future development that builds on progress already achieved. Also, 2022 was the year in which IWA could note reaching a 75-year heritage. A special project was initiated in 2022 to document the history of IWA and its predecessors and the first outputs of this were delivered. Also, a great deal of work was undertaken during 2022 to develop the Association's new networking and knowledge platform for members, Connect Plus, ready for launch in the first weeks of 2023.

Overall, the Association continued to advance its core mission, visible through our diverse activities and a strong membership base that broadly remained steady in terms of membership numbers. This progress was supported by IWA's strong foundations, which are based on financial prudence and the commitment of all the many people involved – i.e., the Board, staff, members, and partners.

Key financial performance indicators

The consolidated financial statements, as presented, comply with the legal requirements of both the Charity Commission and the Companies Act.

Income from charitable activities was £6,282,950 (2021: £1,047,006). Other income, including income from trading activities, investments, and other sources, was £4,258,756 (2021: £5,034,396) giving total income for the year of £10,541,707 (2020: £6,081,402).

After making provision for Loss on investments of £187,827 (2021: Gain £102,256) the net increase in group funds was £1,442,961 (2021 increase of: £328,113) providing closing group funds as of 31 December 2022 of £4,375,151 (2020: £2,932,190).

3. ACHIEVEMENTS AND PERFORMANCE

Programmes

Through 2022, IWA made further important progress with numerous programmatic initiatives that contribute to the Association's aim of shaping the global water agenda. Designed to facilitate member involvement in issues of strategic importance to the Association, these are broadly focused on cities and on water and wastewater utilities.

One important area of progress was on the use and implications of digital technologies in the water sector. The water industry, and in particular water utilities, needs to adapt to meet current and emerging demands. Digital technologies present numerous opportunities to respond and utilities therefore need to transition to become digitally-enabled organisations. The IWA Digital Water Programme helps facilitate the journey of the water industry towards digital uptake and integration into water services. The programme is a gateway for water utilities to access knowledge on the application of digital approaches to improve capacity and performance.

A significant output for the Digital Water Programme during 2022 was the launch of the publication 'A Strategic Digital Transformation for the Water Industry', which was presented at the 2022 IWA World Water Congress & Exhibition. This publication is a compilation of the knowledge shared and generated so far in the Digital Water Programme. It is an insightful collection of white papers covering best practices, linking academic and industrial studies/insights with applications to give real-world examples of digital transformation. The Digital Water Programme was also instrumental in the delivery of IWA's first Digital Water Summit, held in Bilbao, Spain, in November 2022 (see Events section below).

A major development in IWA's programmatic activity in 2022 was the launch of the Inclusive Urban Sanitation (IUS) initiative. This aims to alter the global urban sanitation agenda by emphasising the need for a faster and more inclusive approach to expanding safe service coverage that goes beyond technological improvements and infrastructure development. The programme is funded by the Bill & Melinda Gates Foundation. It will develop a framework with broad practical application to identify global goals and the basics of a public-sector approach to service outcomes that may improve inclusive urban sanitation, particularly in low- and middle-income countries. The IUS initiative was formally launched at the World Water Congress & Exhibition, whose focus included an emphasis on the necessity of sustainable and inclusive sanitation, focusing on the need for an accelerated and inclusive approach to expanding safe service coverage – beyond just technology advancements and infrastructural development.

IWA also continued to progress its Climate Smart Utilities initiative. The effects of climate change, such as flash floods, sea level rise, drought, changes in precipitation patterns, have substantially impacted utilities' ability to provide clean water and sanitation services while protecting people and assets. On the other hand, utilities are responsible for up to 2% of global greenhouse gas emissions, as evidenced by high energy consumption related to water and wastewater conveyance and treatment, as well as

fugitive GHG emissions from processes. The Climate Smart Utilities initiative champions real-world examples, best practices, and technologies that can inspire utilities and the larger water professional community to embrace informed decision-making processes, as well as lead and embrace the cultural shift on three interconnected pillars of climate action: climate adaptation, mitigation, and leadership.

IWA opened its first year of calls for submissions to the new dedicated Recognition Programme within the Climate Smart Utilities initiative. The goal of this recognition programme is to inspire utilities to become more Climate Smart, fostering Climate Action by them. Following a large number of applications, 42 utilities were recognised for their outstanding performance in combating climate change in a special ceremony during the World Water Congress & Exhibition.

In the programme area of Basins of the Future, the 'Handbook on Basin-Connected Cities' was launched during the 2022 World Water Congress. This publication, created in a collaboration between IWA and the International Network of Basin Organizations (INBO), aims to aid decision-making in increasing the city's connectivity and integration with its river basin. It builds on the IWA Action Agenda for Basin-Connected Cities, which provides a framework for utilities, cities, and their industries to become water stewards in collaboration with basin stakeholders.

Events

With the world emerging from the COVID-19 pandemic, opening the way for resumption of travel, IWA's events programme began to return to strength.

2022 World Water Congress & Exhibition: The 2022 IWA World Water Congress & Exhibition, held in Copenhagen, Denmark from 11-15 September, was a great success. It drew some 8900 participants from 102 countries. The comprehensive programme included 162 technical sessions, 64 workshops, 1167 submitted papers, 500 posters presented, 6 forums, 9 plenaries, 8 keynotes, 2 master lectures. The Copenhagen edition featured IWA's first-ever high-level political summit which saw the participation of four national ministers and other high level governmental, state, city and UN representatives among the 184 invited participants. The event therefore represents IWA's largest and most successful Congress to date. Titled 'Water for Smart Liveable Cities', the event drew participants from across the spectrum of the sector, including water experts from utilities, academia, private firms, governments, and global organisations. National politicians, mayors and policymakers attended the event, demonstrating a successful link between policy and practice. Discussions centred on six major theme tracks: water utility management; wastewater management; drinking water and potable reuse; city-scale planning and operations; communities, communications, and collaborations; and water resources and large-scale water management.

Digital Water Summit: IWA's inaugural Digital Water Summit, and first dedicated business-to-business event, held in Bilbao, Spain, in November 2022 was co-organised with local water utility Consorcio de Aguas Bilbao Bizkaia and AEAS - the Spanish Water and Wastewater Association. The aim of the Summit was to support the industry on its 'digital transformation path', serving as a focal point for the water sector's digitalization by bringing together all stakeholders from technology providers to end users. Technical Sessions, 'InnoHub' presentations, and Interactive Sessions with the audience were all part of the Summit's agenda. Furthermore, the Summit provided ample networking opportunities, with delegates able to schedule one-on-one meetings.

IWA Leading Edge Conference: The Seventeenth edition of the IWA Leading Edge Conference on Water and Wastewater Technologies Conference did not fail in its world-class reputation as the forum for leading innovators. Gathering more than 200 delegates in Reno, Nevada, the conference

successfully achieved its aim to share and debate pioneering science, technological innovation and leading practices. As the first 'in-person' IWA event since the pandemic, discussions at the conference were also able to highlight how the pandemic shone a light on the essential role played by the water and wastewater sector.

The Source magazine

The Source is IWA's quarterly magazine, delivered both in print and online. It is available to all IWA members as a benefit of membership.

The magazine's content reflects IWA's goal of inspiring a world in which water is wisely managed, offering features, viewpoints, and updates to help readers keep up to speed with the issues that shape the sector, and leading responses to these topics.

Recent topics covered in detail in 2022 included: growing use of wastewater based epidemiology as a means of informing public health measures; opportunities for utilities to pursue climate-positivity; the role of systems thinking as the basis for progress with the UN Sustainable Development Goals; the need and opportunities for better management of the world's groundwater resources; the role of traditional and Indigenous knowledge; and examples of integrated urban water management, especially in light of climate change.

IWA Publishing

In 2021, all IWA Publishing journals became Open Access, with new articles free to read by everyone. The results of this transformation began to be seen in 2022. The median Impact Factor of the journals increased by 39%. The number of citations of journal papers more than doubled, increasing by 114%. More importantly, citations to the journals came from a much wider range of countries around the world, with 66% coming from researchers in the Global South.

It is also worth mentioning that IWA Publishing journals are maturing. Water Research X attained its inaugural Impact Factor of 9.365, ranking it 4/100 in the Water Resources category. Blue-Green Systems, H2Open Journal, Ingeniería del Agua and Water Practice & Technology will receive their first Impact Factors for the 2022 publication year. Blue-Green Systems is projected to receive an Impact Factor of c4.5, ranking it in the top 12% of journals in the Water Resources category. This is an impressive achievement which recognises the excellent work of the journal's Editors, reviewers and authors over the past five years.

Work continues to increase the diversity and representativeness of IWA Publishing journal Editorial teams. Between 2017 and 2022, the number of Editors-in-Chief from Africa, Asia, Middle East, and Latin America more than doubled. Editorial Board membership from these regions grew by 42%. These engagement initiatives will carry on in future years, with one of the key objectives of IWA Publishing's new Strategic Plan being to ensure that the teams running the journals align closely with the authors who publish in them.

Journal Editorial teams have also focused on rapid publication and author satisfaction. The Net Promoter Score for 2022 – which measures how happy authors are with their journal publishing experience – increased to 77. That is higher than Apple, Sony, Hyundai, BMW and Louis Vuitton.

In addition, the books programme flourished in 2022. 81% of titles published were Open Access, helping drive dramatic growth in online readership of the books. There were 1.1 million book downloads in 2022. Notable books published during the year included A Strategic Digital Transformation for the Water Industry, Michael Abbott's Hydroinformatics, Resource Recovery from Water, Pathways to Water Sector Decarbonization, Carbon Capture and Utilization, the Scientific and Technical Report on Quantification and Modelling of Fugitive Greenhouse Gas Emissions from Urban Water Systems, and Integrated Wastewater Management for Health and Valorization.

International Water Association

Trustees' Report

For the year ended 31 December 2022

Young Water Professionals (YWP)

IWA's Young Water Professionals activity works to foster participation and opportunities for water professionals up to the age of 35. The YWP community was involved in more than 20 events in the water sector in 2022, both local and international. A key event was the high-level UN Water Conference in Tajikistan in June, at which a delegation of YWPs represented IWA. The Conference provided a platform to discuss how to engage youth in the water sector up to and during the UN Water Conference in New York in 2023.

Nine country Chapters were created in 2022 (Argentina, Colombia, Ecuador, India, Nepal, Pakistan, Singapore, Sri Lanka, USA). In total, there are 38 IWA-branded country Chapters, which reflects the global outreach of our association.

IWA hosted five online 'Get-togethers' for YWPs (IWA YWP Steering Committee Elections and About Us; Connecting YWPs in the Middle East region; YWPs Intergenerational Stories: Entrepreneurship in WASH; IWA-Grundfos 'Youth Action for SDG6'; Lessons learned from COP27 and the 2022 Groundwater Summit) and two Global Coordination Calls for IWA-branded YWP Chapters (Strengthening connections between YWP; Challenges and Solutions for IWA YWPs Chapters membership engagement).

IWA Awards

IWA's Awards programme honours outstanding achievements and thought leadership by individuals, companies, and organisations in the water sector. The programme is supported by the contributions of global and diverse judging panels and juries.

The main awards presented during 2022, at the World Water Congress & Exhibition, featured the IWA Global Water Award. This honours those who have made an extraordinary contribution to progress toward a future where water is properly managed via creative leadership and practice. The IWA Global Water Award was won by Ms. Nisha Mandani, Our Aim Foundation, USA/India. The IWA Gender Diversity and Water Award, which recognises individuals for their excellent professional contributions to the growth of gender diversity in the water industry, was won by Annabell Waititu, Bigfive Africa Ltd., Kenya. The IWA Young Leadership Award is granted to an extraordinary water professional under the age of 35 who has made significant achievements in his or her career. This was won by Dr Céline Vaneekhaute from Canada. The IWA Development Award for Research went to Professor Damir Brdjanovic, and the IWA Development Award for Practice went to the Africa SandDam Foundation.

Honorary Membership, given in recognition of a career devoted to progress in the water sector and to the Association, was awarded to Helena Alegre from the Laboratorio Nacional de Engenharia Civil/LNEC (Portugal), Joan Rose from Michigan State University (USA), Gérard Payen, Honorary President of AquaFed (France) and Former Adviser on Water to the UN Secretary General, and Diane d'Arras, former IWA Board Member and past IWA President.

IWA marked further notable contributions through the IWA Award for Outstanding Service, which was granted to Eveline Volcke, Professor at Ghent University (Belgium) as well as Founder and Head of the 'Biosystems Control (BioCo)' research group, and Jurg Keller, Distinguished Fellow of IWA and of the Australian Academy of Technological Sciences and Engineering (Australia).

Also in 2022, IWA's Project Innovation Awards recognised outstanding innovation and leadership in the water industry, with 18 winners across six categories. The overall Grand Innovation Award went to the Keppel Marina East Desalination Plant, Singapore, with the 2022 edition of the PIA being sponsored by the Saline Water Conversion Corporation.

4. FINANCIAL REVIEW

2022 represented a solid financial outcome for the group, driven largely by the success of the World Water

Congress and Exhibition and the continued contribution of Gift Aid from IWA Publishing. Due to global market fluctuations, there was a loss on group investments for the year, but overall, the result for the year was a surplus of £1,442,961 (2021: £328,113). This is an encouraging result as IWA tends to rely on surpluses in its Congress year to smooth out lower income in alternate years. Additional details on the group's financial results for the year are provided under the section on 'key financial performance indicators' on page 5 above.

Investment policy and performance

Preservation of capital is the primary objective in guiding the risk profile of the Association's investment policy. After satisfying the primary objective, the secondary objective is to maximize the return on the investment in accordance with the ethical investment policy. The investment position has been considered from both a Euro and Sterling currency perspective.

The group's investments totaled £1,164,700 as of 31 December 2022 (2021: £1,337,045). The Trustees were disappointed with the investment performance of 2022 although they recognized that this was partly impacted by increased market volatility (in addition to poor stock selection). The trustees will continue to closely monitor future investment performance.

Assessment of going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Association has adequate resources to continue in operational existence for the foreseeable future. In making this assessment, the Trustees have taken account of the reserves position as of 31 December 2022 (see below) and the financial forecasts and projections for a period not less than one year from the date of approval of this report and financial statements.

Our current reserves are robust, thanks to the better than anticipated outcomes from our biennial World Water Congress in 2022 (although some of these reserves will be utilized in 2023, which is a non-congress year). This, coupled with good financial management and discipline, means that our medium-term outlook is secure. We do not currently anticipate that the overall financial position of the group will be adversely affected, or its financial solvency threatened.

The Trustees believe there are no material uncertainties with respect to the group's financial position that may severely curtail its work and/or threaten its ability to operate as a going concern. The Trustees therefore continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies accompanying the financial statements.

Reserves policy

IWA's reserves policy seeks to balance spending the maximum amount of its income to meet its charitable objectives, while maintaining an adequate level of reserves to ensure uninterrupted operation and provide time to adjust to changes in financial circumstances. Based on the prudent assessment of the financial impact of risk events on reserves, the trustees have estimated a target level of free reserves of £1.2M +/- £100k.

The group free reserves as of 31 December 2022 are at the level of £2,725,401 (compared with 2021: £1,882,431). This is above the intended target level; however, some of these reserves will be utilized in 2023 since it is a non-congress year.

As we transition our Journals to being Open Access through S2O, we anticipate a decrease in our publishing income. Consequently, maintaining adequate reserve levels becomes crucial to mitigate any

potential shortfall in Gift Aid, which is essential for advancing our charitable goals.

Business plans are set with the aim of maintaining reserves within the target range. The reserves may move outside of the target range because of factors such as operational issues, short-term investment requirements, and economic changes. If this were the case, management would adjust business activities over the medium term with the aim of restoring reserves to within the target range.

Principal funding

Principal funding sources for the charity are membership, conferences, Gift Aid Income from its wholly owned subsidiary IWA Publishing Limited, and grant and contract income from various organisations. The group does not work with any commercial or professional fundraisers and does not solicit donations from the public.

5. RISK MANAGEMENT

The Trustees have assessed the major risks to which the group is exposed, those related to the operations and finances of the Association. They are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

The Board recognises the importance of identifying and managing the risks of the Association and its subsidiaries. A risk management framework, which includes a risk and control register, identifying and prioritising the Association's key risks, is maintained. The register includes a programme of control measures and actions to manage material risks. The risk register is reviewed and updated quarterly by the management. A risk report is presented to the Finance and Investment Committee at the following meeting to discuss the basis for any movements in the risk register, and any "emerging risks", and to confirm the summary which will be presented at the next board meeting. Once per year, the Board is informed on the status of the risk register and the related mitigation measures.

Key internal risks for the Association include:

- a) Reduction in Gift Aid from IWA Publishing leading to lower revenues to support IWA's business:
- b) Breaches in the security of the IT systems including hacking, unauthorised access, fraud, permanent damage to electronic data, and manipulation of key data.
- c) Business disruption caused by loss of key staff.

Key external risks to the Association include:

- a) S2O model is unsustainable and IWA Publishing must transition to a new Open Access business model for the S2O journals
- b) Inflation leading to higher operating costs especially utility bills
- c) Inflationary pressure and cost of living increases leading to higher operating costs, higher pay demands and employee demoralisation
- d) Reduced income from congresses and events due to lower attendance due to concerns around overseas travel.
- e) Declining income from membership fees (especially corporate members) due to the emergence of alternative networking opportunities.

Financial risk management objectives and policies

The management team reviews, on behalf of the Board, matters concerning accounting, financial reporting, and internal controls, including the risk register. It also reviews the management accounts and the annual report and financial statements before they are submitted to the Board of Trustees and

International Water Association

Trustees' Report

For the year ended 31 December 2022

deals directly with the external auditor regarding the conduct of the audit.

6. STRUCTURE, GOVERNANCE, AND MANAGEMENT

7. Constitution

The Association is constituted under a Memorandum of Association dated 13 July 1998 and is a registered charity (number 1076690). The Articles of Association were most recently revised in September 2020 to authorise virtual general meetings. Liability of the members is limited by guarantee and the Association does not have share capital. Members of the Association guarantee to contribute an amount not exceeding £1 in the event of a deficiency of assets on winding up. The total number of such guarantees on 31 December 2022 was 14 (2020: 15)

Method of appointment or election of Trustees

The management of the Association is the responsibility of the Trustees who are elected and appointed under the terms of the Articles of Association. As noted earlier, the Trustees also constitute the Board of Directors for the purposes of the Companies Act.

An Annual General Meeting was held on 10 September 2022 at which there was an election of two Vice Presidents, and the appointment of other officeholders and a new Board of Directors for the period September 2022 to August 2024.

Policies adopted for the induction and training of Trustees

The Board of Directors has adopted a programme of trustee training which covers existing and new Board members. New Trustees attend an induction programme and a formal training session covering governance and trustees' legal responsibilities. New Trustees are provided with an induction pack that covers their general duties as well as a briefing on IWA-specific matters such as Strategic and Business Plans, financial reports, governance documents, and other relevant reports. All Board members attended a training session on the Duties and Responsibilities of Directors and Trustees in February 2023.

Organisational structure and decision-making

The Board, as Trustees and Directors, are responsible for the management of the affairs of the Association. It sets the strategic direction of the Association, appoints the Executive Director (also a Trustee), and provides financial and programme oversight to the Association. The Board generally meets at least four times each year. The amelioration of the COVID-19 pandemic allowed in-person meetings of the Board in 2022 with face-to-face meetings and two shorter (2-hour-long), virtual meetings to discharge its governance and strategic responsibilities.

The 2022 AGM and Governing Assembly was called in accordance with the IWA's articles of association and was held in Copenhagen, Denmark on 10 September 2022, at which the audited accounts of the Company for the year ended 2021 and the Directors' Report and the Auditors' Report were duly received and two Vice Presidents were elected, and other officeholders and a new Board of Directors were appointed for a term of two years commencing at the 2022 World Water Congress and concluding at the conclusion of the 2024 World Water Congress.

The Board of Directors

The names of the individuals serving on the Board, at any time during the year of report and up to the date of approval of this report, are as follows:

Thomas Mollenkopf (President, Chair)
Kalanithy Vairavamoorthy (Executive Director)
Marie-Pierre Whaley (Senior Vice President)
Daniel A Nolasco (Vice President, appointed on 9 September 2022)
Teodor Popa (Treasurer)
Enrique Cabrera Rochera (retired on 9 September 2022)
Diane d'Arras (retired on 9 September 2022)
Asma Elkasmi (retired on 9 September 2022)
Hamanth Kasan (retired on 9 September 2022)
Rose Kaggwa
Walter Kling
Yoshihiko Matsui (retired on 9 September 2022)
Sankaralingam Mohan (appointed on 9 September 2022)
María Molinos-Senante
Elisabeta Poci (appointed on 9 September 2022)
Harsha Ratnaweera (appointed on 9 September 2022)
Virgillo Rivera (retired on 9 September 2022)
Satoshi Takizawa (appointed on 9 September 2022)
Peter Vanrolleghem
Xiaochang Wang

The Board of Directors (continued)

The Board comprises elected officers and other officeholders. Under the Articles of Association, all Board members (except the Executive Director) serve two-year terms. The elected officers (President and two Vice Presidents) generally serve for a single term of two years but may be re-elected to serve a second term. The other officeholders will usually serve two terms on the Board, aside from the Immediate Past President, who is limited to a single term.

The Board nominations process is overseen by the Governance and Nominations Committee and, to the extent possible, a practice of rolling retirements is adopted to maintain continuity on the Board.

By accepting to serve on the Association's Board, Trustees commit to conduct themselves in accordance with the highest ethical standards in carrying out their responsibilities. The Board has therefore adopted an internal Code of Conduct, which provides ethical standards and criteria. All Board members are required to adhere to the Code in the performance of their responsibilities to the Board.

Governing Assembly

The Governing Assembly is comprised of the representatives of the Governing Members around the world, each of whom is entitled to appoint three representatives to the assembly.

The Governing Assembly meets at least annually and is responsible for electing the Officers of the Association and appointing other Office holders and approving constitutional changes. As mentioned above, the 2022 AGM and Governing Assembly were held in Copenhagen, Denmark on 10 September 2022, in accordance with the articles of association.

The Governing Assembly ensures that the interests of members – including Individual, Corporate and Governing Members – are represented and it provides oversight and input into the Association's overall direction. The Governing Members of IWA represent the core mechanism for national and regional interaction with members across a range of issues.

Key Committees and Strategic Council

The Association has established a number of key Committees and a Strategic Council, each of which plays a specific role in the Association's governance or activities. Further details on the Strategic Council and the various Board Committees are provided below.

Finance and Investment Committee

Teodor Popa (Treasurer) chairs the Finance and Investment Committee. Other members of the committee are Marie-Pierre Whaley (past Treasurer), Richard Hoults (resigned November 2022) and Matt Woodcock (appointed November 2022). Mr Thomas Mollenkopf (President) and Dr Kalanithy Vairavamoorthy (Executive Director) are ex officio members. It reviews, on behalf of the Board, matters concerning accounting, financial reporting and internal controls, including the Risk Register. It also reviews the management accounts and the annual report and financial statements before they are submitted to the Board of Trustees and deals directly with the external auditor regarding the conduct of the audit. It also, on behalf of the Board, sets the Investment Manager's mandate and monitors performance on a quarterly basis.

The Governance and Nomination Committee

Marie-Pierre Whaley (Senior Vice President) chairs the Governance and Nomination Committee. Other members of the committee are Rose Kaggwa, Walter Kling, Elisabeta Poci, Satoshi Takizawa and Yang Villa. Thomas Mollenkopf (President) and Kalanithy Vairavamoorthy (Executive Director) are ex officio members. The Committee advises the Board on corporate governance matters for the Association, including its subsidiaries, committees, and other Association entities; assists the President or the Board to ensure that appropriate individuals are selected for various Association entities; and defines and revises the processes for choosing the nominees and winners of the different awards of the Association.

The Membership and Engagement Committee

Daniel A Nolasco (Vice President) chairs the Membership and Engagement Committee. Other members of the committee are Ed McCormick, Sankaralingam Mohan, María Molinos-Senante, Harsha Ratnaweera and Xiaochang Wang. Thomas Mollenkopf (President) and Kalanithy Vairavamoorthy (Executive Director) are ex officio members. The Committee provides necessary policy oversight concerning the Association members, their expectations, and their participation follows the effectiveness of the recruitment process, discusses new schemes of membership, discusses the communications policy towards different segments of members, and the schemes of honours and awards.

Strategic Council

The Strategic Council plays two key roles within the Association. It provides strategic input to the Association's Board of Trustees and Governing Assembly. In addition, it provides guidance and assistance to the Association in the development of new activities and in the coordination of key existing activities.

Key management personnel

The IWA Management Team, led by the Executive Director Kalanithy Vairavamoorthy, comprises several Directors: Daniela Bemfica (Strategic Programmes & Engagement Director); Keith Hayward (Marketing & Communications Director); Keith Robertson (Operations Director); Kizito Masinde (Events and Awards Director); Satkunam Murugathas (Finance Director & Company Secretary); Tao Li (Strategy & Development Director) and Varghese Babu (IT & Digital Transformation Director).

The Trustees consider that they, together with the IWA Management Team, comprise the Association's key management personnel, in charge of directing and controlling the charity.

Except for the Executive Director, none of the Trustees are remunerated for their services to the charity. The Executive Director is remunerated (as permitted under clause 4 of the charity's memorandum of association) for his role as Executive Director. The Executive Director's remuneration is set by the non-executive members of the Board based on benchmarking of similar international roles in the charity or NGO sector and having regard to prevailing market rates.

The remuneration of the members of the IWA Management Team is determined in line with those of other personnel within the group. Pay is determined by the Executive Director based on industry benchmarking of similar international roles in the Charity or NGO sector.

IWA Publishing Limited

The Association has a wholly owned subsidiary, IWA Publishing Limited (IWAP), the principal business of which is the provision of publishing and information products and services to the international water supply and wastewater market. This includes the production and distribution of various publications of the Association. Profits are transferred to the Association by way of Gift Aid. The financial results and year-end position of the subsidiary have been incorporated in the consolidated financial statements accompanying this report.

Other related companies

In China:

- Nanjing IWA Science & Technology Co. Ltd.

In India:

- IWAT Science and Technology Private Limited

IWA also owns the following companies in full, which have remained dormant since incorporation:

- IWA – Conferences Limited
- IWA Solutions International Limited
- IWA Global Enterprises Limited (previously named Aquarating Limited)

IWA also created NGOs in Kenya - called IWA Africa - and in India - called IWAI Water Foundation. Both have remained dormant since their creation.

8. FUTURE PLANNING

IWA's 2019-2024 Strategic Plan has been in operation since its adoption at the Governing Assembly at the 2018 IWA World Water Congress & Exhibition in Tokyo. This plan remains effective as the strategic foundation for the day-to-day activities of the organisation. We are actively progressing with further implementation of the plan, by working with our members, strengthening our Association's membership value, providing insights into trends for the sector and beyond, being a platform for members to exchange knowledge and accelerate the diffusion of innovation, and from collaborating to address the SDG challenges.

Importantly, the IWA Strategic Plan refers to diversity. This is backed by a strong Board-level commitment to champion diversity throughout the organisation. Actions to progress diversity include working across the Association's many structures, rotating roles to extend this diversity, and monitoring our progress. For 2023, IWA anticipates being able to escalate its plans of achieving more comprehensive progress on diversity, especially in terms of supporting and securing more equal participation by developing countries as well as individuals and organisations from developing countries, with the support of funding received from the Bill & Melinda Gates Foundation.

An expedited and all-inclusive approach to expanding safe service coverage is necessary. The Inclusive Urban Sanitation initiative will create a framework with broad practical application to define global goals and the core principles of a public service approach to outcomes that can advance inclusive urban sanitation, particularly in low- and middle-income countries.

We will also continue to work to make our published material more easily accessible online and available in different languages, to enhance our contribution to resolving water challenges around the world. This will be done by building on the progress with Open Access achieved during 2021 and 2022.

Also, in the first days of 2023, IWA officially launched its new digital membership platform, *IWA Connect Plus*, for which most of the work has been underway throughout 2021 and 2022. This platform improves on core needs, such as membership administration, and provides the basis for enhanced and expanded functionality in terms of information sharing and networking, strengthening IWA's membership offer

Five-year goals

The Strategic Plan is based on the following five commitments for the IWA to achieve over the coming five years:

1. **An engaged and balanced membership** - The IWA will have an engaged membership that is globally representative of the multiple segments, actors, and practice areas of the water sector.
2. **A source for leading-edge water knowledge** - The IWA will have strengthened our position as an authoritative source and a global reference point for water knowledge, addressing and informing on emerging and potentially disruptive trends within the sector and the wider world.
3. **A space for professionals to exchange water knowledge** - The IWA will have provided a broad range of professional content and programming that is relevant and widely valued by the water sector worldwide.
4. **A bridge between research and practice** - The IWA will play a pivotal role in bridging the chasm between research and practice to accelerate the development and diffusion of innovation in the global water sector.
5. **Support to the implementation of SDGs** - The IWA will support and promote the Sustainable Development Goals and strengthen the sector through professional and capacity development so that people and countries can pursue their ambitions in relation to water-related SDGs.

8. TRUSTEES' RESPONSIBILITIES STATEMENT

The Trustees (who are also Directors of the International Water Association for the purposes of company law) are responsible for preparing the Trustees' report and the 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 financial year which give a true and fair view of the state of affairs of the charity and the group and of income and expenditure of the group for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in Accounting and Reporting by charities;
- make a Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102);
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departure disclosed and explained in the financial statements;
- prepare the financial statements on a going concern basis, unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping accounting records that disclose with reasonable accuracy at any time the financial position of the charity and the group and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities Act 2011, and regulations made thereunder. They are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

International Water Association

Trustees' Report

For the year ended 31 December 2022

Disclosure of information to auditor

In so far as the Trustees are aware:

- there is no relevant audit information of which the group's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Approved by the Trustees and signed on their behalf by:

Mr. Thomas Mollenkopf
President and Chairman

Approved on: 9th August 2023

Independent auditor's report

To the members of

International Water Association

Independent auditor's report to the members of International Water Association

Opinion

We have audited the financial statements of International Water Association (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2022 which comprise the consolidated statement of financial activities, the group and parent charitable company balance sheets, the consolidated statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 December 2022 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the group financial statements section of our report. We are independent of the group and parent 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.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on International Water

Independent auditor's report

To the members of

International Water Association

Association's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other Information

The other information comprises the information included in the trustees' annual report, including the strategic report, other than the group financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the group 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 group financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the group financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- The information given in the trustees' annual report, including the strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements
- The trustees' annual report, including the strategic report has been prepared in accordance with applicable legal requirements

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report, including the strategic report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and Charities Act 2011 requires us to report to you if, in our opinion:

Independent auditor's report

To the members of

International Water Association

- Adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- The parent charitable company financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit; or

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, the trustees (who are also the directors of the parent 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 group's and the parent 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 group or the parent 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

We have been appointed auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

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 are set out below.

Capability of the audit in detecting irregularities

Independent auditor's report

To the members of

International Water Association

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management, which included obtaining and reviewing supporting documentation, concerning the group's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the group operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the group from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Independent auditor's report

To the members of

International Water Association

Use of our report

This report is made solely to the charitable company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. 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.

Jonathan Orchard (Senior statutory auditor)

16 August 2023

for and on behalf of Sayer Vincent LLP, Statutory Auditor

Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006

International Water Association

Consolidated statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 December 2022

	Note	2022				2021			
		Continuing Unrestricted £	Discontinued Unrestricted £	Restricted £	Total £	Continuing Unrestricted £	Discontinued Unrestricted £	Restricted £	Total £
Income from:									
Charitable activities									
Membership subscriptions		680,488	-	-	680,488	733,927	-	-	733,927
Income from projects and grants		-	-	1,562,463	1,562,463	56,980	-	118,030	175,010
Income from conferences		4,039,999	-	-	4,039,999	138,069	-	-	138,069
Other trading activities									
Income from publications		4,006,670	-	-	4,006,670	4,104,502	-	-	4,104,502
Income from Nanjing operation		-	42,053	-	42,053	-	837,191	-	837,191
Other sales income		38,518	-	-	38,518	68,393	-	-	68,393
Investments		26,371	-	-	26,371	24,310	-	-	24,310
Other		145,144	-	-	145,144	-	-	-	-
Total income		8,937,191	42,053	1,562,463	10,541,707	5,126,181	837,191	118,030	6,081,402
Expenditure on:									
Raising funds									
Investment management costs	2	10,889	-	-	10,889	11,074	-	-	11,074
Publications costs	2	2,004,202	-	-	2,004,202	1,969,540	-	-	1,969,540
Nanjing operations costs	2	-	497,760	-	497,760	-	599,346	-	599,346
Charitable activities									
Engaged & collaborative membership	2	1,894,036	-	-	1,894,036	1,598,509	-	-	1,598,509
Source of leading-edge water knowledge	2	458,398	-	-	458,398	400,691	-	-	400,691
Platform for water knowledge exchange	2	3,189,754	-	-	3,189,754	385,995	-	-	385,995
Bridging science to practice	2	595,313	-	260,568	855,881	706,295	-	175,680	881,975
Total expenditure		8,152,591	497,760	260,568	8,910,919	5,072,104	599,346	175,680	5,847,130
Net income / (expenditure) before taxation		784,600	(455,707)	1,301,895	1,630,788	54,077	237,845	(57,650)	234,272
Taxation on Nanjing operation		-	-	-	-	-	(8,415)	-	(8,415)
Net income / (expenditure) after taxation, before net gains on investments		784,600	(455,707)	1,301,895	1,630,788	54,077	229,430	(57,650)	225,857
Net gains on investments		(187,827)	-	-	(187,827)	102,256	-	-	102,256
Net income / (expenditure) for the year	4	596,773	(455,707)	1,301,895	1,442,961	156,333	229,430	(57,650)	328,113
Transfers between funds		53,035	-	(53,035)	-	(23,344)	-	23,344	-
Net income / (expenditure) before other recognised gains and losses		649,808	(455,707)	1,248,860	1,442,961	132,989	229,430	(34,306)	328,113
Actuarial losses on defined benefit pension schemes		-	-	-	-	-	-	-	-
Net movement in funds		649,808	(455,707)	1,248,860	1,442,961	132,989	229,430	(34,306)	328,113
Reconciliation of funds:									
Total funds brought forward		2,432,378	454,849	44,963	2,932,190	2,299,389	225,419	79,269	2,604,077
Total funds carried forward		3,082,186	(858)	1,293,823	4,375,151	2,432,378	454,849	44,963	2,932,190

Discontinued activities relate to Nanjing operations. All other activities are continuing. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 21a to the financial statements.

Balance sheets

Company no. 03597005

As at 31 December 2022

	Note	The group 2022 £	2021 £	The charity 2022 £	2021 £
Fixed assets:					
Intangible assets	9	44,190	106,700	-	-
Tangible assets	10	312,595	443,247	312,595	396,429
Investments	11	1,164,700	1,337,045	1,314,703	1,487,048
		1,521,485	1,886,992	1,627,298	1,883,477
Current assets:					
Stock	14	52,953	52,953	-	-
Debtors	15	2,289,204	1,733,713	1,669,510	1,565,278
Cash at bank and in hand		4,354,381	2,940,672	3,336,724	2,076,380
		6,696,538	4,727,338	5,006,234	3,641,658
Liabilities:					
Creditors: amounts falling due within one year	16	(3,722,872)	(3,562,140)	(2,137,523)	(2,927,794)
Net current assets		2,973,666	1,165,198	2,868,711	713,864
Total assets less current liabilities		4,495,151	3,052,190	4,496,009	2,597,341
Creditors: amounts falling due after one year	18	(120,000)	(120,000)	(120,000)	(120,000)
Net assets excluding pension asset / (liability)		4,375,151	2,932,190	4,376,009	2,477,341
Defined benefit pension scheme asset	19	-	-	-	-
Total net assets		4,375,151	2,932,190	4,376,009	2,477,341
Funds:					
Restricted income funds	21a	1,293,823	44,963	1,293,823	44,963
Unrestricted income funds:					
Designated funds		355,927	1,004,796	356,785	549,947
Revaluation reserve		139,177	327,004	139,177	327,004
General funds		2,586,224	1,555,427	2,586,224	1,555,427
Non-charitable subsidiary funds		-	-	-	-
Pension reserve		-	-	-	-
Total unrestricted funds		3,081,328	2,887,227	3,082,186	2,432,378
Total funds		4,375,151	2,932,190	4,376,009	2,477,341

Approved by the trustees on 9th August 2023 and signed on their behalf by

Thomas Mollenkopf
President and Chairman

Consolidated statement of cash flows

For the year ended 31 December 2022

	Note	2022	2021
		£	£
Cash flows from operating activities			
Net income for the reporting period (as per the statement of financial activities)		1,442,961	328,117
Depreciation charges		118,262	130,624
Amortisation charges		69,646	67,862
Gains on investments		187,827	(102,256)
Dividends, interest and rent from investments		(26,371)	(24,310)
Finance and administrative costs in respect of defined benefit pension scheme		-	-
Foreign exchange loss		(144,747)	264
(Increase)/decrease in stocks		-	(8,252)
(Increase)/decrease in debtors		(555,491)	559,796
Increase in creditors		160,732	609,634
Net cash provided by operating activities		1,252,818	1,561,479
Cash flows from investing activities:			
Investment income		26,371	24,310
Purchase of tangible and intangible fixed assets		(17,516)	(13,539)
Disposal of tangible and intangible fixed assets		167,517	-
Proceeds from sale of investments		218,316	233,110
Purchase of investments		(227,611)	(239,580)
Change in cash held by investment manager		(6,187)	(7,031)
Net cash provided used in investing activities		160,890	(2,730)
Change in cash and cash equivalents in the year		1,413,709	1,558,749
Cash and cash equivalents at the beginning of the year		2,940,672	1,381,923
Change in cash and cash equivalents due to exchange rate movements		-	-
Cash and cash equivalents at the end of the year		4,354,381	2,940,672

1 Accounting policies

a) Company status

The Association is a charitable company limited by guarantee and is incorporated in England.

The registered office address is Export Building, First Floor, 1 Clove Crescent, London, E14 2BA.

b) Basis of preparation and consolidation

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 (FRS 102) - (Charities SORP FRS 102), The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

These financial statements consolidate the results of the Association and its wholly-owned subsidiaries IWA Publishing Limited and Nanjing IWA Science & Technology Co. Ltd. Transactions and balances between the charity and its subsidiaries have been eliminated from the consolidated financial statements. Balances between the entities are disclosed in the notes of the charity's balance sheet. A separate statement of financial activities, or income and expenditure account, for the Association itself is not presented because the charity has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006.

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

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

c) Public benefit entity

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

d) Assessment of going concern

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements. In forming their assessment, the Trustees have also given consideration to financial forecasts and business plans, including group entities. They have also given due consideration to the impact of the COVID-19 pandemic on the group's operations, with a focus on its effect on the Association's membership, customers, suppliers, employees and investments. The Trustees acknowledge the disruption caused by the pandemic to the group's day-to-day operations and confirm that they do not consider this to be cause for material uncertainty in respect of the group's ability to continue as a going concern. The group has successfully employed contingency plans, and trustees have considered that the charity has sufficient cash resources to continue for the foreseeable future, despite the current crisis.

The Trustees have therefore concluded that the group has adequate resources to continue in operational existence for the foreseeable future and to meet liabilities as they fall due for a period of at least 12 months following the Trustees' approval of these financial statements. Further commentary on the Trustees' assessment of going concern may be found within the Trustees' report accompanying the financial statements.

1 Accounting policies (continued)

e) Critical accounting estimates and areas of judgement

Preparation of the financial statements requires the trustees and management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include:

- ~ The estimate of the group's liability in respect of a defined benefit pension scheme previously offered to IWA staff, the valuation of which has been estimated by an independent actuary taking account of various assumptions including the long term rates of return on scheme assets, the long-term anticipated rate of inflation, the life expectancy of scheme participants, and the discount rate applied;
- ~ The estimates of the useful economic lives of tangible and intangible fixed assets used to determine the annual depreciation charge;
- ~ The estimated future cost of reinstating short term leasehold property to its original condition in line with the terms of the lease agreement
- ~ The assumptions adopted by the trustees and management in determining the value of any designations required from the charity's general unrestricted funds;
- ~ The basis on which support costs have been allocated across expenditure headings; and
- ~ Judgements and assumptions made in forecasting future income and expenditure for the purposes of assessing whether the going concern basis of preparing the financial statements is appropriate.

f) Income

All income is recognised once the Association or group has entitlement to the income, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount of income receivable can be measured reliably.

Donated services or facilities are recognised when the Association or group has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the item is probable and the economic benefit can be measured reliably.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the gift to the Association or group which is the amount the Association or group would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the bank.

g) Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Association and which have not been designated for other purposes.

Designated funds comprise of unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

The investments revaluation reserve is an unrestricted fund and reflects the balance included within fixed asset investments which has arisen as a consequence of the cumulative impact of market value changes to the Association's investment assets.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Association for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

h) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis.

All expenses including support costs and governance costs are allocated to the applicable expenditure headings.

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

The estimated costs of reinstating short term leasehold property is also capitalised at the point of the modification works being undertaken.

1 Accounting policies (continued)

i) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Where such information about the aims, objectives and projects of the charity is also provided to potential donors, activity costs are apportioned between fundraising and charitable activities on the basis of area of literature occupied by each activity.

~ Engaged & collaborative membership	58%
~ Source of leading-edge water knowledge	12%
~ Platform for water knowledge exchange	10%
~ Bridging science to practice	19%
~ Support costs	0%
~ Governance costs	1%

Support and governance costs are re-allocated to each of the activities on the following basis which is an estimate, based on staff time, of the amount attributable to each activity.

~ Engaged & collaborative membership	25%
~ Source of leading-edge water knowledge	25%
~ Platform for water knowledge exchange	25%
~ Bridging science to practice	25%

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

j) Tangible fixed assets

Assets are capitalised where the purchase price exceeds £500.

Tangible fixed assets are stated at cost less depreciation. The estimated cost of reinstating short term leasehold properties is also capitalised at the point of the modification works being undertaken.

Depreciation is provided at rates calculated to write off the cost of the fixed assets, less their estimated residual value over their expected useful lives on the following basis:

~ Leasehold improvements	10 years straight line
~ Fixtures and fittings	5-6 years straight line
~ Office equipment	6 years straight line
~ Computer equipment	3 years straight line

k) Intangible fixed assets

Assets are capitalised where the purchase price exceeds £500.

Intangible fixed assets are stated at cost less amortisation. Amortisation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

~ Computer equipment	5 years straight line
----------------------	-----------------------

l) Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Any change in fair value will be recognised in the statement of financial activities. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading "Net gains/(losses) on investments" in the statement of financial activities. The charity does not acquire put options, derivatives or other complex financial instruments.

Investments in subsidiary companies which are unlisted are carried on the Association's balance sheet at cost less impairment.

1 Accounting policies (continued)

m) Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads. Net realisable value is the price at which stocks can be sold in the normal course of business after allowing for the costs of realisation.

n) Taxation

The Association is an exempt charity within the meaning of schedule 3 of the Charities Act 2021 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. The group's liability for current tax in this regard is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period within the relevant jurisdiction. The group incurred tax charges in Nanjing, China.

o) Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount repaid net of any trade discounts due.

p) Cash at bank and in hand

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

q) Creditors and provisions

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

r) Financial instruments

The Association only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

s) Foreign currencies

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date. Exchange gains and losses are recognised in the Statement of Financial Activities.

t) Pensions

Group employees are able to participate in defined contribution schemes administered in the UK, Netherlands and China. The assets of the schemes are held separately from those of the group. In addition, IWA Publishing Ltd makes contributions into the personal pension plans for some of its employees. The costs of providing pensions are charged to the SOFA as incurred, i.e. in line with the contribution payable by the group in the period.

The Association also previously offered employees access to a defined benefit pension scheme administered in the UK. The defined benefit pension scheme is now closed to future new entrants and there are no remaining active members in the scheme. For the defined benefits scheme, the Statement of Financial Activities (SOFA) is charged with the cost of providing pension benefits earned by former employees in the period. The expected return on pension scheme assets less the interest on the pension scheme liabilities is included as part of this charge. Actuarial gains and losses arising in the period for the difference between actual and expected returns in the pension scheme assets, experience gains and losses on pension scheme liabilities and the effect of changes in demographics and financial assumptions, are included as after recognised gains and losses in the Statement of Financial Activities. The accumulated pension scheme deficit is recognised in full and included in the balance sheet. However, in the event that the scheme is in net surplus position, the asset is not recognised in the balance sheet as it is not expected that the surplus will be realisable by the Association until after buying out pension benefits to the pensioners.

u) Conferences

The World Water Congress is held bi-annually. Expenditure incurred in preparing for the Congress is also carried forward and recognised in the year of the Congress itself, except for the cost of staff time which is recognised in the financial year in which the services were rendered by the employees.

1 Accounting policies (continued)

v) Specialist group funds

Specialist groups run independently from the Association and their income, expenditure, assets and liabilities are not included in the Association's financial statements.

Where specialist groups use the Association's services, these are charged to the group and shown as income for the Association. In many cases, this relates to a share of income from events organised by the specialist group in agreement with the Association. This income is accounted for once confirmation is received of the amount due and it is reasonably certain that it will be received.

The Association holds funds on behalf of the specialist groups. The balances due to the groups are included in creditors.

2a Analysis of expenditure (current year)

	Raising funds			Charitable activities						2022 Total £	2021	Total £
	Investment Management £	Publications £	Nanjing Operation - discontinued £	Engaged & collaborative membership £	Source of leading-edge water knowledge £	Platform for water knowledge exchange £	Bridging science to practice £	Governance costs £	Support costs £			
Staff costs (Note 5)	-	874,043	392,276	1,120,388	233,189	219,100	520,376	20,000	60,000	3,439,372	3,061,912	
Other costs	10,889	903,394	39,469	419,956	155,747	2,905,039	187,655	3,250	-	4,625,399	1,765,320	
Investment management costs	-	-	-	-	-	-	-	-	-	-	11,074	
Support costs within subsidiaries	-	-	-	-	-	-	-	-	98,015	98,015	293,965	
Rents, rates and services	-	81,786	9,526	-	-	-	-	-	200,727	292,039	293,639	
Legal and professional fees	-	5,325	7,094	-	-	-	-	-	39,015	51,434	49,616	
IT costs	-	20,382	328	-	-	-	-	-	50,749	71,459	91,601	
Insurance	-	17,410	1,011	-	-	-	-	-	42,545	60,966	36,203	
Depreciation and impairment	-	92,862	47,874	-	-	-	-	-	59,258	199,994	219,514	
Audit	-	9,000	184	-	-	-	-	-	9,000	18,184	24,282	
AGM and Trustee meetings	-	-	-	-	-	-	-	-	54,059	54,059	-	
	10,889	2,004,202	497,762	1,540,344	388,936	3,124,139	708,031	23,250	613,368	8,910,921	5,847,126	
Support costs	-	-	-	347,879	63,649	59,803	142,037	-	(613,368)	-	-	
Governance costs	-	-	-	5,813	5,813	5,813	5,813	(23,250)	-	-	-	
Total expenditure 2022	10,889	2,004,202	497,762	1,894,036	458,398	3,189,754	855,881	-	-	8,910,921		
Total expenditure 2021	11,074	1,969,540	599,342	1,598,509	400,691	385,995	881,975	-	1,969,540		5,847,126	

2a Analysis of expenditure (prior year)

	Raising funds			Charitable activities						2021 Total £	2020	Total £
	Investment Management £	Publications £	Nanjing Operation- discontinued £	Engaged & collaborative membership £	Source of leading-edge water knowledge £	Platform for water knowledge exchange £	Bridging science to practice £	Governance costs £	Support costs £			
Staff costs (Note 5)	-	836,557	443,665	1,030,422	194,193	160,145	316,931	20,000	59,999	3,061,912	3,230,501	
Other costs	-	807,643	109,415	158,030	115,531	149,366	421,869	3,466	-	1,765,320	1,568,720	
Investment management costs	11,074	-	-	-	-	-	-	-	-	11,074	10,031	
Support costs within subsidiaries	-	64,600	-	-	-	-	-	-	229,365	293,965	450,266	
Rents, rates and services	-	91,279	15,165	-	-	-	-	-	187,195	293,639	183,173	
Legal and professional fees	-	14,563	5,188	-	-	-	-	-	29,865	49,616	65,864	
IT costs	-	39,182	1,232	-	-	-	-	-	51,187	91,601	63,438	
Insurance	-	12,975	1,237	-	-	-	-	-	21,991	36,203	30,721	
Depreciation and impairment	-	93,741	20,158	-	-	-	-	-	105,615	219,514	80,021	
Audit	-	9,000	3,282	-	-	-	-	-	12,000	24,282	18,750	
AGM and Trustee meetings	-	-	-	-	-	-	-	-	-	-	30,918	
	11,074	1,969,540	599,342	1,188,452	309,724	309,511	738,800	23,466	697,217	5,847,126	5,732,403	
Support costs	-	-	-	401,690	82,601	68,118	134,808	10,000	(697,217)	-	-	
Governance costs	-	-	-	8,367	8,366	8,366	8,367	(33,466)	-	-	-	
Total expenditure 2021	11,074	1,969,540	599,342	1,598,509	400,691	385,995	881,975	-	1969540 (1,969,540)	5,847,126		
Total expenditure 2020	10,031	2,073,353	452,228	1,829,627	383,110	345,452	638,602	-	-		5,732,403	

3 Other activities
Explain re Nanjing

4 Net income / (expenditure) after taxation, before net gains on investments

This is stated after charging / (crediting):

	2022	2021
	£	£
Depreciation of tangible fixed assets	118,262	130,624
Amortisation of intangible fixed assets	69,646	67,862
Loss or profit on disposal of fixed assets		
Auditor's remuneration:		
Statutory audit	18,500	16,900
Other services	1,500	1,500
Foreign exchange gains or losses	-	-
	199,910	217,786

5 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff and consultants costs were as follows:

	2022	2021
	£	£
Salaries and wages	2,665,076	2,323,346
Redundancy and termination costs	71,608	-
Social security costs	283,168	276,401
Other pension costs	294,043	315,149
Consultants charges	125,477	147,016
	3,439,372	3,061,912

The following number of employees received employee benefits (excluding employer pension costs and employer's national insurance) during the year between:

	2022	2021
	No.	No.
£60,001 - £70,000	2	2
£70,001 - £80,000	1	4
£80,001 - £90,000	4	1
£90,001 - £100,000	1	1
£100,001 - £110,000	-	1
£110,001 - £120,000	-	-
£130,001 - £140,000	1	-
£140,001 - £150,000	2	2
£250,001 - £260,000	1	1

The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel were £987,912 (2021: £979,197).

The total contributions to the defined contribution pension schemes during the year was £145,712 (2021: £131,599). At the year end £Nil (2021: £nil) was outstanding.

No fees or remuneration are paid to any members or officers of the Association with the exception of the Executive Director who received £270,900 during the year (2021: £258,700). Clause 4 of the Memorandum of the Association provides specific power to make such payment to the Executive Director. The Association incurred a total of £57,425 (2021: £682) in respect of international travel, subsistence and venue costs for 13 (2021: 1) Board members.

During the year the Association maintained an Indemnity Insurance cover for its officers for up to £10 million (2021: £10 million) at a cost of £6,750 per annum (2021: £5,500).

6 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was 51 (2021: 52).

The average number of employees during the year was as follows (including casual and part-time staff):

	2022	2021
	No.	No.
Charitable activities	33	34
Publishing activities	14	14
Management and administration	4	4
	51	52

7 Related party transactions

During the year Trustees received reimbursement of expenses as set out in note 4.

The following transactions took place during the year with the Trustees Enrique Cabrera and Peter Vanrolleghem. Book royalties of £0 (2021: £25) was payable to Enrique Cabrera and book royalties of £0 (2021: £25) was payable to Peter Vanrolleghem. The total amount of 0 (2021: £50) was outstanding as at 31 December 2022.

The payment of royalties are made at a standard rate with no preferential treatment due to their involvement with the Association.

Trustees are required to be members of the Association, for which they pay the Association a membership fee. Furthermore, they may from time to time purchase goods or services from the Association (e.g. books, journals, conference attendances). The payment of fees or purchase of good or services are on normal commercial terms with no preferential treatment by virtue of being a trustee.

Other than the above, there were no related party transactions to report in the period of report (2021: none).

8 Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes. The charity's trading subsidiary IWA Publishing Limited distributes under Gift Aid available profits to the parent charity. Its charge to corporation tax in the year was:

	2022	2021
	£	£
UK corporation tax at 19%	-	-

9 Intangible fixed assets

The group	Online platform	Total
Cost	£	£
At the start of the year	339,311	339,311
Additions in year	7,137	7,137
Disposals in year	-	-
	<hr/>	<hr/>
At the end of the year	346,448	346,448
	<hr/>	<hr/>
Amortisation		
At the start of the year	232,612	232,612
Charge for the year	69,646	69,646
Eliminated on disposal	-	-
	<hr/>	<hr/>
At the end of the year	302,258	302,258
	<hr/>	<hr/>
Net book value		
At the end of the year	44,190	44,190
	<hr/> <hr/>	<hr/> <hr/>
At the start of the year	106,699	106,699
	<hr/> <hr/>	<hr/> <hr/>

All of the above assets are used for charitable purposes.

10 Tangible fixed assets**The group**

	Leasehold improvement	Fixtures and fittings	Office equipment	Computers	Total
Cost	£	£	£	£	£
At the start of the year	120,000	521,000	11,842	113,326	766,168
Additions in year	-	2,684	1,832	5,863	10,379
Disposals in year	-	(114,242)	-	(10,582)	(124,824)
At the end of the year	120,000	409,442	13,674	108,607	651,723
Depreciation					
At the start of the year	24,000	180,927	3,947	93,885	302,759
Charge for the year	12,000	87,101	2,279	16,882	118,262
Eliminated on disposal	-	(71,311)	-	(10,582)	(81,893)
At the end of the year	36,000	196,717	6,226	100,185	339,128
Net book value					
At the end of the year	84,000	212,725	7,448	8,422	312,595
At the start of the year	96,000	340,073	7,895	19,441	463,409

The charity

	Leasehold improvement	Fixtures and fittings	Office equipment	Computers	Total
Cost	£	£	£	£	£
At the start of the year	120,000	420,618	11,842	88,207	640,667
Additions in year	-	2,684	1,832	5,863	10,379
Disposals in year	-	(13,860)	-	-	(13,860)
At the end of the year	120,000	409,442	13,674	94,070	637,186
Depreciation					
At the start of the year	24,000	140,206	3,947	76,085	244,238
Charge for the year	12,000	70,371	2,279	9,563	94,213
Eliminated on disposal	-	(13,860)	-	-	(13,860)
At the end of the year	36,000	196,717	6,226	85,648	324,591
Net book value					
At the end of the year	84,000	212,725	7,448	8,422	312,595
At the start of the year	96,000	280,412	7,895	12,122	396,429

All of the above assets are used for charitable purposes.

11 Investments

	The group		The charity	
	2022	2021	2022	2021
	£	£	£	£
Fair value at the start of the year	1,311,602	1,221,552	1,461,605	1,371,555
Additions at cost	227,611	239,580	227,611	239,580
Disposal proceeds	(218,316)	(233,110)	(218,316)	(233,110)
Net gain / (loss) on change in fair value	(187,827)	83,580	(187,827)	83,580
	1,133,070	1,311,602	1,283,073	1,461,605
Cash held by investment broker pending reinvestment	31,630	25,443	31,630	25,443
Fair value at the end of the year	1,164,700	1,337,045	1,314,703	1,487,048

Investments comprise:

	The group		The charity	
	2022	2021	2022	2021
	£	£	£	£
Shares listed on the London Stock Exchange	531,950	686,851	531,950	686,851
Overseas listed investments	582,750	600,194	582,750	600,194
Unlisted income bonds in the UK	50,000	50,000	50,000	50,000
Investment in subsidiaries	-	-	150,003	150,003
	1,164,700	1,337,045	1,314,703	1,487,048

12 Subsidiary undertakings

The Association holds a controlling interest in IWA Publishing Limited, IWA Conferences Limited, IWA Development Solutions Limited, IWA Global Enterprises Limited, Nanjing IWA Science & Technology Co. Ltd (China), IWAT Science and Technology Private Limited (India) and IWAI Water Foundation (India), whose details are given below.

IWA Publishing Limited

The charity owns the whole of the issued ordinary share capital of IWA Publishing Limited, a company registered in England. The company number is 03690822. The registered office address is Export Building, First Floor, 1 Clove Crescent, London, E14 2BA.

The subsidiary is used for non-primary purpose trading activities, these being the publishing of books, periodicals and video recordings. All activities have been consolidated on a line by line basis in the statement of financial activities. Available profits are distributed under Gift Aid to the parent charity.

The trustees Kalanithy Vairavamoorthy, Enrique Cabrera Rochera, Marie-Pierre Whaley and Peter Vanrolleghem are also directors of the subsidiary.

A summary of the results of the subsidiary is shown below:

	2022 £	2021 £
Turnover	4,006,312	4,104,474
Cost of sales	(780,542)	(725,822)
Cost of sales related to purchases from parent undertaking	-	-
Gross profit	3,225,770	3,378,652
Administrative expenses	(1,223,660)	(1,243,718)
Profit on ordinary activities before interest and taxation	2,002,110	2,134,934
Interest receivable and similar income	358	28
Profit on ordinary activities before taxation	2,002,468	2,134,962
Taxation on profit on ordinary activities	-	-
Profit for the financial year	2,002,468	2,134,962
Retained earnings		
Total retained earnings brought forward	-	-
Profit for the financial year	2,002,468	2,134,962
Distribution under Gift Aid to parent charity	(2,002,468)	(2,134,962)
Total retained earnings carried forward	-	-
The aggregate of the assets, liabilities and reserves was:		
Assets	2,900,025	1,654,346
Liabilities	(2,750,025)	(1,504,346)
Reserves	150,000	150,000

Amounts owed to the parent undertaking were: £1,166,273 (2021: £923,639).

12 Subsidiary undertakings (continued)**Nanjing IWA Science & Technology Co. Ltd**

The charity owns the whole of the issued ordinary share capital of Nanjing IWA Science & Technology Co. Ltd, a company registered in China. The company's activities in the year were that of promoting the art and science of water management globally, by the encouragement of training, study and research in water management and the publications of the useful results of such research; to share advances technologies and best practices with water professionals and organisations.

The subsidiary is used for non-primary purpose trading activities. All activities have been consolidated on a line by line basis in the statement of financial activities. Available profits are held in the company for future operations.

A summary of the results of the subsidiary is shown below:

	2022	2021
	£	£
Turnover	41,539	836,156
Turnover from sales to parent undertaking	-	-
Cost of sales	(39,469)	(391,582)
Cost of sales related to purchases from parent undertaking	-	-
Gross profit/(loss)	2,070	444,574
Administrative expenses	(458,293)	(207,764)
Management charge payable to parent undertaking	-	-
Management charge due from parent undertaking	-	-
Other operating income	-	-
Profit/(loss) on ordinary activities before interest and taxation	(456,223)	236,810
Interest receivable and similar income	514	1,035
Interest payable	-	-
Interest payable to parent undertaking	-	-
Profit on ordinary activities before taxation	(455,709)	237,846
Taxation on profit on ordinary activities	-	(8,415)
Profit for the financial year	(455,709)	229,431
Retained earnings		
Total retained earnings brought forward	454,850	225,419
Profit for the financial year	(455,709)	229,431
Total retained earnings carried forward	(858)	454,850
The aggregate of the assets, liabilities and reserves was:		
Assets	742	508,492
Liabilities	(1,600)	(53,642)
Reserves	(858)	454,850

Amounts owed to/from the parent undertaking were: £x (2021: £nil)

13 Parent charity

The parent charity's gross income and the results for the year are disclosed as follows:

	2022 £	2021 £
Gross income	6,492,984	1,139,709
Result for the year	(1,217,868)	(2,240,791)

14 Stock

	The group		The charity	
	2022 £	2021 £	2022 £	2021 £
Goods held for resale	52,953	52,953	-	-
	52,953	52,953	-	-

15 Debtors

	The group		The charity	
	2022 £	2021 £	2022 £	2021 £
Trade debtors	1,840,188	1,189,365	106,877	169,557
Other debtors	301,855	202,615	301,855	192,846
Prepayments and accrued income	146,063	340,635	93,407	278,138
Amounts due from subsidiary undertakings	1,098	1,098	1,167,371	924,737
	2,289,204	1,733,713	1,669,510	1,565,278

16 Creditors: amounts falling due within one year

	The group		The charity	
	2022 £	2021 £	2022 £	2021 £
Trade creditors	882,091	459,939	793,219	288,581
Other creditors	743,426	595,117	528,396	465,834
Social security costs	65,602	65,597	49,561	48,536
Specialist Group funds	230,939	160,467	230,939	160,467
Accruals and deferred income (note 16)	1,800,814	2,281,021	535,408	1,964,377
	3,722,872	3,562,140	2,137,523	2,927,794

17 Deferred income

Deferred income comprises income collected in advance for future journal, membership subscriptions and events.

	The group		The charity	
	2022 £	2021 £	2022 £	2021 £
Balance at the beginning of the year	2,281,021	1,981,584	1,964,377	1,125,537
Amount released to income in the year	(2,281,021)	(1,981,584)	(1,964,377)	(1,125,537)
Amount deferred in the year	1,800,814	2,281,021	535,408	1,964,377
Balance at the end of the year	1,800,814	2,281,021	535,408	1,964,377

18 Creditors: amounts falling due after one year

	The group		The charity	
	2022	2021	2022	2021
	£	£	£	£
Provision for dilapidation	120,000	120,000	120,000	120,000
	120,000	120,000	120,000	120,000

Provision for dilapidations represents the estimated cost of reinstatement works, repairs and redecoration, as well as specific works that will need to be made in line with the office lease. (Export Building, First Floor, 1 Clove Crescent, London E14 2BA.

19 Pension scheme**Group and company**

The group operates a Defined Benefit Pension Scheme.

The amounts recognised in the Balance Sheet are as follows:

	2022	2021
	£	£
Present value of funded obligations	(1,933,000)	(2,950,000)
Fair value of scheme assets	2,461,000	3,190,000
Surplus not recognised	(528,000)	(240,000)
Surplus in scheme at end of the year and available to the Association	-	-

The latest actuarial valuation at 31 December 2022 shows a pension surplus of £528,000 (2021:£240,000). The surplus valuation results in 2022 is not recognised on the balance sheet as an asset because it is not available to the Association by way of reduced future contributions. Actuarial gains and losses arising from new valuations and from updating valuations to the balance sheet date are recognised in the statement of financial activities as other recognised gains and losses.

The amounts recognised in the Statement of Financial Activities are as follows:

	2022	2021
	£	£
Interest on obligation	(54,000)	(42,000)
Expected return on scheme assets	59,000	45,000
	5,000	3,000

Movements in the present value of the defined benefit obligation were as follows:

	2022	2021
	£	£
Opening defined benefit obligation	2,950,000	3,084,000
Interest cost	54,000	42,000
Actuarial losses	(893,000)	15,000
Benefits paid	(293,000)	(288,000)
Administration cost	115,000	97,000
Closing defined benefit obligation	1,933,000	2,950,000

19 Pension scheme (continued)

Group and company

Changes in the fair value of scheme assets were as follows:

	2022 £	2021 £
Opening fair value of scheme assets	3,190,000	3,317,000
Expected return on assets	59,000	45,000
Actuarial gains	(640,000)	(27,000)
Contribution by employer	145,000	143,000
Benefits paid	(293,000)	(288,000)
	<u>2,461,000</u>	<u>3,190,000</u>

The group expects to contribute £154,223 to its Defined Benefit Pension Scheme in 2022 (2021: £147,300).

Principal actuarial assumptions at the Balance Sheet date (expressed as weighted averages):

	2022 £	2021 £
Discount rate at 31 December	4.75%	1.90%
Future pension increases	3.30%	3.30%
Retail price inflation	3.40%	3.40%
	<u>8.60%</u>	<u>8.60%</u>

Longevity assumptions as at 31 December 2022

Males (M) or Females (F)	2022	2021
Base table	S3PA tables with 92% Male and 102% Female scaling factor	Club Vita base tables reflecting profile of individual Scheme members, in line with the 2019 formal actuarial valuation.
Future improvements	CMI 2021 model allowing for 25% of the data from 2020 and 2021 with a long term rate of improvement of 1.5% p.a. for males and 1.0% p.a. for females, with a smoothing parameter of $S_k=7.0$.	CMI 2018 model with along term rate of improvement of 1.5% p.a. for males and 1.0% p.a. for females, calibrated to Club Vita experience with a smoothing parameter of $S_k = 7.5$.

20a Analysis of group net assets between funds (current year)

	General unrestricted £	Designated funds £	Revaluation reserve £	Restricted funds £	Total funds £
Intangible fixed assets	-	44,190	-	-	44,190
Tangible fixed assets	-	312,595	-	-	312,595
Investments	1,025,523	-	139,177	-	1,164,700
Net current assets	1,680,701	(858)	-	1,293,823	2,973,666
Long term liabilities	(120,000)	-	-	-	(120,000)
Net assets at 31 December 2022	2,586,224	355,927	139,177	1,293,823	4,375,151

20b Analysis of group net assets between funds (prior year)

	General unrestricted £	Designated funds £	Revaluation reserve £	Restricted funds £	Total funds £
Intangible fixed assets	-	106,700	-	-	106,700
Tangible fixed assets	-	443,247	-	-	443,247
Investments	1,010,041	-	327,004	-	1,337,045
Net current assets	665,386	454,849	-	44,963	1,165,198
Long term liabilities	(120,000)	-	-	-	(120,000)
Net assets at 31 December 2021	1,555,427	1,004,796	327,004	44,963	2,932,190

21a Movements in funds (current year)

	At 1 January 2022 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 December 2022 £
Restricted funds:					
Improving water security for the poor	-	-	-	-	-
Citywide inclusive sanitation	-	1,165,189	(166,155)	-	999,034
GIZ Carbon Neutrality in Water	(7,615)	28,490	(525)	(20,350)	
Climate Smart Utilities Initiative	-	36,684	(35,942)	-	742
Aquarating - Sierra Leone	-	43,495	(3,566)	(31,437)	8,492
Aquarating - Mongolia	-	-	(6,164)	7,037	873
Climate Resilient WSP's	-	-	(202)	202	-
Operation and Maintenance Network	11,133	35,236	(23,913)	(8,487)	13,969
Diffuse Pollution SG Fund	21,164	-	-	-	21,164
Prime Water	-	118,653	(20,530)	-	98,123
Water-Wise Cities Project	14,775	-	(1,540)	-	13,235
Reach Project	-	-	-	-	-
LAC HRWS	5,506	-	(2,031)	-	3,475
Youth Action for SDG6 Fellowship fund	-	134,716	-	-	134,716
Regulators NBS	-	-	-	-	-
Total restricted funds	44,963	1,562,463	(260,568)	(53,035)	1,293,823
Unrestricted funds:					
Designated funds:					
Tangible and intangible assets	549,947	-	-	(193,162)	356,785
Nanjing Fund	454,849	42,053	(497,760)	-	(858)
Total designated funds	1,004,796	42,053	(497,760)	(193,162)	355,927
Revaluation reserve	327,004	(187,827)	-	-	139,177
General funds	1,555,427	8,937,191	(8,152,591)	246,197	2,586,224
Total unrestricted funds	2,887,227	8,791,417	(8,650,351)	53,035	3,081,328
Pension reserve	-	-	-	-	-
Total funds	2,932,190	10,353,880	(8,910,919)	-	4,375,151

The narrative to explain the purpose of each fund is given at the foot of the note below.

21b Movements in funds (prior year)

	At 1 January 2021 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 December 2021 £
Restricted funds:					
Improving water security for the poor	(15,459)	15,429	-	30	-
Citywide inclusive sanitation	66,800	-	(67,210)	410	-
GIZ Carbon Neutrality in Water	14,531	-	(22,146)	-	(7,615)
Aquarating - Mongolia	(35,936)	-	-	35,936	-
Aquarating - Zambia	14,009	-	-	(14,009)	-
Climate Resilient WSPs	(30,140)	47,510	(17,370)	-	-
Operation and Maintenance Network	5,951	33,217	(28,035)	-	11,133
Diffuse Pollution SG Fund	21,164	-	-	-	21,164
Prime Water	32,843	-	(33,320)	477	-
Water-wise Cities Project	-	21,874	(7,099)	-	14,775
Reach Project	-	-	(500)	500	-
LAC HRWS	5,506	-	-	-	5,506
Regulators NBS	-	-	-	-	-
	-	-	-	-	-
Total restricted funds	79,269	118,030	(175,680)	23,344	44,963
Unrestricted funds:					
Designated funds:					
Tangible and intangible assets	614,894	-	(64,947)	-	549,947
Nanjing Fund	225,419	837,191	(607,761)	-	454,849
Total designated funds	840,313	837,191	(672,708)	-	1,004,796
Revaluation reserve	283,642	102,256	-	(58,894)	327,004
General funds	1,400,849	5,126,181	(5,007,153)	35,550	1,555,427
Total unrestricted funds	2,524,804	6,065,628	(5,679,861)	(23,344)	2,887,227
Pension reserve	-	-	-	-	-
Total funds	2,604,073	6,183,658	(5,855,541)	-	2,932,190

Purposes of restricted funds**Improving water security for the poor**

The REACH programme is led by Oxford University and brings together a consortium of global leaders in water science, policy and practice. REACH is a new global research programme to improve water security for the poor by delivering world-class science that transforms policy and practice.

Citywide inclusive sanitation

The IWA is working with our partners, through this project IWA aims at identifying the needs, opportunities, and tools for action to support and inspire regulators in their contribution to achieving citywide inclusive sanitation in the context of the Sustainable Development Goals.

GIZ Carbon Neutrality in Water

The IWA is working on a project with GIZ, funded by the German Federal Ministry of Environment, Nature Conservation, to improve the carbon balance across utilities. The project focuses on parts of the nexus as addressing greenhouse gas reduction and energy efficiency produces benefits for water efficiency and recovers resources. The fund currently having a deficit balance, pending payment receivable from the donor.

Movements in funds (continued)

Purposes of restricted funds

Aquarating

The funds received from Millennium Corporation, USA toward the execution of a technical cooperation programme for the implementation of a rating system Aqua Rating for the water and sanitation providers. The Aquarating Mongolia and Aquarating Sierra Leone fund currently having a deficit balance, pending payment receivable from the donor.

Water-Wise Cities Project

Funded by SIAAP towards help city leaders ensure that everyone in their cities has access to safe water and sanitation. One of the aims is to ensure that water is integrated in planning and design in cities to provide increased resilience to climate change, livability, efficiencies, and a sense of place for urban communities. The ultimate goal of these Principles is to encourage collaborative action, underpinned by a shared vision, so that local governments, urban professionals, and individuals actively engage in addressing and finding solutions for managing all waters of the city.

Operation and Maintenance Network

Funds received from Ministry of Health, Labour and Welfare ("MHLW") Japan to support, raise awareness and develop capacities to effectively address operations and maintenance of water supply and sanitation systems and protect public health.

GEF Floods & Droughts

Funds received from UN Enviro Programme to develop adaptive, sociotechnical risk management measures and strategies for coastal communities against extreme hydro-meteorological events minimising social, economic and environmental impacts and increasing the resilience of Coastal Regions in Europe.

Prime Water

Funded through EU Horizon 2020 – the Framework Programme for Research and Innovation for delivering advanced predictive tools from medium to seasonal range for water dependent industries and exploiting the cross-cutting potential of EO and hydro-ecological modelling (in short PrimeWater).

Diffuse Pollution Specialist Group

Conference surplus funds received from the Diffuse Pollution Specialist Group towards the cost of future activities.

WSP - Asia-Pacific Network

Funds received from UNOPS towards hosting the WSP Network Asia, the thematic network for capacity development for water safety plans and to strengthen the Asia Pacific WSP network to support the development of climate resilient, adaptable systems for water supply.

Climate Resilient WSP's

funding provided by OPEC Fund for International Development (OFID) for implementing climate resilient water safety planning to improve water supply and public health.

Movements in funds (continued)

Purposes of restricted funds

Youth Action for SDG6 Fellowship fund

funding provided by Grundfos towards the participation of 14 bright and promising international young water professionals (YWPs) at the UN 2023 Water Conference, on 22-24 March 2023 in New York, USA.

Regulators - Nature Based Solutions (NBS)

Funds received from The Nature Conservancy (TNC) towards Supporting regulators and regulation to enable consideration and investment in nature based solution to improve water security and safety.

Purposes of designated funds

Tangible and Intangible asset fund

This fund balance represents the carrying value of the Association's tangible and intangible fixed assets net of any associated liabilities. This fund has been established in recognition of the fact that the assets are used in the day to day work of the charity and do not represent reserves available to finance its operations.

Investment revaluation reserve

This fund balance represents the balance included within fixed asset investments which has arisen as a consequence of the cumulative impact of market value changes to the Association's investment assets. It has been separated in order to provide an indication of the difference between the value of listed investments at the balance sheet date relative to its historic cost. A calculation is provided at note 19 to the financial statements.

Pension reserve

This fund represents the Association's long-term liability in respect of its defined benefit pension scheme. It is separated in order to acknowledge that the liability is long-term and may be disregarded in considering the availability of free reserves in meeting the day-to-day obligations of the Association and the group.

Nanging Fund

This fund represents the net asset under the control of the Association's subsidiary, Nanjing IWA Science & Technology Co. Ltd in China. Those net assets are essential to the operations in China and therefore separately ring-fenced in these accounts.

22 Operating lease commitments payable as a lessee

The group's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods:

	Property		Equipment	
	2022	2021	2022	2021
	£	£	£	£
Less than one year	75,495	75,495	2,900	-
One to five years	1,132,425	1,132,425	10,150	-
Over five years	452,970	528,465	-	-
	1,660,890	1,736,385	13,050	-

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods:

	Property		Equipment	
	2022	2021	2022	2021
	£	£	£	£
Less than one year	226,485	75,495	2,900	-
One to five years	1,132,425	1,132,425	10,150	-
Over five years	301,980	528,465	-	-
	1,660,890	1,736,385	13,050	-

23 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

INTERNATIONAL WATER ASSOCIATION

England & Wales - Charity number 1076690

Accounts

Company number: 03597005
Charity number: 1076690

International Water Association

Report and financial statements
For the year ended 31 December 2021



SAYER | VINCENT
OOOOO | OOOOOO
OOOOO | OOOOOO
••••• | •••••

International Water Association

Contents

For the year ended 31 December 2021

Trustees' annual report	1
Independent auditor's report	31
Statement of financial activities (incorporating an income and expenditure account)	36
Balance sheet	37
Statement of cash flows	38
Notes to the financial statements	39

The IWA Trustees (who are also Directors of the charity for the purposes of the Companies Act) present their annual report together with the audited consolidated financial statements of International Water Association (the 'Association' or 'IWA') for the year ended 31 December 2021.

The Trustees confirm that the annual report and financial statements of the Association and the group comply with:

- a) the current statutory requirements;
- b) the requirements of the Association, and the Association's governing document; and
- c) the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

1. OBJECTIVES AND GENERAL ACTIVITIES

Objectives of the Association

These are to:

- (a) promote the art and science of water management for the public benefit, particularly, but not exclusively, by the encouragement of education, training, study, and research in water management and the publication of the useful results of such research;
- (b) advance the education of members of the public in the science and practice of water management;
- (c) promote and enable the development and direct water provision of water management schemes worldwide for the public benefit, where "water management" means the establishing, maintaining, and securing of safe and sustainable water supplies, storm water systems, and wastewater treatment and disposal systems.

Strategies for achieving objectives

The Association fulfils its objectives by:

- (a) holding a World Water Congress every two years in different continents of the world;
- (b) holding worldwide regional and specialised conferences, seminars, webinars, and workshops, providing a continual source of knowledge and information;
- (c) publishing a range of books, journals, and reports; and
- (d) promoting multi-level collaboration amongst its members and others through, for example, specialist groups, task forces, forums, regional associations, projects, and programmes.

Activities for achieving objectives

The IWA continues to develop as the global reference point for water professionals working on all aspects of the water cycle. The IWA helps water professionals deliver innovative, pragmatic, and sustainable solutions to challenging global needs for safe water and sanitation, within urban areas and river basins.

The IWA is a unique global knowledge hub for water professionals and anyone concerned about the future of water. As such, the IWA continues to inspire change towards our common vision of a water-wise world.

Through the Association, members collaborate to lead the development of effective and sustainable approaches to water management, with emphasis on the science and management of drinking water, wastewater, storm water, and the conservation of water resources throughout the world.

In 2021, the Association took important steps to further expand its dissemination of information and knowledge, especially that created by its members. In particular, the Association moved publication of its journals to publication under a 'subscribe to open' **Open Access** model, greatly increasing the accessibility of this content, with numerous books also being made available on an Open Access basis.

Also in 2021, IWA held its first **virtual Congress**. This covered a broad range of themes and facilitated access to high-quality presentations and discussions by IWA members and our wider network for participants around the world.

More generally, the Association continued to maintain close working relationships with all of the major international water agencies and associations, partnering with these bodies, and engaging members, on joint projects, publications and representation of positions in international forums.

The Association has a strong and **developing outreach programme** concerned with the transfer of knowledge and skill in water management from professionals across all countries. With *members engaged in the delivery of this programme, it maintains a strong focus on environmental health, hygiene, and sanitation issues in lower income countries.*

Main charitable activities for the public benefit

The Trustees confirm that they have complied with the duty in Section 17 of the Charities Act 2011 and have taken due regard of the Charity Commission's general guidance on public benefit.

This is achieved by the generation and dissemination of knowledge and best practice on all facets of the water cycle. This occurs formally at conferences, facilitated exchanges through the specialist groups, task forces, and other member networks (such as the Young Water Professionals, and Women in Water) and through the journals, books and other publications produced by the Association.

Open Access publishing and the public benefit

Important activity during 2021 regarding the core charitable activity of generating and disseminating knowledge and best practice on all facets of the water cycle featured the move of journal publication to a 'subscribe to open' (S2O) Open Access model.

At the start of the year, publication by subsidiary IWA Publishing of ten journals was switched to S2O. The journals include important and respected water sector titles such as *Water Science and Technology*, the *Journal of Water and Health*, *AQUA*, *Water Policy*, and the *Journal of Hydroinformatics*.

The S2O model enables the journals to be free to read and free to publish in. In 2021, the number of journal papers downloaded nearly doubled, with readers from all over the world contributing to this increase in readership. Meanwhile, article submissions increased by 10% in 2021, with the growth coming from all continents.

In addition to this activity relating to journals, 19 Open Access books were released in 2021.

2. GROUP STRATEGIC OVERVIEW

Despite the continuing challenges presented by the COVID-19 pandemic, 2021 was another year of progress for IWA.

The year was a relatively strong one from a purely financial perspective, despite the further postponement of the World Water Congress & Exhibition to 2022, traditionally a major source of income, due to the global pandemic.

The Association continued to advance its core mission, visible through our diverse activities and a strong membership base that broadly remained steady in terms of membership numbers. This progress was supported by IWA's strong foundations, which are based on financial prudence and the commitment of all the many people involved – i.e., the Board, staff, members, and partners. They enabled much of IWA's 2021 anticipated **programme** and engagement of members to continue, despite the ongoing pandemic.

COVID-19 has brought challenges, especially given that IWA traditionally runs and supports many events. Mitigation measures initiated in 2020 were continued and scaled up, with traditional in-person events increasingly being hosted online. Adapting to the new normal of online meetings, workshops, and conferences, we expanded a programme that drew quality speakers and exceptional participation, drawing on substantial input by members in the delivery of this programme. A particularly impressive example in this respect was the Digital World Water Congress, which ran from May 24 to June 4, 2021 and attracted more than 2,300 registered delegates.

So, despite challenges, IWA sustained its efforts to implement the objectives of the 2019–2024 Strategic Plan. This also included producing a substantive range of high-quality outputs, such as publications and reports often prepared with the input of members, as well as providing and supporting knowledge-sharing and networking opportunities for and by members.

This level of activity indicates the positive response from members, who have been ever eager to commit their time to the Association. Building on 2020 having marked the 20th anniversary under the IWA identity, this level of engagement in 2021 demonstrates the compelling draw

of our vision of creating a water-wise world. Furthermore, the essential role of our sector has been further underlined by the COVID-19 pandemic, raising general awareness of the critical role of hand washing and access to basic services.

The resilience shown by IWA in such challenging circumstances has provided reassurance that the organisation is sustainable and adaptable, and this outlook is further supported by the Association's continuing ability to attract strong and enthusiastic participation by its membership even under these conditions, demonstrating the strength of IWA's roots within the global water community.

Key financial performance indicators

The consolidated financial statements, as presented, comply with the legal requirements of both the Charity Commission and the Companies Act.

Income from charitable activities was £1,047,006 (2020: £1,153,663). Other income, including income from trading activities, investments, and other sources, was £5,034,396 (2020: £5,023,308) giving total income for the year of £6,081,402 (2020: £6,176,971).

After making provision for tax payable in relation to the operation in Nanjing, China of £8,415 (2020: £13,023), gains on investments of £102,256 (2020: £40,826) and an actuarial loss on the pension scheme of £- (2020: loss of £40,341), the net increase in group funds was £328,117 (2020 increase of: £432,030) providing closing group funds as of 31 December 2021 of £2,932,190 (2020: £2,604,073).

We have sustained our commitment to deliver on the IWA 2019–2024 Strategic Plan. Under the plan, we will achieve for our members a stronger culture of service and a unique value proposition through:

- Professional development programmes;
- Leadership development, inside and outside the Association;
- Agenda-setting programmatic work to generate pride in our membership; and
- Global networking opportunities for members to connect with people and ideas.

We are poised to make greater progress with the plan, having completed the relocation of our London headquarters to modern facilities. This move allowed us to manage the uncertainties around Brexit by transferring the functions of our operations in the Netherlands to the new office, co-locating them with our publishing arm to provide opportunities for greater synergy.

3. ACHIEVEMENTS AND PERFORMANCE

Programmes

Through 2021, IWA made further important progress with numerous initiatives that contribute to the Association's aim of shaping the global water agenda. Designed to facilitate member involvement in issues of strategic importance to the Association, these are broadly focused on cities and on water and wastewater utilities.

Within the wider Cities of the Future Programme, in 2021 IWA made progress with its Climate Smart Utilities initiative, including leveraging this activity to support participation by IWA at events at the COP26 meeting in Scotland, reinforcing the initiative's goal of supporting water and wastewater utilities in improving their climate resilience while also contributing to a significant and sustainable reduction in carbon emissions.

IWA made significant progress with its contribution in the area of water regulation, drawing in particular on this segment of our membership. As part of the Regulating for Citywide Inclusive Sanitation (R-CWIS), IWA delivered a 'Call to Action' aimed at identifying the needs, opportunities, and tools for action to support and inspire regulators in their contribution to achieving citywide inclusive sanitation in the context of the Sustainable Development Goals. The publication has been translated in three languages. In 2021, the CWIS programme has secured funding from the Bill & Melinda Gates Foundation to professionalise and mainstream the CWIS approach among and beyond sector leaders and professionals, with this activity to be rolled out in 2022 and beyond.

IWA held the 6th International Water Regulators Forum virtually in June 2021. This high-level gathering of regulators offered a platform for policy debates and knowledge sharing across continents during the pandemic. In addition, as part of IWA's work on regulation, new Communities of Practice on Adaptive Water Policy and on Regulation were formed, creating focal points for member interaction and widening of our network.

Programmes (continued)

The Digital Water Programme has been a key area of focus throughout 2021, helping water utilities transition to the next generation of smart water systems. Drawing heavily on input of our member network, activities under the Digital Water Programme in 2021 included the release of three white papers, as well as webinars, podcasts, blogs and a new Community of Practice on Earth Observation Technologies.

IWA is also a partner in the EU Horizon 2020-funded research project PrimeWater, which runs until 2022. This project generates information on the effects of upstream changes on future water quality and quantity.

There was further progress with the AquaRating rating tool that can help drive performance improvements in water utilities. In the past 12 months, IWA has been working with utilities in Sierra Leone and Mongolia.

Events

With the COVID-19 pandemic having required rescheduling of the Copenhagen IWA World Water Congress to September 2022, IWA initiated a global virtual event in 2021 to provide the international water community – especially the Association's membership – with an opportunity to present and access latest developments across a broad spectrum of water themes. IWA held the Digital World Water Congress from May 24 to June 4, 2021. This event proved to be a great success, with more than 2,300 registered delegates from 95 countries.

During the industry-leading conference, 51 technical sessions were delivered, each featuring a live Q&A session to encourage interaction among attendees. Some 150 papers were presented across these sessions, with a further 310 poster presentations available. The wider programme featured special screenings of three award-winning documentaries, and the technical sessions were available for on-demand viewing for a number of weeks after the initial event. The Congress garnered a great response, with 96 percent of attendees indicating that they were happy or extremely satisfied.

In addition to the Digital World Water Congress, 20 online events (webinars, panel events, online forums) with a combined total of more than 7,331 registrants were organized with the

support of our member network, as well as 14 successful conferences staged by the Association's Specialist Group member communities in live, hybrid, and virtual format.

***The Source* magazine**

The Source is IWA's quarterly magazine, delivered both in print and online. It is available to all IWA members as a benefit of membership.

The magazine's content reflects IWA's goal of inspiring a world in which water is wisely managed, offering features, viewpoints, and updates to help readers keep up to speed with the issues that shape the sector, and leading responses to these topics.

Recent topics covered in detail in 2021 include: a round-up of examples of initiatives for stimulating water sector innovation; examples and strategic perspectives on the use of non-sewered sanitation; leading global cases illustrating growing application of water reuse; and tools to support water sector progress with resilience.

IWA Publishing (IWAP)

For IWA Publishing, 2021 was a landmark year. During this year, IWAP switched ten journals to Open Access, following a model called 'Subscribe To Open' (S2O). These include *Water Science and Technology*, the *Journal of Water and Health*, *AQUA*, *Water Policy*, and the *Journal of Hydroinformatics*. In addition, 19 Open Access books were released in 2021. While the S2O journal model provides Open Access, libraries continue to pay subscriptions. That income stream enables the journals to be free to read and free to publish in.

Open Access has had an instant impact. In 2021, the number of journal papers downloaded nearly doubled. Readers from all over the world have contributed to this increase in readership. Alongside this progress, the average Impact Factor of the journals (the average number of times each paper is cited in other papers) increased by 37% in the 2020 dataset, which was published in June 2021, driven by a 41% growth in citations between 2018 and 2020.

Article submissions increased by 10% in 2021, with the growth coming from all continents. In addition, the Net Promoter Score for writers who publish in IWAP journals has surged to 83, indicating that they are enthusiastic and happy about their experience.

Moreover, the journals are now completely compliant with the EU's Horizon Europe programme and the requirements of other national and non-governmental funding organisations.

Furthermore, the organisation has a long-standing and highly successful publishing collaboration with Elsevier for Water Research. That partnership now also covers the Open Access journal *Water Research X* (WRX), which will receive its first Impact Factor in 2022. The current projection is that it will be in the region of 8.500 – high enough to be placed in the top five of the Water Resources category. IWA also collaborates with Elsevier in the publication of *Water Resources and Industry*. WRI has been accepted for indexing in the Journal Citation Reports and is scheduled to receive its first Impact Factor in 2022.

Last but not least, there is an ongoing effort to expand the range of non-English publications. Books published in 2021 included a Hindi translation of *Wetland Technology*, a French version of *Climate-resilient Water Safety Plans*, and Spanish translations of *Performance Indicators for Wastewater Services*, *Treatment Wetlands*, *Standard Definitions for Water Losses*, and *Wetland Technology*.

Young Water Professionals (YWP)

IWA has continued to improve its value proposition for IWA Young Water Professional (YWP) members over the past year, delivering open activities as well as member-only interaction and services. IWA invests in YWPs by empowering them both within the association and across the water industry.

During 2021, two virtual get-togethers were organised, which attracted 275 attendees. The focus of these events was 'The future of WASH' (January 2021) and 'Next Generation Water Action: Turning Challenges into Opportunities' (July 2021).

IWA hosted the Emerging Water Leaders Forum in November 2021, delivering this with the

support of the YWP community. This attracted a total of 345 registrations, was held over three days and included an online panel, a workshop, and networking opportunities.

IWA Awards

IWA has a range of awards to provide recognition for notable contributions to the water sector worldwide – especially those of IWA members. These include the Global Water Award, the Women in Water Award, the Project Innovation Award, the Professional Development Award, the Water & Development Award, the Young Leadership Award, and the IWA/ISME (International Society for Microbial Ecology) BioCluster Award. The latest awards were celebrated during the opening ceremony of the 2021 Digital World Water Congress, recognising the outstanding achievements of IWA members and water sector professionals. The IWA Global Water Award recognises those individuals who, through innovative leadership and practice, have made a significant contribution to a world in which water is wisely managed. Inspirational academic Marcos von Sperling, of Universidade Federal de Minas Gerais in Brazil, won this acclaimed award. The IWA Women in Water Award, which celebrates the work of women in the field of water, was won by sanitation advocate Nafisa Barot. The award recognises the key role played by women, but also seeks to encourage greater inclusion and female leadership in the water sector. The Professional Development Award recognises water sector companies that are making a significant contribution to the professional development of their employees, supporting the attraction, development, and retention of the next generation of water leaders. Malaysian sewerage company Indah Water Konsortium won the IWA Professional Development Award for its exceptional record of developing talent in the sector. The IWA Young Leadership Award is granted to an exceptional young water professional who demonstrates significant achievements in their career, outstanding leadership, and the potential to play an influential role in the water industry in the future. Renowned scientist and engineer Dr Siddhartha Roy had been announced as the award winner prior to the Congress.

Moreover, in 2021 there were three recipients of the Honorary Membership Award. This award recognises outstanding and sustained contributions of members in relation to the water sector and the Association. The exceptional individuals who won this recognition are Prof. Jiri

Wanner, from the University of Chemistry and Technology in Prague, Czech Republic, Prof. Mark van Loosdrecht, from Delft University of Technology in the Netherlands. In addition, our outgoing IWA President Diane d'Arras also received the Honorary Membership Award.

4. FINANCIAL REVIEW

Commentary on the group's financial results for the year are provided under the section on 'key financial performance indicators' on page 6 above.

Investment policy and performance

Preservation of capital is the primary objective in guiding the risk profile of the Association's investment policy. After satisfying the primary objective, the secondary objective is to maximize the return on the investment in accordance with the ethical investment policy. The investment position has been considered from both a Euro and Sterling currency perspective.

The group's investments totaled £1,337,045 as of 31 December 2021 (2020: £1,221,552). The valuation shows a realised investment gain of £6,143 (2020: loss of £4,193) and unrealised investment gain of £107,762 (2020: £45,019). The Trustees are satisfied with the performance in 2021 and will continue to regularly monitor future performance, particularly given the risk of increased market volatility in the midst of a global pandemic.

Assessment of going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Association has adequate resources to continue in operational existence for the foreseeable future. In making this assessment, the Trustees have taken account of the reserves position as of 31 December 2021 (see below) and the financial forecasts and projections for a period not less than one year from the date of approval of this report and financial statements.

During the period from 31 December 2021 to the date that the financial statements were approved, the Covid-19 outbreak has continued to cause extensive disruptions to businesses as well as economic activities globally, with the UK being no exception.

Following the advice issued by the UK Government regarding employees working from home and other social distancing measures, procedures were implemented to facilitate this as far as possible, with a detailed plan effectively enabling normal operations whilst employees are not physically present in the charity's offices.

However, it has not been possible to maintain the events programme during this period due to country-specific restrictions and global travel constraints. The Trustees recognise that the Covid-19 experience may have longer term impacts in relation to the willingness of people to attend international conferences and in response have been actively investigating other potential models to deliver successful events.

In addition, we are also anticipating a possible reduction in publishing income due to tightening budgets at universities, resulting in reduced institutional subscriptions from libraries. The Trustees are monitoring this situation carefully and at the same time developing and analysing potential mitigation and adaptation responses.

Our current reserves levels are strong, and this coupled with good financial management and discipline, means that our medium-term outlook is secure. We do not currently anticipate that the overall financial position of the group will be adversely affected, or its financial solvency threatened.

The Trustees believe there are no material uncertainties in respect to the group's financial position which may severely curtail its work and/or threaten its ability to operate as a going

concern. The Trustees therefore continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies accompanying the financial statements.

Reserves policy

IWA's reserves policy seeks to balance spending the maximum amount of its income to meet its charitable objectives, while maintaining an adequate level of reserves to ensure uninterrupted operation and provide time to adjust to changes in financial circumstances. Based on the prudent assessment of the financial impact of risk events on reserves, the trustees have estimated a target level of free reserves of £1.2M +/- £100k.

Business plans are set with the aim of maintaining reserves within the target range. The reserves may move outside of the target range because of factors such as operational issues, short-term investment requirements, and economic changes. If this were the case, management would adjust business activities over the medium term with the aim of restoring reserves to within the target range.

The group free reserves as of 31 December 2020 are at the level of £1,882,439 (compared with 2020: £1,684,491). This is above the intended target level and so should enable the Association to better handle the financial impacts of Covid-19, in particular the postponement of the World Water Congress.

Principal funding

Principal funding sources for the charity are membership, conferences (albeit temporarily curtailed due to the pandemic), Gift Aid Income from its wholly owned subsidiary IWA Publishing Limited, and grant and contract income from various organisations. The group does not work with any commercial or professional fundraisers and does not solicit donations from the general public.

5. RISK MANAGEMENT

The Trustees have assessed the major risks to which the group is exposed, in particular, those related to the operations and finances of the Association. They are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

The Board recognises the importance of identifying and managing the risks of the Association and its subsidiaries. A risk management framework, which includes a risk and control register, identifying and prioritising the Association's key risks, is maintained. The register includes a programme of control measures and actions to manage material risks. The risk register is reviewed and updated quarterly by the management. A risk report is presented to the Finance and Investment Committee at the following meeting to discuss the basis for any movements in the risk register, any "emerging risks", and to confirm the summary which will be presented at the next board meeting. Once per year the Board is informed on the status of the risk register and the related mitigation measures.

Key internal risks for the Association include:

- a) Lower gift aid for the Association due to lower profit generated by our publishing activities. Mitigation: Regular monitoring and evaluation of IWA Publishing's financial performance by the Board; adaptive management systems that allows the Association to respond efficiently to potential changes in future.
- b) Breaches in the security of the IT systems including hacking, unauthorised access, fraud, permanent damage to electronic data, and manipulation of key data. Mitigation: Manage hardware and software to protect data (through back-up and regular updates), educate employees through cyber security training (from National Cyber Security

Centre), move to Microsoft 365 and cloud-based solutions (all in Azure data centres, which are amongst the safest in world), and CRM systems hosted only in most secure data centres.

- c) Enforced working from home for a long period potentially leading to lack of cohesion among staff and low staff morale. Mitigation: move to a hybrid working week with 3 days in the office and two days working remotely; a greater emphasis of team building following reoccupation of the London office in October 2021 with regular surveys and all staff meetings online with individual meetings with line managers.
- d) Loss of key personnel. Mitigation: Continue to ensure we provide an effective and modern work environment for employees, including career development opportunities.

Key external risks to the Association include:

- a) Severe disruption to our activities and finances as a result of the COVID-19 pandemic. Mitigation: the position continues to be monitored regularly by both the Finance & Investment Committee and the Board of Trustees who are developing contingency plans – see within “future planning” below and “assessment of going concern” above for additional commentary.
- b) Cancellation of the World Water Congress & Exhibition based on circumstances, rather than force majeure – meaning no insurance coverage, the incurring of substantial costs, and receiving no income. Mitigation: follow best practice in signing venue contracts; ensure favourable cancellation terms; and insist on broader force majeure clauses, which include causes beyond the control of the parties which result in it being inadvisable, illegal, impossible, or commercially impractical to hold the event.
- c) Reduced income from congresses and events due to lower attendance due to concerns around overseas travel. Mitigation: develop alternative formats for congresses and events; strengthen internal processes to increase exhibitions, sales, and sponsorships.

- d) Declining income from membership fees (especially corporate members) due to emergence of alternative networking opportunities. Mitigation: to improve the Membership renewal system, enhance the online IWA member portal, and ensure a dynamic programme of member activities.
- e) Declining "Subscribe to Open" (S2O) access revenue beyond 2021, due to lack of motivation among libraries to financially support S2O, as their individual Open Access privileges are not dependent on this. Mitigation: continued advocacy towards the importance of Open Access and the need for collective action among libraries for its sustainability (enlightened self-interest), strong focus on increasing impact factors of journals, and improving turnaround from when manuscripts are received to when they're accepted/published.

Financial risk management objectives and policies

The management team reviews, on behalf of the Board, matters concerning accounting, financial reporting, and internal controls, including the risk register. It also reviews the management accounts and the annual report and financial statements before they are submitted to the Board of Trustees and deals directly with the external auditor regarding the conduct of the audit.

6. STRUCTURE, GOVERNANCE, AND MANAGEMENT

Constitution

The Association is constituted under a Memorandum of Association dated 13 July 1998 and is a registered charity (number 1076690). The Articles of Association were most recently revised in September 2020 to authorise virtual general meetings. Liability of the members is limited by guarantee and the Association does not have share capital. Members of the Association guarantee to contribute an amount not exceeding £1 in the event of a deficiency of assets on winding up. The total number of such guarantees at 31 December 2021 was 15 (2020: 15).

Method of appointment or election of Trustees

The management of the Association is the responsibility of the Trustees who are elected and appointed under the terms of the Articles of Association. As noted earlier, the Trustees also constitute the Board of Directors for the purposes of the Companies Act.

A special resolution was approved at the annual general meeting on 23 September 2020, advocating that the terms of office of Directors serving on the Board of Directors, and those of the President and Vice Presidents, be extended until 31 May 2021. A General Meeting was held on 21 April 2021 at which there was a presidential handover from Diane D'Arras to Thomas Mollenkopf, election of two Vice Presidents, and the appointment of other officeholders and a new Board of Directors for the period April 2021 to September 2022.

Policies adopted for the induction and training of Trustees

The Board of Directors has adopted a programme of trustee training which covers existing and new Board members. New Trustees attend an induction programme and a formal training session covering governance and trustees' legal responsibilities. New Trustees are provided with an induction pack that covers their general duties as well as a briefing on IWA specific matters such as Strategic and Business Plans, financial reports, governance documents, and other relevant reports. All Board members (existing and new) also attended an online training session on Duties and Responsibilities of Directors and Trustees conducted by Andrew Studd

and Rebecca Cumming from the charity team of Russell Cooke LLP on 19 May 2021.

Organisational structure and decision-making

The Board, as Trustees and Directors, are responsible for the management of the affairs of the Association. It sets the strategic direction of the Association, appoints the Executive Director (also a Trustee), and provides financial and programme oversight to the Association. The Board generally meets at least four times each year.

The continuation of the COVID-19 pandemic prevented in-person meetings of the Board in 2021. The Board continued its practice of more frequent (11 meetings during the year), but shorter (2 hours), virtual meetings to discharge its governance and strategic responsibilities. Despite the challenge of a revised approach to meetings, the Board not only made themselves available, but also made key and composed contributions to decision-making which helped enable a resilient and decisive response to the pandemic, as well as effective forward planning.

In addition, a General Meeting was called in accordance with the IWA's revised articles of association and held remotely on 21 April 2021. The 2021 AGM and Governing Assembly was also held remotely on 27 October 2021, at which the audited accounts of the Company for the year ended 2020 and the Directors Report and the Auditors Report were duly received and Thomas Mollenkopf was re-elected as President of the Association for a term of two years commencing at the 2022 World Water Congress and concluding at the conclusion of the 2024 World Water Congress .

The Board of Directors

The names of the individuals serving on the Board, at any time during the year of report and up to the date of approval of this report, are as follows:

Thomas Mollenkopf (President, Chair)

Dr Enrique Cabrera Rochera (Senior Vice President)

Dr Hamanth Kasan (Vice President)

Dr Kalanithy Vairavamoorthy (Executive Director)

Dr Asma Elkasmi

Diane d'Arras

Dr María Molinos-Senante (appointed on 24th April 2021)

Dr Marie-Pierre Whaley (Treasurer)

Dr Peter Vanrolleghem (Appointed on 24th April 2021)

Dr Rose Kaggwa (Appointed on 24th April 2021)

Teodor Popa

Virgillo Rivera

Walter Kling (Appointed on 24th April 2021)

Dr Xiaochang Wang (Appointed on 24th April 2021)

Dr Yoshihiko Matsui

Daniel Nolasco (retired on 24th April 2021)

Helle-Kathrine Andersen (retired on 24th April 2021)

Dr Joan Rose (retired on 24th April 2021)

Dr Sudhir Murthy (Senior Vice President) (retired on 24th April 2021)

The Board of Directors (continued)

The Board comprises the elected officers and other officeholders. Under the Articles of Association, all Board members (except the Executive Director) serve two-year terms. The elected officers (President and two Vice Presidents) generally serve for a single term of two years but may be re-elected to serve a second term. The other office holders will usually serve two terms on the Board, aside from the Immediate Past President, who is limited to a single term.

The 2020 Annual General Meeting would ordinarily have been the moment to transition from one Board to the next, and to hold elections for the roles of Vice President – both activities typically benefit from the opportunity for face-to-face meetings. With the 2020 Congress deferred, there was no chance for a face-to-face meeting with the Governing Members and so a 'virtual' General Meeting was held in accordance with Schedule 14 of the Corporate Insolvency and Governance Act 2020. At this meeting it was resolved by special resolution to extend the terms office for the Board until 31 May 2021. A General Meeting was held on 21 April 2021 at which there was a presidential handover from Diane d'Arras to Thomas Mollenkopf, election of two Vice Presidents and the appointment of other officeholders and new Board of Directors for the period April 2021 to September 2022.

The Board nominations process is overseen by the Governance and Nominations Committee and, to the extent possible, a practice of rolling retirements is adopted to maintain continuity on the Board.

By accepting to serve on the Association's Board, Trustees commit to conduct themselves in accordance with the highest ethical standards in carrying out their responsibilities. The Board has therefore adopted an internal Code of Conduct, which provides ethical standards and criteria. All Boardmembers are required to adhere to the Code in the performance of their responsibilities to the Board.

Governing Assembly

The Governing Assembly is comprised of the representatives of the Governing Members around the world, each of whom is entitled to appoint three representatives to the assembly.

The Governing Assembly meets at least annually and is responsible for electing the Officers of the Association and appointing other Office holders and approving constitutional changes.

As mentioned above, the 2021 AGM and Governing Assembly was held remotely by electronic means on 27 October 2021, in accordance with the articles of association, and the Governing Assembly also met for a General Meeting on 21 April 2021..

The Governing Assembly ensures that the interests of members – including Individual, Corporate and Governing Members – are represented and it provides oversight and input into the Association's overall direction. The Governing Members of IWA represent the core mechanism for national and regional interaction with members across a range of issues.

Key Committees and Strategic Council

The Association has established a number of key Committees and a Strategic Council, each of which plays a specific role in the Association's governance or activities. Further details on the Strategic Council and of the various Board Committees is provided below.

Finance and Investment Committee

Dr Marie-Pierre Whaley (Treasurer) chairs the Finance and Investment Committee. Other members of the committee are Mr Tom Mollenkopf (President), Mrs Diane d'Arras and Mr Richard Hault. Dr Kala Vairavamoorthy (Executive Director) is an ex officio member of the Committee. It reviews, on behalf of the Board, matters concerning accounting, financial reporting and internal controls, including the Risk Register. It also reviews the management accounts and the annual report and financial statements before they are submitted to the Board of Trustees and deals directly with the external auditor regarding the conduct of the audit. It also, on behalf of the Board, sets the Investment Manager's mandate and monitors performance on a quarterly basis.

The Governance and Nomination Committee

Professor Hamanth Kasan (Vice President) chairs the Governance and Nomination Committee. Other members of the committee are: Magnus Arnell, Rose Kaggwa, Teodor Popa, Yoshihiko Matsui and Walter Kling. Mr Thomas Mollenkopf (President) and Dr Kala Vairavamoorthy (Executive Director) are ex officio members. The Committee advises the Board on corporate governance matters for the Association, including its subsidiaries, committees, and other Association entities; assists the President or the Board to ensure that appropriate individuals are selected for various Association entities; and defines and revises the processes for choosing the nominees and winners of the different awards of the Association.

The Membership and Engagement Committee

Professor Enrique Cabrera (Senior Vice President) chairs the Membership and Engagement Committee. Other members of the committee are: Asma El Kasmi, Diane d'Arras, Marie-Pierre Whaley, Perry Rivera, Peter Vanrolleghem, Xiaochang Wang and S Mohan. Mr Thomas Mollenkopf (President) and Dr Kala Vairavamoorthy (Executive Director) are ex officio members. The Committee provides necessary policy oversight concerning the Association members, their expectations, and their participation, follows the effectiveness of the recruitment process, discusses new schemes of membership, discusses the communications policy towards different segments of members, and the schemes of honours and awards.

Strategic Council

The Strategic Council plays two key roles within the Association. It provides strategic input to the Association's Board of Trustees and Governing Assembly. In addition, it provides guidance and assistance to the Association in the development of new activities and in the coordination of key existing activities.

Key management personnel

The IWA Management Team, led by the Executive Director Dr Kala Vairavamoorthy, comprises several Regional and HQ based Directors: Daniela Bemfica (Strategic Programmes &

Engagement Director); Hong Li (Regional Engagement Director); Keith Hayward (Marketing & Communications Director); Keith Robertson (Operations Director); Kizito Masinde (Events and Awards Director); Satkunam Murugathas (Finance Director & Company Secretary); Tao Li (Water Intelligence Director) and Varghese Babu (IT & Digital Transformation Director).

The Trustees consider that they, together with the IWA Management Team, comprise the Association's key management personnel, in charge of directing and controlling the charity.

Except for the Executive Director, none of the Trustees are remunerated for their services to the charity. The Executive Director is remunerated (as permitted under clause 4 of the charity's memorandum of association) for his role as Executive Director. The Executive Director's remuneration is set by the non-executive members of the Board based on benchmarking of similar international roles in the charity or NGO sector and having regard to prevailing market rates.

The remuneration of the members of the IWA Management Team is determined in line with those of other personnel within the group. Pay is determined by the Executive Director based on industry benchmarking of similar international roles in the Charity or NGO sector.

IWA Publishing Limited

The Association has a wholly owned subsidiary, IWA Publishing Limited (IWAP), the principal business of which is the provision of publishing and information products and services to the international water supply and wastewater market. This includes the production and distribution of various publications of the Association. Profits are transferred to the Association by way of Gift Aid. The financial results and year end position of the subsidiary have been incorporated in the consolidated financial statements accompanying this report.

Other related companies

In China:

- Nanjing IWA Science & Technology Co. Ltd.

In India:

- IWAT Science and Technology Private Limited

IWA also owns the following companies in full, which have remained dormant since incorporation:

- IWA – Conferences Limited
- IWA Solutions International Limited
- IWA Global Enterprises Limited (previously named Aquarating Limited)

IWA also created NGOs in Kenya – called IWA Africa – and in India – called IWA Water Foundation.

Both have remained dormant since their creation.

7. FUTURE PLANNING

IWA's 2019–2024 Strategic Plan has been in operation since its adoption at the Governing Assembly at the 2018 IWA World Water Congress & Exhibition in Tokyo. This plan remains effective as the strategic foundation for the day-to-day activities of the organisation. We are actively progressing further implementation of the plan, by working with our members, strengthening our Association's membership value, providing insights into trends for the

sector and beyond, being a platform for members to exchange knowledge and accelerate the diffusion of innovation, and from collaborating to address the SDG challenges.

Importantly, the IWA Strategic Plan refers to diversity. This is backed by a strong Board-level commitment to champion diversity throughout the organisation. Actions to progress diversity include working across the Association's many structures, rotating roles to extend this diversity, and monitoring our progress. For 2022, IWA anticipates being able to escalate its plans of achieving more comprehensive progress on diversity, especially in terms of supporting and securing more equal participation by developing countries and individuals and organisations from developing countries, with the support of funding received from the Bill & Melinda Gates Foundation.

We will also continue to work to make our published material more easily accessible online and available in different languages, so as to enhance our contribution to resolving water challenges around the world. This will be done by building on the progress with Open Access achieved during 2021.

Also in 2022, IWA will roll out implementation of its new digital membership platform, on which work has been underway throughout 2021. This platform will both improve on core needs, such as membership administration, and provide the basis for enhanced and expanded functionality in terms of information sharing and of networking, all of which will support a strengthening of IWA's membership offering.

Five-year goals

The Strategic Plan is based on the following five commitments for the IWA to achieve over the coming five years:

1. **An engaged and balanced membership** – The IWA will have an engaged membership that is globally representative of the multiple segments, actors, and practice areas of the water sector.
2. **A source for leading-edge water knowledge** – The IWA will have strengthened our position as an authoritative source and a global reference point for water knowledge, addressing and informing on emerging and potentially disruptive trends within the sector and wider world.
3. **A space for professionals to exchange water knowledge** – The IWA will have provided a broad range of professional content and programming that is relevant and widely valued by the water sector worldwide.
4. **A bridge between research and practice** – The IWA will play a pivotal role in bridging the chasm between research and practice to accelerate the development and diffusion of innovation in the global water sector.
5. **A support to the implementation of SDGs** – The IWA will support and promote the Sustainable Development Goals and strengthen the sector through professional and capacity development so that people and countries can pursue their ambitions in relation to water related SDGs.

8. TRUSTEES' RESPONSIBILITIES STATEMENT

The Trustees (who are also Directors of International Water Association for the purposes of company law) are responsible for preparing the Trustees' report and the 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 financial year which give a true and fair view of the state of affairs of the charity and the group and of income and expenditure of the group for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in Accounting and Reporting by charities;
- make a Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Report Standard applicable in the UK and Republic of Ireland (FRS 102);
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departure disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping accounting records that disclose with reasonable accuracy at time the financial position of the charity and the group and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities Act 2011, and regulations made thereunder. They are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

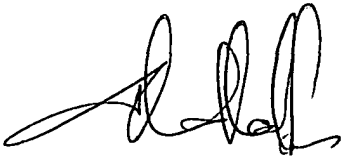
Disclosure of information to auditor

In so far as the Trustees are aware:

- there is no relevant audit information of which the group's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Approved by the Trustees and signed on their behalf by:



Mr Thomas Mollenkopf
President and Chairman

Approved on: 6 June
2022

Independent auditor's report

To the members of

International Water Association

Independent auditor's report to the members of International Water Association

Opinion

We have audited the financial statements of International Water Association (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2021 which comprise the consolidated statement of financial activities, the group and parent charitable company balance sheets, the consolidated statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 December 2021 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the group financial statements section of our report. We are independent of the group and parent 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.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt

Independent auditor's report

To the members of

International Water Association

on International Water Association's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other Information

The other information comprises the information included in the trustees' annual report, including the strategic report, other than the group financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the group 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 group financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the group financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- The information given in the trustees' annual report, including the strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements
- The trustees' annual report, including the strategic report has been prepared in accordance with applicable legal requirements

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report, including the strategic report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and Charities Act 2011 requires us to report to you if, in our opinion:

Independent auditor's report

To the members of

International Water Association

- Adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- The parent charitable company financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit; or

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, the trustees (who are also the directors of the parent 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 group's and the parent 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 group or the parent 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

We have been appointed auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

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 are set out below.

Independent auditor's report

To the members of

International Water Association

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management, which included obtaining and reviewing supporting documentation, concerning the group's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the group operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the group from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

Independent auditor's report

To the members of

International Water Association

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

Use of our report

This report is made solely to the charitable company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. 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.

Jonathan Orchard (Senior statutory auditor)

10 August 2022

for and on behalf of Sayer Vincent LLP, Statutory Auditor
Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006

International Water Association

Consolidated statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 December 2021

	Note	Unrestricted £	Restricted £	2021 Total £	Unrestricted £	Restricted £	2020 Total £
Income from:							
Charitable activities							
Membership subscriptions		733,927	-	733,927	757,672	-	757,672
Income from projects and grants		56,980	118,030	175,010	-	377,946	377,946
Income from conferences		138,069	-	138,069	18,045	-	18,045
Other trading activities							
Income from publications		4,104,502	-	4,104,502	4,436,967	-	4,436,967
Income from Nanjing operation		837,191	-	837,191	527,965	-	527,965
Other sales income		68,393	-	68,393	34,926	-	34,926
Investments		24,310	-	24,310	23,450	-	23,450
Other		-	-	-	-	-	-
Total income		5,963,372	118,030	6,081,402	5,799,025	377,946	6,176,971
Expenditure on:							
Raising funds							
Investment management costs	2	11,074	-	11,074	10,031	-	10,031
Publications costs	2	1,969,540	-	1,969,540	2,073,353	-	2,073,353
Nanjing operations costs	2	599,342	-	599,342	452,228	-	452,228
Charitable activities							
Engaged & collaborative membership	2	1,598,509	-	1,598,509	1,829,627	-	1,829,627
Source of leading-edge water knowledge	2	400,691	-	400,691	383,110	-	383,110
Platform for water knowledge exchange	2	385,995	-	385,995	345,452	-	345,452
Bridging science to practice	2	706,295	175,680	881,975	356,881	281,721	638,602
Total expenditure		5,671,446	175,680	5,847,126	5,450,682	281,721	5,732,403
Net income / (expenditure) before taxation		291,926	(57,650)	234,276	348,343	96,225	444,568
Taxation on Nanjing operation		(8,415)	-	(8,415)	(13,023)	-	(13,023)
Net income / (expenditure) after taxation, before net gains on investments		283,511	(57,650)	225,861	335,320	96,225	431,545
Net gains on investments		102,256	-	102,256	40,826	-	40,826
Net income / (expenditure) for the year	3	385,767	(57,650)	328,117	376,146	96,225	472,371
Transfers between funds		(23,344)	23,344	-	-	-	-
Net income / (expenditure) before other recognised gains and losses		362,423	(34,306)	328,117	376,146	96,225	472,371
Actuarial losses on defined benefit pension schemes		-	-	-	(40,341)	-	(40,341)
Net movement in funds		362,423	(34,306)	328,117	335,805	96,225	432,030
Reconciliation of funds:							
Total funds brought forward		2,524,804	79,269	2,604,073	2,188,999	(16,956)	2,172,043
Total funds carried forward		2,887,227	44,963	2,932,190	2,524,804	79,269	2,604,073

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 20a to the financial statements.

International Water Association

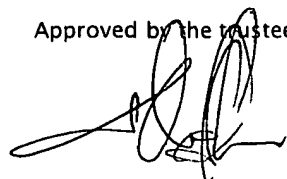
Balance sheets

Company no. 03597005

As at 31 December 2021

	Note	The group		The charity	
		2021	2020	2021	2020
		£	£	£	£
Fixed assets:					
Intangible assets	8	106,700	174,562	-	-
Tangible assets	9	443,247	560,332	396,429	488,505
Investments	10	1,337,045	1,221,552	1,487,048	1,371,555
		1,886,992	1,956,446	1,883,477	1,860,060
Current assets:					
Stock	13	52,953	44,701	-	-
Debtors	14	1,733,713	2,293,509	1,565,278	1,698,129
Cash at bank and in hand		2,940,672	1,381,923	2,076,380	728,116
		4,727,338	3,720,133	3,641,658	2,426,245
Liabilities:					
Creditors: amounts falling due within one year	15	(3,562,140)	(2,952,506)	(2,927,794)	(1,788,681)
Net current assets		1,165,198	767,627	713,864	637,564
Total assets less current liabilities		3,052,190	2,724,073	2,597,341	2,497,624
Creditors: amounts falling due after one year	17	(120,000)	(120,000)	(120,000)	(120,000)
Net assets excluding pension asset / (liability)		2,932,190	2,604,073	2,477,341	2,377,624
Defined benefit pension scheme asset	18	-	-	-	-
Total net assets		2,932,190	2,604,073	2,477,341	2,377,624
Funds:					
Restricted income funds	20a	44,963	79,269	44,963	79,269
Unrestricted income funds:					
Designated funds		1,004,796	898,537	549,947	368,505
Revaluation reserve		327,004	225,419	327,004	283,645
General funds		1,555,427	1,400,848	1,555,427	1,646,205
Non-charitable subsidiary funds		-	-	-	-
Pension reserve		-	-	-	-
Total unrestricted funds		2,887,227	2,524,804	2,432,378	2,298,355
Total funds		2,932,190	2,604,073	2,477,341	2,377,624

Approved by the trustees on 6 June 2022 and signed on their behalf by



Thomas Mollenkopf
President and Chairman

International Water Association

Consolidated statement of cash flows

For the year ended 31 December 2021

	Note	2021	2020
		£	£
Cash flows from operating activities			
Net income for the reporting period (as per the statement of financial activities)		328,117	472,371
Depreciation charges		130,624	124,474
Amortisation charges		67,862	67,862
Gains on investments		(102,256)	(40,826)
Dividends, interest and rent from investments		(24,310)	(23,450)
Finance and administrative costs in respect of defined benefit pension scheme		-	(90,000)
Foreign exchange loss		264	41,699
(Increase)/decrease in stocks		(8,252)	7,245
(Increase)/decrease in debtors		559,796	(801,387)
Increase in creditors		609,634	355,778
Net cash provided by operating activities		1,561,479	113,766
Cash flows from investing activities:			
Investment income		24,310	23,450
Purchase of tangible and intangible fixed assets		(13,539)	(519,562)
Proceeds from sale of investments		233,110	439,008
Purchase of investments		(239,580)	(456,789)
Change in cash held by investment manager		(7,031)	-
Net cash provided used in investing activities		(2,730)	(513,893)
Change in cash and cash equivalents in the year		1,558,749	(400,127)
Cash and cash equivalents at the beginning of the year		1,381,923	1,792,506
Change in cash and cash equivalents due to exchange rate movements		-	7,958
Cash and cash equivalents at the end of the year		2,940,672	1,400,337

1 Accounting policies

a) Company status

The Association is a charitable company limited by guarantee and is incorporated in England.

The registered office address is Export Building, First Floor, 1 Clove Crescent, London, E14 2BA.

b) Basis of preparation and consolidation

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 (FRS 102) – (Charities SORP FRS 102), The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

These financial statements consolidate the results of the Association and its wholly-owned subsidiaries IWA Publishing Limited and Nanjing IWA Science & Technology Co. Ltd. Transactions and balances between the charity and its subsidiaries have been eliminated from the consolidated financial statements. Balances between the entities are disclosed in the notes of the charity's balance sheet. A separate statement of financial activities, or income and expenditure account, for the Association itself is not presented because the charity has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006.

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

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

c) Public benefit entity

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

d) Assessment of going concern

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements. In forming their assessment, the Trustees have also given consideration to financial forecasts and business plans, including group entities. They have also given due consideration to the impact of the COVID-19 pandemic on the group's operations, with a focus on its effect on the Association's membership, customers, suppliers, employees and investments. The Trustees acknowledge the disruption caused by the pandemic to the group's day-to-day operations and confirm that they do not consider this to be cause for material uncertainty in respect of the group's ability to continue as a going concern. The group has successfully employed contingency plans, and trustees have considered that the charity has sufficient cash resources to continue for the foreseeable future, despite the current crisis.

The group balance sheet as at 31 December 2021 reports net current assets of £XXXX (2020: net current assets of £767,627). The Trustees also highlight that the investments carried within fixed assets of £XXXX (2020: £1,221,552) are available to the Association in order to meet working capital needs if required, and only invested in order to provide a better return on surplus funds which are not immediately needed.

The Trustees have therefore concluded that the group has adequate resources to continue in operational existence for the foreseeable future and to meet liabilities as they fall due for a period of at least 12 months following the Trustees' approval of these financial statements. Further commentary on the Trustees' assessment of going concern may be found within the Trustees' report accompanying the financial statements.

1 Accounting policies (continued)

e) Critical accounting estimates and areas of judgement

Preparation of the financial statements requires the trustees and management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include:

- The estimate of the group's liability in respect of a defined benefit pension scheme previously offered to IWA staff, the valuation of which has been estimated by an independent actuary taking account of various assumptions including the long term rates of return on scheme assets, the long-term anticipated rate of inflation, the life expectancy of scheme participants, and the discount rate applied;
- The estimates of the useful economic lives of tangible and intangible fixed assets used to determine the annual depreciation charge;
- The estimated future cost of reinstating short term leasehold property to its original condition in line with the terms of the lease agreement
- The assumptions adopted by the trustees and management in determining the value of any designations required from the charity's general unrestricted funds;
- The basis on which support costs have been allocated across expenditure headings; and
- Judgements and assumptions made in forecasting future income and expenditure for the purposes of assessing whether the going concern basis of preparing the financial statements is appropriate.

f) Income

All income is recognised once the Association or group has entitlement to the income, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount of income receivable can be measured reliably.

Donated services or facilities are recognised when the Association or group has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the item is probable and the economic benefit can be measured reliably.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the gift to the Association or group which is the amount the Association or group would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the bank.

g) Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Association and which have not been designated for other purposes.

Designated funds comprise of unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

The investments revaluation reserve is an unrestricted fund and reflects the balance included within fixed asset investments which has arisen as a consequence of the cumulative impact of market value changes to the Association's investment assets.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Association for particular purposes. The costs of raising and administering such funds are charged against the specific fund. the aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

h) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, It is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis.

All expenses including support costs and governance costs are allocated to the applicable expenditure headings.

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

The estimated costs of reinstating short term leasehold property is also capitalised at the point of the modification works being undertaken.

1 Accounting policies (continued)

i) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Where such information about the aims, objectives and projects of the charity is also provided to potential donors, activity costs are apportioned between fundraising and charitable activities on the basis of area of literature occupied by each activity.

● Engaged & collaborative membership	58%
● Source of leading-edge water knowledge	12%
● Platform for water knowledge exchange	10%
● Bridging science to practice	19%
● Support costs	0%
● Governance costs	1%

Support and governance costs are re-allocated to each of the activities on the following basis which is an estimate, based on staff time, of the amount attributable to each activity.

● Engaged & collaborative membership	25%
● Source of leading-edge water knowledge	25%
● Platform for water knowledge exchange	25%
● Bridging science to practice	25%

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

j) Tangible fixed assets

Assets are capitalised where the purchase price exceeds £500.

Tangible fixed assets are stated at cost less depreciation. The estimated cost of reinstating short term leasehold properties is also capitalised at the point of the modification works being undertaken.

Depreciation is provided at rates calculated to write off the cost of the fixed assets, less their estimated residual value over their expected useful lives on the following basis:

● Leasehold improvements	10 years straight line
● Fixtures and fittings	5-6 years straight line
● Office equipment	6 years straight line
● Computer equipment	3 years straight line

k) Intangible fixed assets

Assets are capitalised where the purchase price exceeds £500.

Intangible fixed assets are stated at cost less amortisation. Amortisation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

● Computer equipment	5 years straight line
----------------------	-----------------------

l) Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Any change in fair value will be recognised in the statement of financial activities. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading "Net gains/(losses) on investments" in the statement of financial activities. The charity does not acquire put options, derivatives or other complex financial instruments.

Investments in subsidiary companies which are unlisted are carried on the Association's balance sheet at cost less impairment.

1 Accounting policies (continued)

m) Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads. Net realisable value is the price at which stocks can be sold in the normal course of business after allowing for the costs of realisation.

n) Taxation

The Association is an exempt charity within the meaning of schedule 3 of the Charities Act 2021 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. The group's liability for current tax in this regard is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period within the relevant jurisdiction. The group incurred tax charges in Nanjing, China.

o) Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount repaid net of any trade discounts due.

p) Cash at bank and in hand

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

q) Creditors and provisions

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

r) Financial instruments

The Association only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

s) Foreign currencies

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date. Exchange gains and losses are recognised in the Statement of Financial Activities.

t) Pensions

Group employees are able to participate in defined contribution schemes administered in the UK, Netherlands and China. The assets of the schemes are held separately from those of the group. In addition, IWA Publishing Ltd makes contributions into the personal pension plans for some of its employees. The costs of providing pensions are charged to the SOFA as incurred, i.e. in line with the contribution payable by the group in the period.

The Association also previously offered employees access to a defined benefit pension scheme administered in the UK. The defined benefit pension scheme is now closed to future new entrants and there are no remaining active members in the scheme. For the defined benefits scheme, the Statement of Financial Activities (SOFA) is charged with the cost of providing pension benefits earned by former employees in the period. The expected return on pension scheme assets less the interest on the pension scheme liabilities is included as part of this charge. Actuarial gains and losses arising in the period for the difference between actual and expected returns in the pension scheme assets, experience gains and losses on pension scheme liabilities and the effect of changes in demographics and financial assumptions, are included as after recognised gains and losses in the Statement of Financial Activities. The accumulated pension scheme deficit is recognised in full and included in the balance sheet. However, in the event that the scheme is in net surplus position, the asset is not recognised in the balance sheet as it is not expected that the surplus will be realisable by the Association until after buying out pension benefits to the pensioners.

u) Conferences

The World Water Congress is held bi-annually. Expenditure incurred in preparing for the Congress is also carried forward and recognised in the year of the Congress itself, except for the cost of staff time which is recognised in the financial year in which the services were rendered by the employees.

International Water Association

Notes to the financial statements

For the year ended 31 December 2021

1 Accounting policies (continued)

v) Specialist group funds

Specialist groups run independently from the Association and their income, expenditure, assets and liabilities are not included in the Association's financial statements.

Where specialist groups use the Association's services, these are charged to the group and shown as income for the Association. In many cases, this relates to a share of income from events organised by the specialist group in agreement with the Association. This income is accounted for once confirmation is received of the amount due and it is reasonably certain that it will be received.

The Association holds funds on behalf of the specialist groups. The balances due to the groups are included in creditors.

International Water Association

Notes to the financial statements

For the year ended 31 December 2021

2a Analysis of expenditure (current year)

	Raising funds			Charitable activities				Governance costs £	Support costs £	2021 Total £	2020 £	Total £
	Investment Management £	Publications £	Nanjing Operation £	Engaged & collaborative membership £	Source of leading-edge water knowledge £	Platform for water knowledge exchange £	Bridging science to practice £					
Staff costs (Note 4)	-	836,557	443,665	1,030,422	194,193	160,145	316,931	20,000	59,999	3,061,912	3,230,501	
Other costs	-	807,643	109,415	158,030	115,531	149,366	421,869	3,466	-	1,765,320	1,568,720	
Investment management costs	11,074	-	-	-	-	-	-	-	-	11,074	10,031	
Support costs within subsidiaries	-	64,600	-	-	-	-	-	-	229,365	293,965	450,266	
Rents, rates and services	-	91,279	15,165	-	-	-	-	-	187,195	293,639	183,173	
Legal and professional fees	-	14,563	5,188	-	-	-	-	-	29,865	49,616	65,864	
IT costs	-	39,182	1,232	-	-	-	-	-	51,187	91,601	63,438	
Insurance	-	12,975	1,237	-	-	-	-	-	21,991	36,203	30,721	
Depreciation and impairment	-	93,741	20,158	-	-	-	-	-	105,615	219,514	80,021	
Audit	-	9,000	3,282	-	-	-	-	-	12,000	24,282	18,750	
AGM and Trustee meetings	-	-	-	-	-	-	-	-	-	-	30,918	
	11,074	1,969,540	599,342	1,188,452	309,724	309,511	738,800	23,466	697,217	5,847,126	5,732,403	
Support costs	-	-	-	401,690	82,601	68,118	134,808	10,000	(697,217)	-	-	
Governance costs	-	-	-	8,367	8,366	8,366	8,367	(33,466)	-	-	-	
									1969540	(1,969,540)	5,847,126	
Total expenditure 2021	11,074	1,969,540	599,342	1,598,509	400,691	385,995	881,975	-	-	5,847,126		
Total expenditure 2020	10,031	2,073,353	452,228	1,829,627	383,110	345,452	638,602	-	-		5,732,403	

International Water Association

Notes to the financial statements

For the year ended 31 December 2021

2b Analysis of expenditure (prior year)

	Raising funds			Charitable activities					Support costs £	2020 Total £
	Investment Management £	Publications £	Nanjing Operation £	Engaged & collaborative membership £	Source of leading-edge water knowledge £	Platform for water knowledge exchange £	Bridging science to practice £	Governance costs £		
Staff costs (Note 4)	-	843,277	361,459	1,237,067	220,997	252,791	314,910	-	-	3,230,501
Other costs	-	846,308	24,271	254,185	97,034	18,220	230,958	1,650	96,093	1,568,720
Investment management costs	10,031	-	-	-	-	-	-	-	-	10,031
Support costs within subsidiaries	-	383,768	66,498	-	-	-	-	-	-	450,266
Rents, rates and services	-	-	-	-	-	-	-	-	183,173	183,173
Legal and professional fees	-	-	-	-	-	-	-	-	65,864	65,864
IT costs	-	-	-	-	-	-	-	-	63,438	63,438
Insurance	-	-	-	-	-	-	-	-	30,721	30,721
Depreciation and impairment	-	-	-	-	-	-	-	-	80,021	80,021
Audit	-	-	-	-	-	-	-	18,750	-	18,750
AGM and Trustee meetings	-	-	-	-	-	-	-	30,918	-	30,918
	10,031	2,073,353	452,228	1,491,252	318,031	271,011	545,868	51,318	519,310	5,732,403
Support costs	-	-	-	307,944	59,226	67,746	84,394	-	(519,310)	-
Governance costs	-	-	-	30,431	5,853	6,695	8,340	(51,318)	-	-
Total expenditure 2020	10,031	2,073,353	452,228	1,829,627	383,110	345,452	638,602	-	196,954 (1,969,540)	5,732,403

International Water Association

Notes to the financial statements

For the year ended 31 December 2021

3 Net income / (expenditure) after taxation, before net gains on investments

This is stated after charging / (crediting):

	2021 £	2020 £
Depreciation of tangible fixed assets	130,624	124,474
Amortisation of intangible fixed assets	67,862	67,862
Loss or profit on disposal of fixed assets		
Auditor's remuneration:		
Statutory audit	16,900	16,300
Other services	1,500	1,500
Foreign exchange gains or losses	-	-
	<u> </u>	<u> </u>

4 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff and consultants costs were as follows:

	2021 £	2020 £
Salaries and wages	2,323,346	2,517,597
Redundancy and termination costs		
Social security costs	276,401	308,957
Other pension costs	315,149	248,781
Consultants charges	147,016	155,166
	<u>3,061,912</u>	<u>3,230,501</u>

The following number of employees received employee benefits (excluding employer pension costs and employer's national insurance) during the year between:

	2021 No.	2020 No.
£60,001 - £70,000	2	3
£70,001 - £80,000	4	1
£80,001 - £90,000	1	2
£90,001 - £100,000	1	-
£100,001 - £110,000	1	-
£110,001 - £120,000	-	1
£130,001 - £140,000	-	1
£140,001 - £150,000	2	1
£250,001 - £260,000	1	1
	<u> </u>	<u> </u>

The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel were £979,197 (2020: £854,787).

The total contributions to the defined contribution pension schemes during the year was £131,599 (2020: £145,528). At the year end £0 (2020: £nil) was outstanding.

No fees or remuneration are paid to any members or officers of the Association with the exception of the Executive Director who received £258,700 during the year (2020: £255,561). Clause 4 of the Memorandum of the Association provides specific power to make such payment to the Executive Director. The Association incurred a total of £682 (2020: £30,918) in respect of international travel, subsistence and venue costs for 1 (2020: 14) Board members.

During the year the Association maintained an Indemnity Insurance cover for its officers for up to £10 (2020: £10 million) at a cost of £5,500 per annum (2020: £5,000).

5 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was 52 (2020:

The average number of employees during the year was as follows (including casual and part-time staff):

	2021 No.	2020 No.
Charitable activities	34	34
Publishing activities	14	13
Management and administration	4	4
	<u>52</u>	<u>51</u>

6 Related party transactions

During the year Trustees received reimbursement of expenses as set out in note 4.

The following transactions took place during the year with the Trustees Enrique Cabrera and Peter Vanrolleghem. Book royalties of £25 (2020: £20) was payable to Enrique Cabrera and book royalties of £25 (2020: £19) was payable to Peter Vanrolleghem. The total amount of £50 (2020: £39) was outstanding as at 31 December 2021.

The payment of royalties are made at a standard rate with no preferential treatment due to their involvement with the Association.

Trustees are required to be members of the Association, for which they pay the Association a membership fee. Furthermore, they may from time to time purchase goods or services from the Association (e.g. books, journals, conference attendances). The payment of fees or purchase of good or services are on normal commercial terms with no preferential treatment by virtue of being a trustee.

Other than the above, there were no related party transactions to report in the period of report (2020: none).

7 Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes. The charity's trading subsidiary IWA Publishing Limited distributes under Gift Aid available profits to the parent charity. Its charge to corporation tax in the year was:

	2021 £	2020 £
UK corporation tax at 19%	<u>-</u>	<u>-</u>

International Water Association

Notes to the financial statements

For the year ended 31 December 2021

8 Intangible fixed assets

The group	Online platform £	Total £
Cost		
At the start of the year	339,311	339,311
Additions in year	-	-
Disposals in year	-	-
At the end of the year	<u>339,311</u>	<u>339,311</u>
Amortisation		
At the start of the year	164,749	164,749
Charge for the year	67,862	67,862
Eliminated on disposal	-	-
At the end of the year	<u>232,611</u>	<u>232,611</u>
Net book value		
At the end of the year	<u>106,700</u>	<u>106,700</u>
At the start of the year	<u>174,562</u>	<u>174,562</u>

All of the above assets are used for charitable purposes.

9 Tangible fixed assets

The group	Leasehold improvement £	Fixtures and fittings £	Office equipment £	Computers £	Total £
Cost					
At the start of the year	120,000	521,000	28,558	109,730	779,288
Additions in year	-	-	-	13,539	13,539
Disposals in year	-	-	(16,716)	(9,945)	(26,661)
At the end of the year	120,000	521,000	11,842	113,324	766,166
Depreciation					
At the start of the year	12,000	110,824	4,761	91,371	218,956
Charge for the year	12,000	86,833	15,903	15,888	130,624
Eliminated on disposal	-	-	(16,716)	(9,945)	(26,661)
At the end of the year	24,000	197,657	3,948	97,314	322,919
Net book value					
At the end of the year	96,000	323,343	7,894	16,010	443,247
At the start of the year	108,000	410,176	23,797	18,359	560,332
The charity					
Cost					
At the start of the year	120,000	420,619	28,558	74,668	643,845
Additions in year	-	-	-	13,538	13,538
Disposals in year	-	-	(16,717)	-	(16,717)
At the end of the year	120,000	420,619	11,841	88,206	640,666
Depreciation					
At the start of the year	12,000	70,104	4,761	68,475	155,340
Charge for the year	12,000	70,103	15,903	7,608	105,614
Eliminated on disposal	-	-	(16,717)	-	(16,717)
At the end of the year	24,000	140,207	3,947	76,083	244,237
Net book value					
At the end of the year	96,000	280,412	7,894	12,123	396,429
At the start of the year	108,000	350,515	23,797	6,193	488,505

All of the above assets are used for charitable purposes.

International Water Association

Notes to the financial statements

For the year ended 31 December 2021

10 Investments

	The group		The charity	
	2021	2020	2021	2020
	£	£	£	£
Fair value at the start of the year	1,221,552	1,144,531	1,371,555	1,294,534
Additions at cost	239,580	456,789	239,580	456,789
Disposal proceeds	(233,110)	(439,008)	(233,110)	(439,008)
Net gain / (loss) on change in fair value	83,580	40,826	83,580	40,826
	<u>1,311,602</u>	<u>1,203,138</u>	<u>1,461,605</u>	<u>1,353,141</u>
Cash held by investment broker pending reinvestment	25,443	18,414	25,443	18,414
Fair value at the end of the year	<u>1,337,045</u>	<u>1,221,552</u>	<u>1,487,048</u>	<u>1,371,555</u>

Investments comprise:

	The group		The charity	
	2021	2020	2021	2020
	£	£	£	£
Shares listed on the London Stock Exchange	686,851	597,787	686,851	597,787
Overseas listed investments	600,194	573,765	600,194	573,765
Unlisted income bonds in the UK	50,000	50,000	50,000	50,000
Investment in subsidiaries	-	-	150,003	150,003
	<u>1,337,045</u>	<u>1,221,552</u>	<u>1,487,048</u>	<u>1,371,555</u>

International Water Association

Notes to the financial statements

For the year ended 31 December 2021

11 **Subsidiary undertakings**

The Association holds a controlling interest in IWA Publishing Limited, IWA Conferences Limited, IWA Development Solutions Limited, IWA Global Enterprises Limited, Nanjing IWA Science & Technology Co. Ltd (China), IWAT Science and Technology Private Limited (India) and IWA Water Foundation (India), whose details are given below.

IWA Publishing Limited

The charity owns the whole of the issued ordinary share capital of IWA Publishing Limited, a company registered in England. The company number is 03690822. The registered office address is Export Building, First Floor, 1 Clove Crescent, London, E14 2BA.

The subsidiary is used for non-primary purpose trading activities, these being the publishing of books, periodicals and video recordings. All activities have been consolidated on a line by line basis in the statement of financial activities. Available profits are distributed under Gift Aid to the parent charity.

The trustees Kalanithy Vairavamoorthy, Enrique Cabrera Rochera, Marie-Pierre Whaley and Peter Vanrolleghem are also directors of the subsidiary.

A summary of the results of the subsidiary is shown below:

	2021 £	2020 £
Turnover	4,104,474	4,436,555
Cost of sales	(725,822)	(846,308)
Cost of sales related to purchases from parent undertaking	-	-
Gross profit	3,378,652	3,590,247
Administrative expenses	(1,243,718)	(1,227,045)
Profit on ordinary activities before interest and taxation	2,134,934	2,363,202
Interest receivable and similar income	28	412
Profit on ordinary activities before taxation	2,134,962	2,363,614
Taxation on profit on ordinary activities	-	-
Profit for the financial year	2,134,962	2,363,614
Retained earnings		
Total retained earnings brought forward	-	-
Profit for the financial year	2,134,962	2,363,614
Distribution under Gift Aid to parent charity	(2,134,962)	(2,363,614)
Total retained earnings carried forward	-	-
The aggregate of the assets, liabilities and reserves was:		
Assets	1,654,346	2,036,841
Liabilities	(1,504,346)	(1,886,841)
Reserves	150,000	150,000

Amounts owed to the parent undertaking were: £830,153 (2020: £837,132).

International Water Association

Notes to the financial statements

For the year ended 31 December 2021

11 Subsidiary undertakings (continued)

Nanjing IWA Science & Technology Co. Ltd

The charity owns the whole of the issued ordinary share capital of Nanjing IWA Science & Technology Co. Ltd, a company registered in China. The company's activities in the year were that of promoting the art and science of water management globally, by the encouragement of training, study and research in water management and the publications of the useful results of such research; to share advances technologies and best practices with water professionals and organisations.

The subsidiary is used for non-primary purpose trading activities. All activities have been consolidated on a line by line basis in the statement of financial activities. Available profits are held in the company for future operations.

A summary of the results of the subsidiary is shown below:

	2021 £	2020 £
Turnover	836,156	527,629
Turnover from sales to parent undertaking	-	-
Cost of sales	(391,582)	(259,854)
Cost of sales related to purchases from parent undertaking	-	-
Gross profit/(loss)	444,574	267,774
Administrative expenses	(207,764)	(192,374)
Management charge payable to parent undertaking	-	-
Management charge due from parent undertaking	-	-
Other operating income	-	-
Profit/(loss) on ordinary activities before interest and taxation	236,810	75,401
Interest receivable and similar income	1,035	336
Interest payable	-	-
Interest payable to parent undertaking	-	-
Profit on ordinary activities before taxation	237,845	75,737
Taxation on profit on ordinary activities	(8,415)	(13,023)
Profit for the financial year	229,431	62,714
Retained earnings		
Total retained earnings brought forward	225,419	162,705
Profit for the financial year	229,431	62,714
Total retained earnings carried forward	454,850	225,419
The aggregate of the assets, liabilities and reserves was:		
Assets	508,492	317,395
Liabilities	(53,642)	(91,976)
Reserves	454,850	225,419

Amounts owed to/from the parent undertaking were: £0 (2020: £162,705)

International Water Association

Notes to the financial statements

For the year ended 31 December 2021

12 Parent charity

The parent charity's gross income and the results for the year are disclosed as follows:

	2021 £	2020 £
Gross income	1,139,709	1,212,039
Result for the year	<u>(2,240,791)</u>	<u>(2,035,609)</u>

13 Stock

	The group		The charity	
	2021 £	2020 £	2021 £	2020 £
Goods held for resale	52,953	44,701	-	-
	<u>52,953</u>	<u>44,701</u>	<u>-</u>	<u>-</u>

14 Debtors

	The group		The charity	
	2021 £	2020 £	2021 £	2020 £
Trade debtors	1,189,365	1,463,851	169,557	137,573
Other debtors	202,615	242,779	192,846	223,839
Prepayments and accrued income	340,635	586,879	278,138	498,488
Amounts due from subsidiary undertakings	1,098	-	924,737	838,229
	<u>1,733,713</u>	<u>2,293,509</u>	<u>1,565,278</u>	<u>1,698,129</u>

15 Creditors: amounts falling due within one year

	The group		The charity	
	2021 £	2020 £	2021 £	2020 £
Trade creditors	459,939	333,267	288,581	214,838
Other creditors	595,117	385,687	465,834	225,807
Social security costs	65,597	111,203	48,536	81,734
Specialist Group funds	160,467	140,765	160,467	140,765
Accruals and deferred income (note 16)	2,281,021	1,981,584	1,964,377	1,125,537
	<u>3,562,140</u>	<u>2,952,506</u>	<u>2,927,794</u>	<u>1,788,681</u>

16 Deferred income

Deferred income comprises income collected in advance for future journal, membership subscriptions and events.

	The group		The charity	
	2021 £	2020 £	2021 £	2020 £
Balance at the beginning of the year	1,981,584	-	1,125,537	-
Amount released to income in the year	(1,981,584)	-	(1,125,537)	-
Amount deferred in the year	2,281,021	-	1,964,377	-
Balance at the end of the year	<u>2,281,021</u>	<u>-</u>	<u>1,964,377</u>	<u>-</u>

International Water Association

Notes to the financial statements

For the year ended 31 December 2021

17 Creditors: amounts falling due after one year

	The group		The charity	
	2021	2020	2021	2020
	£	£	£	£
Provision for dilapidation	120,000	120,000	120,000	120,000
	<u>120,000</u>	<u>120,000</u>	<u>120,000</u>	<u>120,000</u>

Provision for dilapidations represents the estimated cost of reinstatement works, repairs and redecoration, as well as specific works that will need to be made in line with the office lease. (Export Building, First Floor, 1 Clove Crescent, London E14 2BA.

18 Pension scheme

Group and company

The group operates a Defined Benefit Pension Scheme.

The amounts recognised in the Balance Sheet are as follows:

	2021	2020
	£	£
Present value of funded obligations	(2,950,000)	(3,084,000)
Fair value of scheme assets	3,190,000	3,317,000
Surplus not recognised	<u>(240,000)</u>	<u>(233,000)</u>
Surplus in scheme at end of the year and available to the Association	<u>-</u>	<u>-</u>

The latest actuarial valuation at 31 December 2021 shows a pension surplus of £240,000 (2020:£233,000). The surplus valuation results in 2021 is not recognised on the balance sheet as an asset because it is not available to the Association by way of reduced future contributions. Actuarial gains and losses arising from new valuations and from updating valuations to the balance sheet date are recognised in the statement of financial activities as other recognised gains and losses.

The amounts recognised in the Statement of Financial Activities are as follows:

	2021	2020
	£	£
Interest on obligation	(42,000)	(61,000)
Expected return on scheme assets	45,000	63,000
	<u>3,000</u>	<u>2,000</u>

Movements in the present value of the defined benefit obligation were as follows:

	2021	2020
	£	£
Opening defined benefit obligation	3,084,000	3,127,000
Interest cost	42,000	61,000
Actuarial losses	15,000	84,000
Benefits paid	(288,000)	(278,000)
Administration cost	97,000	90,000
Closing defined benefit obligation	<u>2,950,000</u>	<u>3,084,000</u>

18 Pension scheme (continued)

Group and company

Changes in the fair value of scheme assets were as follows:

	2021 £	2020 £
Opening fair value of scheme assets	3,317,000	3,246,000
Expected return on assets	45,000	63,000
Actuarial gains	(27,000)	157,000
Contribution by employer	143,000	128,000
Benefits paid	(288,000)	(278,000)
	<u>3,190,000</u>	<u>3,316,000</u>

The group expects to contribute £147,300 to its Defined Benefit Pension Scheme in 2022 (2021: £128,000).

Principal actuarial assumptions at the Balance Sheet date (expressed as weighted averages):

	2021 £	2020 £
Discount rate at 31 December	1.90%	1.40%
Future pension increases	3.30%	2.95%
Retail price inflation	3.40%	3.00%
	<u>8.60%</u>	<u>7.35%</u>

Longevity assumptions as at 31 December 2021

Males (M) or Females (F)	2021	2020
Base table	Club Vita base tables reflecting profile of individual Scheme members, in line with the 2019 formal actuarial valuation.	Club Vita base tables reflecting profile of individual Scheme members, in line with the 2019 formal actuarial valuation.
Future improvements	CMI 2018 model with a long term rate of improvement of 1.5% p.a. for males and 1.0% p.a. for females, calibrated to Club Vita experience with a smoothing parameter of $S_k = 7.5$.	CMI 2018 model with along term rate of improvement of 1.5% p.a. for males and 1.0% p.a. for females, calibrated to Club Vita experience with a smoothing parameter of $S_k = 7.5$.

International Water Association

Notes to the financial statements

For the year ended 31 December 2021

19a Analysis of group net assets between funds (current year)

	General unrestricted £	Designated funds £	Revaluation reserve £	Restricted funds £	Total funds £
Intangible fixed assets	-	106,700	-	-	106,700
Tangible fixed assets	-	443,247	-	-	443,247
Investments	1,010,041	-	327,004	-	1,337,045
Net current assets	665,386	454,849	-	44,963	1,165,198
Long term liabilities	(120,000)	-	-	-	(120,000)
Net assets at 31 December 2021	1,555,427	1,004,796	327,004	44,963	2,932,190

19b Analysis of group net assets between funds (prior year)

	General unrestricted £	Designated funds £	Revaluation reserve £	Restricted funds £	Total funds £
Intangible fixed assets	-	174,562	-	-	174,562
Tangible fixed assets	-	560,332	-	-	560,332
Investments	937,910	-	283,642	-	1,221,552
Net current assets	462,939	225,419	-	79,269	767,627
Long term liabilities	-	(120,000)	-	-	(120,000)
Net assets at 31 December 2020	1,400,849	840,313	283,642	79,269	2,604,073

International Water Association

Notes to the financial statements

For the year ended 31 December 2021

20a Movements in funds (current year)

	At 1 January 2021 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 December 2021 £
Restricted funds:					
Improving water security for the poor	(15,459)	15,429	-	30	-
Citywide inclusive sanitation	66,800	-	(67,210)	410	-
GIZ Carbon Neutrality in Water	14,531	-	(22,146)	-	(7,615)
Aquarating - Mongolia	(35,936)	-	-	35,936	-
Aquarating - Zambia	14,009	-	-	(14,009)	-
Climate Resilient WSP's	(30,140)	47,510	(17,370)	-	-
Operation and Maintenance Network	5,951	33,217	(28,035)	-	11,133
Diffuse Pollution SG Fund	21,164	-	-	-	21,164
Prime Water	32,843	-	(33,320)	477	-
Water-Wise Cities Project	-	21,874	(7,099)	-	14,775
Reach Project	-	-	(500)	500	-
LAC HRWS	5,506	-	-	-	5,506
Regulators NBS	-	-	-	-	-
Total restricted funds	79,269	118,030	(175,680)	23,344	44,963
Unrestricted funds:					
Designated funds:					
Tangible and intangible assets	614,894	-	(64,947)	-	549,947
Nanjing Fund	225,419	837,191	(607,761)	-	454,849
Total designated funds	840,313	837,191	(672,708)	-	1,004,796
Revaluation reserve	283,642	102,256	-	(58,894)	327,004
General funds	1,400,849	5,126,181	(5,007,153)	35,550	1,555,427
Total unrestricted funds	2,524,804	6,065,628	(5,679,861)	(23,344)	2,887,227
Pension reserve	-	-	-	-	-
Total funds	2,604,073	6,183,658	(5,855,541)	-	2,932,190

The narrative to explain the purpose of each fund is given at the foot of the note below.

20b Movements in funds (prior year)

	At 1 January 2020 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 December 2020 £
Restricted funds:					
Improving water security for the poor	8,088	-	(23,547)	-	(15,459)
Citywide inclusive sanitation	-	75,724	(8,924)	-	66,800
GIZ Carbon Neutrality in Water	-	40,950	(26,419)	-	14,531
Aquarating - Mongolia	(2,030)	-	(33,906)	-	(35,936)
Aquarating - Zambia	1,367	44,719	(32,077)	-	14,009
Climate Resilient WSPs	(64,224)	114,758	(80,674)	-	(30,140)
Operation and Maintenance Network	2,124	37,575	(33,748)	-	5,951
Diffuse Pollution SG Fund	21,164	-	-	-	21,164
Prime Water	(1,843)	58,549	(23,863)	-	32,843
PBC Partnership	5,605	4,141	(9,746)	-	-
FAO Project	-	1,530	(1,530)	-	-
LAC HRWS	12,826	-	(7,320)	-	5,506
Regulators NBS	(33)	-	33	-	-
Total restricted funds	(16,956)	377,946	(281,721)	-	79,269
Unrestricted funds:					
Designated funds:					
Tangible and intangible assets	287,666	-	(192,334)	519,562	614,894
Nanjing Fund	162,705	527,965	(465,251)	-	225,419
Total designated funds	450,371	527,965	(657,585)	519,562	840,313
Revaluation reserve	337,447	40,826	-	(94,631)	283,642
General funds	1,401,181	5,271,060	(4,806,120)	(465,272)	1,400,849
Total unrestricted funds	2,188,999	5,839,851	(5,463,705)	(40,341)	2,524,804
Pension reserve	-	-	(40,341)	40,341	-
Total funds	2,172,043	6,217,797	(5,785,767)	-	2,604,073

Purposes of restricted funds**Improving water security for the poor**

The REACH programme is led by Oxford University and brings together a consortium of global leaders in water science, policy and practice. REACH is a new global research programme to improve water security for the poor by delivering world-class science that transforms policy and practice.

Citywide inclusive sanitation

The IWA is working with our partners, through this project IWA aims at identifying the needs, opportunities, and tools for action to support and inspire regulators in their contribution to achieving citywide inclusive sanitation in the context of the Sustainable Development Goals.

GIZ Carbon Neutrality in Water

The IWA is working on a project with GIZ, funded by the German Federal Ministry of Environment, Nature Conservation, to improve the carbon balance across utilities. The project focuses on parts of the nexus as addressing greenhouse gas reduction and energy efficiency produces benefits for water efficiency and recovers resources. The fund currently having a deficit balance, pending payment receivable from the donor.

Movements in funds (continued)

Purposes of restricted funds

Aquarating

The funds received from Millennium Corporation, USA toward the execution of a technical cooperation programme for the implementation of a rating system Aqua Rating for the water and sanitation providers. The Aquarating Mongolia and Aquarating Sierra Leone fund currently having a deficit balance, pending payment receivable from the donor.

Water-Wise Cities Project

Funded by SIAAP towards help city leaders ensure that everyone in their cities has access to safe water and sanitation. One of the aims is to ensure that water is integrated in planning and design in cities to provide increased resilience to climate change, livability, efficiencies, and a sense of place for urban communities. The ultimate goal of these Principles is to encourage collaborative action, underpinned by a shared vision, so that local governments, urban professionals, and individuals actively engage in addressing and finding solutions for managing all waters of the city.

Operation and Maintenance Network

Funds received from Ministry of Health, Labour and Welfare ("MHLW") Japan to support, raise awareness and develop capacities to effectively address operations and maintenance of water supply and sanitation systems and protect public health.

GEF Floods & Droughts

Funds received from UN Enviro Programme to develop adaptive, sociotechnical risk management measures and strategies for coastal communities against extreme hydro-meteorological events minimising social, economic and environmental impacts and increasing the resilience of Coastal Regions in Europe.

Prime Water

Funded through EU Horizon 2020 – the Framework Programme for Research and Innovation for delivering advanced predictive tools from medium to seasonal range for water dependent industries and exploiting the cross-cutting potential of EO and hydro-ecological modelling (in short PrimeWater).

Diffuse Pollution Specialist Group

Conference surplus funds received from the Diffuse Pollution Specialist Group towards the cost of future activities.

WSP – Asia-Pacific Network

Funds received from UNOPS towards hosting the WSP Network Asia, the thematic network for capacity development for water safety plans and to strengthen the Asia Pacific WSP network to support the development of climate resilient, adaptable systems for water supply.

Climate Resilient WSP's

funding provided by OPEC Fund for International Development (OFID) for implementing climate resilient water safety planning to improve water supply and public health.

Movements in funds (continued)

Purposes of restricted funds

Regulators – Nature Based Solutions (NBS)

Funds received from The Nature Conservancy (TNC) towards Supporting regulators and regulation to enable consideration and investment in nature based solution to improve water security and safety.

Purposes of designated funds

Tangible and Intangible asset fund

This fund balance represents the carrying value of the Association's tangible and intangible fixed assets net of any associated liabilities. This fund has been established in recognition of the fact that the assets are used in the day to day work of the charity and do not represent reserves available to finance its operations.

Investment revaluation reserve

This fund balance represents the balance included within fixed asset investments which has arisen as a consequence of the cumulative impact of market value changes to the Association's investment assets. It has been separated in order to provide an indication of the difference between the value of listed investments at the balance sheet date relative to its historic cost. A calculation is provided at note 19 to the financial statements.

Pension reserve

This fund represents the Association's long-term liability in respect of its defined benefit pension scheme. It is separated in order to acknowledge that the liability is long-term and may be disregarded in considering the availability of free reserves in meeting the day-to-day obligations of the Association and the group.

Nanging Fund

This fund represents the net asset under the control of the Association's subsidiary, Nanjing IWA Science & Technology Co. Ltd in China. Those net assets are essential to the operations in China and therefore separately ring-fenced in these accounts.

21 Operating lease commitments payable as a lessee

The group's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods:

	Property		Equipment	
	2021 £	2020 £	2021 £	2020 £
Less than one year	226,485	75,495	2,900	-
One to five years	1,132,425	1,132,425	10,150	-
Over five years	301,980	528,465	-	-
	1,660,890	1,736,385	13,050	-

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods:

	Property		Equipment	
	2021 £	2020 £	2021 £	2020 £
Less than one year	226,485	75,495	2,900	-
One to five years	1,132,425	1,132,425	10,150	-
Over five years	301,980	528,465	-	-
	1,660,890	1,736,385	13,050	-

22 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

INTERNATIONAL WATER ASSOCIATION

England & Wales - Charity number 1076690

Accounts

Company No. 03597005 (England & Wales)
Charity No. 1076690 (England & Wales)

INTERNATIONAL WATER ASSOCIATION LIMITED
(A company limited by gurantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

INTERNATIONAL WATER ASSOCIATION

Contents

	page
Reference and administrative details of the charity, its trustees and advisers	2
Trustees' report	3-17
Independent auditor's report	18-20
Consolidated statement of financial activities	21
Consolidated balance sheet	22
Association balance sheet	22
Consolidated statement cash flows	23
Notes to the financial statements	24-45

INTERNATIONAL WATER ASSOCIATION

Reference and administrative details of the Association, its trustees and advisers

For the year ended 31 December 2020

Trustees

Thomas Mollenkopf (President, Chair)
Dr Kalanithy Vairavamoorthy (Executive Director)
Dr Enrique Cabrera Rochera (Senior Vice President)
Dr Hamanth Kasan (Vice President)
Dr Marie-Pierre Whaley (Treasurer)
Dr Asma Elkasmi
Daniel Nolasco (retired on 24th April 2021)
Diane D'Arras
Helle-Kathrine Andersen (retired on 24th April 2021)
Dr Joan Rose (retired on 24th April 2021)
Dr María Molinos-Senante (appointed on 24th April 2021)
Dr Peter VanRollegheem (Appointed on 24th April 2021)
Dr Rose Kaggwa (Appointed on 24th April 2021)
Dr Sudhir Murthy (Senior Vice President) (retired on 24th April 2021)
Teodor Popa
Virgillo Rivera
Walter Kling (Appointed on 24th April 2021)
Dr Xiaochang Wang (Appointed on 24th April 2021)
Dr Yoshihiko Matsui

Company registered number

03597005 (England & Wales)

Charity registered number

1076690 (England & Wales)

Registered Office

Export Building, First Floor, 1 Clove Crescent, London E14 2BA

Company Secretary

Mr Satkunam Murugathas

Executive Director

Dr Kalanithy Vairavamoorthy

Independent auditor

Buzzacott LLP, 130 Wood Street, London, EC2V 6DL

Principal Bankers

HSBC Bank Plc, London SW1H 0NJ

Solicitors

Bircham Dyson Bell, 50 Broadway, London SW1H 0BL

INTERNATIONAL WATER ASSOCIATION

Trustees' Report

For the year ended 31 December 2020

The IWA Trustees (who are also Directors of the charity for the purposes of the Companies Act) present their annual report together with the audited consolidated financial statements of International Water Association (the 'Association' or 'IWA') for the year ended 31 December 2020.

The Trustees confirm that the annual report and financial statements of the Association and the group comply with:

- a) the current statutory requirements;
- b) the requirements of the Association, and the Association's governing document; and
- c) the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

1. OBJECTIVES AND GENERAL ACTIVITIES

Objectives of the Association

These are to:

- (a) promote the art and science of water management for the public benefit, particularly, but not exclusively, by the encouragement of education, training, study, and research in water management and the publication of the useful results of such research;
- (b) advance the education of members of the public in the science and practice of water management;
- (c) promote and enable the development and direct water provision of water management schemes worldwide for the public benefit, where "water management" means the establishing, maintaining, and securing of safe and sustainable water supplies, storm water systems, and wastewater treatment and disposal systems.

Strategies for achieving objectives

The Association fulfils its objectives by:

- (a) holding a World Water Congress every two years in different continents of the world;
- (b) holding worldwide regional and specialised conferences, seminars, webinars, and workshops, providing a continual source of knowledge and information;
- (c) publishing a range of books, journals, and reports; and
- (d) promoting multi-level collaboration amongst its members and others through, for example, specialist groups, task forces, forums, regional associations, projects, and programmes.

INTERNATIONAL WATER ASSOCIATION

Trustees' Report

For the year ended 31 December 2020

Activities for achieving objectives

The IWA continues to develop as the global reference point for water professionals working on all aspects of the water cycle. The IWA helps water professionals deliver innovative, pragmatic, and sustainable solutions to challenging global needs for safe water and sanitation, within urban areas and river basins.

The IWA is a unique global knowledge hub for water professionals and anyone concerned about the future of water. As such, the IWA continues to inspire change towards our common vision of a water-wise world.

Through the Association, members collaborate to lead the development of effective and sustainable approaches to water management, with emphasis on the science and management of drinking water, wastewater, storm water, and the conservation of water resources throughout the world.

In 2020, the Association responded to the pandemic by establishing a Covid-19 Taskforce to provide the international water sector with state-of-the-art science (as it becomes available) on the attributions of this virus and any measures needed to protect both workers and public health. In this regard the Association and its members worked in cooperation with similar international efforts.

More generally, the Association continues to maintain close working relationships with all of the major international water agencies and associations, and partners with these bodies on joint projects, publications and representation of positions in international forums.

The Association has a strong and developing outreach programme concerned with the transfer of knowledge and skill in water management from professionals across all countries. The outreach programme maintains a strong focus on environmental health, hygiene, and sanitation issues in lower income countries.

Main charitable activities for the public benefit

The Trustees confirm that they have complied with the duty in Section 17 of the Charities Act 2011 and have taken due regard of the Charity Commission's general guidance on public benefit.

This is achieved by the generation and dissemination of knowledge and best practice on all facets of the water cycle. This occurs formally at conferences, facilitated exchanges through the specialist groups, task forces, and other member networks (such as the Young Water Professionals, and Women in Water) and through the journals, books and other publications produced by the Association.

The Association also engages in international education and outreach programmes to build public awareness and involvement in protecting water resources around the world by engaging citizens to conduct basic monitoring of their local water bodies.

Covid-19 activity and the public benefit

In response to the widening public concern around the Covid-19 pandemic, the Association developed a resources page on its website and delivered a series of Covid-19 related webinars and online dialogues. The resource page involved collating state-of-the-art information from around the world and sharing and linking this information with other similar international efforts.

In early 2020, the Association also established the IWA Covid-19 Task Force from its membership. The Task Force connects with IWA's Specialist Group networks, bringing together representatives from the most relevant ones. The Task Force met online at least every fortnight from mid-April to mid-September and monthly thereafter during 2020.

The Task Force authored a paper, 'Role of wastewater treatment in Covid-19 control', which was published in the *Water Quality Research Journal*. This presented a review of the research on Covid-19

Covid-19 activity and the public benefit (Continued)

and other viruses in relation to wastewater process control and risk mitigation, and covered available techniques for wastewater process engineers to reduce health risks in this area.

To support utilities facing challenges from the pandemic, and to help the process of incorporating lessons learned, the Task Force prepared and disseminated core guidelines of a pandemic management plan.

The Task Force also held a series of webinars on Covid-19, which were free to attend, and attracted registrants from across the world.

The Task Force also interacted with organisations such as the World Health Organization, the US EPA (Environmental Protection Agency), the Water Research Foundation, and the Global Water Research Coalition.

2. GROUP STRATEGIC OVERVIEW

General assessment

Despite the challenges relating to Covid-19, 2020 was a relatively strong year for IWA from a purely financial perspective. This financial position came about despite the postponement of the World Water Congress & Exhibition, which is traditionally a major source of income, due to the global pandemic.

The Association continued to advance its core mission, visible through our diverse activities and a strong membership base that was broadly steady numerically. IWA's strong foundations have arisen due to our financial prudence, along with the commitment of our people – i.e. the Board, staff, members, and partners. They enabled much of IWA's 2020 programme to continue, despite the unprecedented global situation.

Covid-19 has brought challenges, particularly given our traditional high number of events. However, mitigation measures were swiftly taken to move our traditional in-person events to being hosted online. Adapting to the new normal of online meetings, workshops, and conferences, we developed a programme that drew in quality speakers and exceptional participation.

So, despite the challenges, IWA remained able to press ahead with the objectives of the 2019-2024 strategic plan. This included producing a substantive range of high-quality outputs, such as publications, reports, and blogs, as well as providing knowledge sharing and networking opportunities for members.

We have also seen a positive response from members, who have been ever eager to commit their time to the Association. With 2020 having marked the 20th anniversary under the IWA identity, this level of engagement demonstrates the compelling draw of our vision to creating a water-wise world. Furthermore, the essential role of our sector has been further underlined by the Covid-19 pandemic.

The resilience shown by IWA in such challenging circumstances has provided reassurances that the organisation is sustainable, adaptable, and has strong roots within the global water community.

INTERNATIONAL WATER ASSOCIATION

Trustees' Report

For the year ended 31 December 2020

Key financial performance indicators

The consolidated financial statements, as presented, comply with the legal requirements of both the Charity Commission and the Companies Act.

Income from charitable activities was £1,153,663 (2019: £1,669,068). Being a non-congress year with fewer events held, our charitable income in 2020 was lower than in 2019. Other income, including income from trading activities, investments, and other sources, was £5,023,308 (2019: £5,015,905) giving total income for the year of £6,176,971 (2019: £6,684,973).

After making provision for tax payable in relation to the operation in Nanjing, China of £13,023 (2019: £4,104), gains on investments of £40,826 (2019 loss: £129,571) and an actuarial loss on the pension scheme of £40,341 (2019: gain of £123,000), the net increase in group funds was £432,030 (2019 increase of: £710,593) providing closing group funds as of 31 December 2020 of £2,604,073 (2019: £2,172,043).

We have sustained our commitment to deliver on the IWA 2019-2024 Strategic Plan. Under the plan, we will achieve for our members a stronger culture of service and a unique value proposition through:

- Professional development programmes;
- Leadership development, inside and outside the Association;
- Agenda-setting programmatic work to generate pride in our membership; and
- Global networking opportunities for members to connect with people and ideas.

We are poised to make greater progress with the plan, having completed the relocation of our London headquarters to modern facilities. This move allowed us to manage the uncertainties around Brexit by transferring the functions of our operations in the Netherlands to the new office, co-locating them with our publishing arm to provide opportunities for greater synergy.

3. ACHIEVEMENTS AND PERFORMANCE

Programmes

IWA has made further important progress with numerous initiatives that aim to shape the global water agenda. These are broadly focused on cities and on water and wastewater utilities.

Within the Cities of the Future Programme, the Principles for Water Wise Cities project has received endorsement from more than 35 cities, utilities, and regulators. The Principles are complemented by the Action Agenda for Basin-Connected Cities, which is being promoted through partners such as the Alliance for Water Stewardship.

To complement the Cities of the Future Programme, IWA established the Climate Smart Utilities initiative in 2020, to support water and wastewater utilities in improving their climate resiliency, while contributing to a significant and sustainable reduction in carbon emissions.

IWA also recently launched a new initiative on Regulating for Citywide Inclusive Sanitation (CWIS). This initiative aims at identifying the needs, opportunities, and tools for action to support and inspire regulators in their contribution to achieving citywide inclusive sanitation in the context of the Sustainable Development Goals. As part of this initiative, IWA launched a Task Force to examine existing experiences, opportunities, and challenges, as well as an Advisory Board to ensure that the initiative's efforts synergise with the activity of our partners.

The Digital Water Programme is designed to help water utilities transition to the next generation of smart water systems and fulfil the need for improved resiliency to managing water resources sustainably.

INTERNATIONAL WATER ASSOCIATION

Trustees' Report

For the year ended 31 December 2020

Programmes (continued)

Activities under the Digital Water Programme in 2020 included the release of white papers on topics including 'improving public health through smart sanitation', as well as webinars, podcasts and blogs.

IWA is also a partner in the EU Horizon 2020 project PrimeWater, which runs until 2022. This is a Horizon 2020 funded research project, which generates information on the effects of upstream changes on future water quality and quantity.

In July 2020, a task force was established to steer the development of guidelines for water service delivery plans for small water utilities in Africa. This guide is being developed as part of REACH, a global research programme to improve water security for those in poverty, of which IWA is a partner.

There was further progress with the AquaRating approach that can drive innovation in water utilities. In the past 12 months, IWA has been working with utilities in Zambia and Mongolia.

Events

As noted, the Covid-19 pandemic prompted significant adjustments to IWA's 2020 events programme. Wherever possible, events were either switched to virtual formats or postponed. The IWA World Water Congress & Exhibition has been moved to 11 – 15 September 2022, while the IWA Digital Water Summit and the IWA Leading Edge Technologies Conference were also postponed.

As well as webinars, panel events, and online forums, two significant virtual specialist group conferences were also held – the Nutrient Resource Recovery conference, and the Water Loss conference.

The Source magazine

The Source is IWA's quarterly magazine, delivered both in print and online. It is available to all IWA members as a benefit of membership.

The magazine's content reflects IWA's goal of inspiring a world in which water is wisely managed, offering features, viewpoints, and updates to help readers keep up to speed with the issues that shape the sector, and leading responses to these topics.

Recent topics covered in detail in 2020 include: options for creating climate smart utilities, the water sector's response to Covid-19, and opportunities for financing future needs.

IWA Publishing (IWAP)

Over the past year, IWAP journals accepted more than 1,900 articles – the highest total ever – and received more than 2.5 million downloads.

A collection of virus-related water articles was developed, as well as a Spanish language Covid-19 operator's manual. Many journals, including Journal of Water & Health and Journal of Water, and Sanitation and Hygiene for Development, published special papers addressing key aspects of the pandemic.

Hydrology Research celebrated its 50th anniversary by becoming completely Open Access. All articles in the journal are now free to read by everyone around the world. As a result, downloads of articles increased by 195% during 2020, while article acceptances grew by a healthy 27%.

INTERNATIONAL WATER ASSOCIATION

Trustees' Report

For the year ended 31 December 2020

IWA Publishing (IWAP)

A new agreement was signed with EiFL (Electronic Information for Librarians) which further extended accessibility to Open Access publication around the world. This enabled authors in countries including Armenia, Azerbaijan, Belarus, Kosovo, Kyrgyzstan, Laos, Myanmar, Nepal, and North Macedonia to publish OA in our journals without paying fees, as well as 50 other countries due to the partnership with Research4Life. In 2020, 82 articles were freely published Open Access by authors in low and middle income countries. Overall, almost a quarter of all articles published in IWA Publishing journals in 2020 were Open Access. In addition, 15 books were made Open Access.

Young Water Professionals (YWP)

Over the past 12 months, IWA continued to develop its value proposition for IWA YWP members, offering open activities as well as member-only engagement and services. With the onset of the Covid-19 pandemic, activities focused on YWPs have featured prominently in IWA's expanded online engagement.

Member-only online engagement for YWPs covered a wide range of professional development and thematic topics, including women in the water sector, the role of volunteering in career development, and the SDGs.

Representing IWA's Young Water Professionals are the Emerging Water Leader's (EWL) Steering Committee. Elections for the 2020-2022 EWL Steering Committee took place in October 2020 and they formally took office in November 2020.

IWA Awards

IWA has a range of awards categories, including the Global Water Award, Women in Water Award, Project Innovation Award, the Professional Development Award, the Water & Development Award, the Young Leadership Award, and the IWA/ISME BioCluster Award.

The IWA/ISME BioCluster awarded the Grand Prize Award 2020 and the Rising Star Award 2020 to two outstanding individuals, in recognition of their achievements in interdisciplinary research at the interface of microbial ecology and water / wastewater treatment.

In addition, the latest winner of the IWA Young Leadership Award was selected. The award is presented every two years to an exceptional water professional, who has demonstrated significant achievements in their career. Renowned scientist and engineer Dr. Siddhartha Roy was chosen as the award winner.

4. FINANCIAL REVIEW

Commentary on the group's financial results for the year are provided under the section on 'key financial performance indicators' on page 6 above.

Investment policy and performance

Preservation of capital is the primary objective in guiding the risk profile of the Association's investment policy. After satisfying the primary objective, the secondary objective is to maximize the return on the investment in accordance with the ethical investment policy. The investment position has been considered from both a Euro and Sterling currency perspective.

The group's investments totalled £1,221,552 as of 31 December 2020 (2019: £1,167,866). The valuation shows a realised investment loss of £4,193 (2018: gain of £1,444) and unrealised investment gain of £45,019 (2019: £128,127). The Trustees are satisfied with the performance in 2020 and will continue to regularly monitor future performance, particularly given the risk of increased market volatility in the midst on a global pandemic.

INTERNATIONAL WATER ASSOCIATION

Trustees' Report

For the year ended 31 December 2020

Assessment of going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Association has adequate resources to continue in operational existence for the foreseeable future. In making this assessment, the Trustees have taken account of the reserves position as of 31 December 2020 (see below) and the financial forecasts and projections for a period not less than one year from the date of approval of this report and financial statements.

During the period from 31 December 2020 to the date that the financial statements were approved, the Covid-19 outbreak has continued to cause extensive disruptions to businesses as well as economic activities globally, with the UK being no exception.

Following the advice issued by the UK Government regarding employees working from home and other social distancing measures, procedures were implemented to facilitate this as far as possible, with a detailed plan effectively enabling normal operations whilst employees are not physically present in the charity's offices.

However, it has not been possible to maintain the events programme during this period due to country-specific restrictions and global travel constraints. The Trustees recognise that the Covid-19 experience may have longer term impacts in relation to the willingness of people to attend international conferences and in response have been actively investigating other potential models to deliver successful events.

In addition, we are also anticipating a possible reduction in publishing income due to tightening budgets at universities, resulting in reduced institutional subscriptions from libraries. The Trustees are monitoring this situation carefully and at the same time developing and analysing potential mitigation and adaptation responses.

Our current reserves levels are strong, and this coupled with good financial management and discipline, means that our medium-term outlook is secure. We do not currently anticipate that the overall financial position of the group will be adversely affected, or its financial solvency threatened.

The Trustees believe there are no material uncertainties in respect to the group's financial position which may severely curtail its work and/or threaten its ability to operate as a going concern. The Trustees therefore continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies accompanying the financial statements.

Reserves policy

IWA's reserves policy seeks to balance spending the maximum amount of its income to meet its charitable objectives, while maintaining an adequate level of reserves to ensure uninterrupted operation and provide time to adjust to changes in financial circumstances. Based on the prudent assessment of the financial impact of risk events on reserves, the trustees have estimated a target level of free reserves of £1.2M +/- £100k.

Business plans are set with the aim of maintaining reserves within the target range. The reserves may move outside of the target range because of factors such as operational issues, short-term investment requirements, and economic changes. If this were the case, management would adjust business activities over the medium term with the aim of restoring reserves to within the target range.

The group free reserves as of 31 December 2020 are at the level of £1,684,491 (compared with 2019: £1,738,628). This is above the intended target level and so should enable the Association to better handle the financial impacts of Covid-19, in particular the postponement of the World Water Congress..

INTERNATIONAL WATER ASSOCIATION

Trustees' Report

For the year ended 31 December 2020

Principal funding

Principal funding sources for the charity are membership, conferences (albeit temporarily curtailed due to the pandemic), Gift Aid Income from its wholly owned subsidiary IWA Publishing Limited, and grant and contract income from various organisations. The group does not work with any commercial or professional fundraisers and does not solicit donations from the general public

5. RISK MANAGEMENT

The Trustees have assessed the major risks to which the group is exposed, in particular, those related to the operations and finances of the Association. They are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

The Board recognises the importance of identifying and managing the risks of the Association and its subsidiaries. A risk management framework, which includes a risk and control register, identifying and prioritising the Association's key risks, is maintained. The register includes a programme of control measures and actions to manage material risks. The risk register is reviewed and updated quarterly by the management. A risk report is presented to the Finance and Investment Committee at the following meeting to discuss the basis for any movements in the risk register, any "emerging risks", and to confirm the summary which will be presented at the next board meeting. Once per year the Board is informed on the status of the risk register and the related mitigation measures.

Key internal risks for the Association include:

- a) Lower gift aid for the Association due to lower profit generated by our publishing activities. Mitigation: Regular monitoring and evaluation of IWA Publishing's financial performance by the Board; adaptive management systems that allows the Association to respond efficiently to potential changes in future.
- b) Breaches in the security of the IT systems including hacking, unauthorised access, fraud, permanent damage to electronic data, and manipulation of key data. Mitigation: Manage hardware and software to protect data (through back-up and regular updates), educate employees through cyber security training (from National Cyber Security Centre), move to Microsoft 365 and cloud based solutions (all in Azure data centres amongst the safest in world), and CRM systems hosted only in most secure data centres.
- c) Loss of key personnel. Mitigation: Continue to ensure we provide an effective and modern work environment for employees, including career development opportunities.

Key external risks to the Association include:

- a) Severe disruption to our activities and finances as a result of the Covid-19 pandemic. Mitigation: the position continues to be monitored regularly by both the Finance & Investment Committee and the Board of Trustees who are developing contingency plans – see within "future planning" below and "assessment of going concern" above for additional commentary.
- b) Cancellation of the World Water Congress & Exhibition based on circumstances, rather than force majeure - meaning no insurance coverage, the incurring of substantial costs, and receiving no income. Mitigation: follow best practice in signing venue contracts; ensure favourable cancellation terms; and insist on broader force majeure clauses, which include causes beyond the control of the parties which result in it being inadvisable, illegal, impossible, or commercially impractical to hold the event.
- c) Reduced income from congresses and events due to lower attendance due to concerns around overseas travel. Mitigation: develop alternative formats for congresses and events; strengthen internal processes to increase exhibitions, sales, and sponsorships.

INTERNATIONAL WATER ASSOCIATION

Trustees' Report

For the year ended 31 December 2020

Key external risks to the Association (continued)

- d) Declining income from membership fees due to emergence of alternative networking opportunities. Mitigation: to improve the Membership renewal system, enhance the online IWA member portal, and ensure a dynamic programme of member activities.
- e) Declining "Subscribe to Open" access revenue beyond 2021, due to lack of motivation among libraries to financially support "S2O" (Subscribe to Open), as their individual open access privileges are not dependent on this. Mitigation: continued advocacy towards the importance of open access and the need for collective action among libraries for its sustainability (enlightened self-interest), strong focus on increasing impacts factors of journals, and improving turnaround from when manuscripts are received to when they're accepted/published.

Financial risk management objectives and policies

The management team reviews, on behalf of the Board, matters concerning accounting, financial reporting, and internal controls, including the risk register. It also reviews the management accounts and the annual report and financial statements before they are submitted to the Board of Trustees and deals directly with the external auditor regarding the conduct of the audit.

6. STRUCTURE, GOVERNANCE, AND MANAGEMENT

Constitution

The Association is constituted under a Memorandum of Association dated 13 July 1998 and is a registered charity (number 1076690).

A revision to the articles of association of the IWA, introducing provisions to authorise virtual general meetings, was adopted at the annual general meeting on 23 September 2020.

Liability of the members is limited by guarantee and the Association does not have share capital. Members of the Association guarantee to contribute an amount not exceeding £1 in the event of a deficiency of assets on winding up. The total number of such guarantees at 31 December 2020 was 14 (2019 - 14).

Method of appointment or election of Trustees

The management of the Association is the responsibility of the Trustees who are elected and appointed under the terms of the Articles of Association. As noted earlier, the Trustees also constitute the Board of Directors for the purposes of the Companies Act.

A special resolution was approved at the annual general meeting on 23 September 2020, advocating that the terms of office of Directors presently serving on the Board of Directors, and those of the President and Vice President, be extended until 31 May 2021.

Policies adopted for the induction and training of Trustees

The Board of Directors has adopted a programme of trustee training which covers existing and new Board members. New Trustees attend an induction programme and a formal training session covering governance and trustees' legal responsibilities. New Trustees are provided with an induction pack that covers their general duties as well as a briefing on IWA specific matters such as Strategic and Business Plans, financial reports, governance documents, and other relevant reports.

INTERNATIONAL WATER ASSOCIATION

Trustees' Report

For the year ended 31 December 2020

Organisational structure and decision-making

The Board, as Trustees and Directors, are responsible for the management of the affairs of the Association. It sets the strategic direction of the Association, appoints the Executive Director (also a Trustee), provides financial, and programme oversight to the Association. The Board generally meets at least four times each year.

After March 2020, the Covid-19 pandemic prevented in-person meetings of the Board. The Board adopted a practice of more frequent (monthly), but shorter meetings (2 hours), to discharge its governance and strategic responsibilities. Despite the challenge of a revised approach to meetings, the Board not only made themselves available, but also made key and composed contributions to decision-making which helped enable a resilient and decisive response to the pandemic, as well as effective forward planning.

In addition, the 2020 AGM and Governing Assembly was called in accordance with the IWA's articles of association, but for health and safety reasons all attendance was held remotely by electronic means, in accordance with Schedule 14 of the Corporate Insolvency and Governance Act 2020, which provides flexibility for the holding of virtual AGMs during the Covid-19 pandemic.

The Board of Directors

The names of the individuals serving on the Board, at any time during the year of report and up to the date of approval of this report, are as follows:

Thomas Mollenkopf (President, Chair)

Dr Asma Elkasmi

Daniel Nolasco (retired on 24th April 2021)

Diane D'Arras

Dr Enrique Cabrera Rochera (Senior Vice President)

Dr Hamanth Kasan (Vice President)

Helle-Kathrine Andersen (retired on 24th April 2021)

Dr Joan Rose (retired on 24th April 2021)

Dr Kalanithy Vairavamoorthy (Executive Director)

Dr María Molinos-Senante (appointed on 24th April 2021)

Dr Marie-Pierre Whaley (Treasurer)

Dr Peter VanRollegem (Appointed on 24th April 2021)

Dr Rose Kaggwa (Appointed on 24th April 2021)

Dr Sudhir Murthy (Senior Vice President) (retired on 24th April 2021)

Teodor Popa

Virgillo Rivera

Walter Kling (Appointed on 24th April 2021)

Dr Xiaochang Wang (Appointed on 24th April 2021)

Dr Yoshihiko Matsui

INTERNATIONAL WATER ASSOCIATION

Trustees' Report

For the year ended 31 December 2020

The Board of Directors (continued)

The Board comprises the elected officers and other officeholders. Under the Articles of Association, all board members (except the Executive Director) serve two-year terms. The elected officers (President and two Vice Presidents) generally serve for a single term of two years, but may be re-elected to serve a second term. The other office holders will usually serve two terms on the Board, aside from the Immediate Past President who is limited to a single term.

The 2020 Annual General Meeting would ordinarily be the moment to transition from one Board to the next, and to hold elections for the roles of Vice President - both activities typically benefit from the opportunity for face-to-face meetings. With the 2020 Congress deferred, there was no chance for a face-to-face meeting with the Governing Members and so a 'virtual' General Meeting was held in accordance with Schedule 14 of the Corporate Insolvency and Governance Act 2020. At this meeting it was resolved by special resolution, to extend the terms office for the Board until 31 May 2021.

The Board nominations process is overseen by the Governance and Nominations Committee and, to the extent possible, a practice of rolling retirements is adopted to maintain continuity on the Board.

By accepting to serve on the Association's Board, Trustees commit to conduct themselves in accordance with the highest ethical standards in carrying out their responsibilities. The Board has therefore adopted an internal Code of Conduct, which provides ethical standards and criteria. All Board members are required to adhere to the Code in the performance of their responsibilities to the Board.

Governing Assembly

The Governing Assembly is comprised of the representatives of the Governing Members around the world, each of whom is entitled to appoint three representatives to the assembly.

The Governing Assembly meets at least annually and is responsible for electing the Officers of the Association and appointing other Office holders and approving constitutional changes. As mentioned above, the 2020 AGM and Governing Assembly was held remotely by electronic means, in accordance with Schedule 14 of the Corporate Insolvency and Governance Act 2020.

It ensures that the interests of members – including Individual, Corporate and Governing Members – are represented and provides oversight and input into the Association's overall direction. The Governing Members of IWA represent the core mechanism for national and regional interaction with members across a range of issues.

Key Committees and Strategic Council

The Association has established a number of key Committees and a Strategic Council, each of which plays a specific role in the Association's governance or activities. Further details on the Strategic Council and of the various Board Committees is provided below.

Finance and Investment Committee

Dr Marie-Pierre Whaley (Treasurer) chairs the Finance and Investment Committee. Other members of the committee are Mr Tom Mollenkopf and Mr Richard Hault. Mrs Diane D'Arras (President) and Dr Kala Vairavamoorthy (Executive Director) are ex officio members. It reviews, on behalf of the Board, matters concerning accounting, financial reporting and internal controls, including the Risk Register. It also reviews the management accounts and the annual report and financial statements before they are submitted to the Board of Trustees and deals directly with the external auditor regarding the conduct of the audit. It also, on behalf of the Board, sets the Investment Manager's mandate and monitors performance on a quarterly basis.

INTERNATIONAL WATER ASSOCIATION

Trustees' Report

For the year ended 31 December 2020

The Governance and Nomination Committee

Mr Tom Mollenkopf chairs the Governance and Nomination Committee. Other members of the committee are Professor Hamanth Kasan, Dr Joan Rose, Professor Yoshihiko Matsui, Mr Magnus Arnell, and Mr Doru Popa. Mrs Diane D'Arras (President) and Dr Kala Vairavamoorthy (Executive Director) are ex officio members. The Committee advises the Board on corporate governance matters for the Association, including its subsidiaries, committees, and other Association entities; assists the President or the Board to ensure that appropriate individuals are selected for various Association entities; and defines and revises the processes for choosing the nominees and winners of the different awards of the Association.

The Membership and Engagement Committee

Mr Sudhir Murthy (Senior Vice President) chaired the Membership and Engagement Committee. Other members of the committee are Mr Daniel Nolasco, Dr Marie-Pierre Whaley, Professor Enrique Cabrera, Mr Perry Rivera, Dr Asma El Kasmi, Professor Dr. Xiaochang Wang and Mrs Helle Katrine Andersen. Mrs Diane D'Arras (President) and Dr Kala Vairavamoorthy (Executive Director) are ex officio members. The Committee provides necessary policy oversight concerning the Association members, their expectations, and their participation, follows the effectiveness of the recruitment process, discusses new schemes of membership, discusses the communications policy towards different segments of members, and the schemes of honours and awards.

Strategic Council

The Strategic Council plays two key roles within the Association. It provides strategic input to the Association's Board of Trustees and Governing Assembly. In addition, it provides guidance and assistance to the Association in the development of new activities and in the coordination of key existing activities.

Key management personnel

The IWA Management Team, led by the Executive Director Dr Kala Vairavamoorthy, comprises several Regional and HQ based Directors: Mr Varghese Babu (Director of IT & Digital Transformation), Dr Hong Li (Director, Asia and Oceania), Dr Tao Li (Director, Water Intelligence), Mr Kizito Masinde (Director of Events), Mr Mike Morgan-Giles (Director of Marketing and Communications), Mr Satkunam Murugathas (Finance Director), and Mr Keith Robertson (Chief Operating Officer).

The Trustees consider that they, together with the IWA Management Team, comprise the Association's key management personnel, in charge of directing and controlling the charity.

Except for the Executive Director, none of the Trustees are remunerated for their services to the charity. The Executive Director is remunerated (as permitted under clause 4 of the charity's memorandum of association) for his role as Executive Director. The Executive Director's remuneration is set by the non-executive members of the Board based on benchmarking of similar international roles in the charity or NGO sector and having regard to prevailing market rates.

The remuneration of the members of the IWA Management Team is determined in line with those of other personnel within the group. Pay is determined by the Executive Director based on industry benchmarking of similar international roles in the Charity or NGO sector.

Further information on IWA's governance can be found at: <https://iwa-network.org/about-us/>

INTERNATIONAL WATER ASSOCIATION

Trustees' Report

For the year ended 31 December 2020

IWA Publishing Limited

The Association has a wholly owned subsidiary, IWA Publishing Limited (IWAP), the principal business of which is the provision of publishing and information products and services to the international water supply and wastewater market. This includes the production and distribution of various publications of the Association. Profits are transferred to the Association by way of Gift Aid. The financial results and year end position of the subsidiary have been incorporated in the consolidated financial statements accompanying this report.

Other related companies

In China:

- Nanjing IWA Science & Technology Co. Ltd.

In India:

- IWAT Science and Technology Private Limited (dormant)
- IWAI Water Foundation (dormant)

IWA also owns the following companies in full, which have remained dormant since incorporation:

- IWA – Conferences Limited
- IWA Solutions International Limited
- IWA Global Enterprises Limited (previously named Aquarating Limited)

IWA also created an NGO in Kenya, called IWA Africa, and it has remained dormant since its creation.

7. FUTURE PLANNING

IWA's 2019-2024 Strategic Plan has been in operation since its adoption at the Governing Assembly at the 2018 IWA World Water Congress & Exhibition in Tokyo. We are actively progressing implementation of the plan further, by working with our members, strengthening our Association's membership value, providing insights into trends for the sector and beyond, being a platform for members to exchange knowledge and accelerate the diffusion of innovation, and from collaborating to address the SDG challenges.

Importantly, the IWA Strategic Plan refers to diversity. Behind this is a strong board-level commitment to champion diversity throughout the organisation. We will work across the Association's many structures, rotating roles to extend this diversity, and monitoring our progress.

We will also work to make our published material more easily accessible online and available in different languages, so as to enhance our contribution to resolving water challenges around the world.

INTERNATIONAL WATER ASSOCIATION

Trustees' Report

For the year ended 31 December 2020

Five-year goals

The Strategic Plan is based on the following five commitments for the IWA to achieve over the coming five years:

- 1. An engaged and balanced membership** - The IWA will have an engaged membership that is globally representative of the multiple segments, actors, and practice areas of the water sector.
- 2. A source for leading-edge water knowledge** - The IWA will have strengthened our position as an authoritative source and a global reference point for water knowledge, addressing and informing on emerging and potentially disruptive trends within the sector and wider world.
- 3. A space for professionals to exchange water knowledge** - The IWA will have provided a broad range of professional content and programming that is relevant and widely valued by the water sector worldwide.
- 4. A bridge between research and practice** - The IWA will play a pivotal role in bridging the chasm between research and practice to accelerate the development and diffusion of innovation in the global water sector.
- 5. A support to the implementation of SDGs** - The IWA will support and promote the Sustainable Development Goals and strengthen the sector through professional and capacity development so that people and countries can pursue their ambitions in relation to water related SDGs.

8. TRUSTEES' REPOSIBILITIES STATEMENT

The Trustees (who are also Directors of International Water Association for the purposes of company law) are responsible for preparing the Trustees' report and the 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 financial year which give a true and fair view of the state of affairs of the charity and the group and of income and expenditure of the group for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in Accounting and Reporting by charities;
- make a Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Report Standard applicable in the UK and Republic of Ireland (FRS 102);
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departure disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping accounting records that disclose with reasonable accuracy at any time the financial position of the charity and the group and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities Act 2011, and regulations made thereunder. They are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

INTERNATIONAL WATER ASSOCIATION

Trustees' Report

For the year ended 31 December 2020

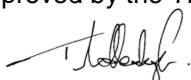
Disclosure of information to auditor

In so far as the Trustees are aware:

- there is no relevant audit information of which the group's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Approved by the Trustees and signed on their behalf by:



Mr Thomas Mollenkopf

President and Chairman

Approved on: 30/06/21

INTERNATIONAL WATER ASSOCIATION

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INTERNATIONAL WATER ASSOCIATION

Opinion

We have audited the financial statements of International Water Association (the 'Association') and its subsidiaries (the 'Group') for the year ended 31 December 2020 which comprise the Group statement of financial activities, the Group and Association balance sheets, the Group statement of cash flows, the principal accounting policies and the notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- > give a true and fair view of the state of the Group's and of the Association's affairs as at 31 December 2020 and of the Group's income and expenditure for the year then ended;
- > have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- > have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report and financial statements, 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.

In connection with our audit of the financial statements, 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 there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

INTERNATIONAL WATER ASSOCIATION

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INTERNATIONAL WATER ASSOCIATION

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the Association and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report including the strategic 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 by the Association, or returns adequate for our audit have not been received from branches not visited by us; or
- > the Association's financial statements are not in agreement with the accounting records and returns; or
- > certain disclosures of trustees' remuneration specified by law are not made; or
- > we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the Association 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 Group's and the Association'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 Group or the Association or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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:

How the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- > The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- > We identified the laws and regulations applicable to the Association and Group through discussions with key management and from our knowledge and experience of the sector in which the company operates;
- > We assessed the extent of compliance with the laws and regulations identified above through making enquiries of key management and review of minutes of trustees' meetings

INTERNATIONAL WATER ASSOCIATION

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INTERNATIONAL WATER ASSOCIATION

Auditor's responsibilities for the audit of the financial statements (continued)

We assessed the susceptibility of the Group's accounts to material misstatement, including obtaining an understanding of how fraud might occur, by:

- > Making enquiries of key management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- > Considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- > Performed analytical procedures to identify any unusual or unexpected relationships;
- > Reviewed journal entries to identify unusual transactions;
- > Assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- > Investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- > Agreeing accounts disclosures to underlying supporting documentation;
- > Reviewing the minutes of meetings of the trustees; and
- > Enquiring of as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

Use of our report

This report is made solely to the Association'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 Association'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 Association and the Association's members as a body, for our audit work, for this report, or for the opinions we have formed.



Shachi Blakemore (Senior Statutory Auditor)
For and on behalf of Buzzacott LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL
Date: 15 September 2021

INTERNATIONAL WATER ASSOCIATION

Consolidated statement of financial activities

For the year ended 31 December 2020

				<i>Restated</i>		<i>Restated</i>	
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total	
	funds	funds	funds	funds	funds	funds	
	2020	2020	2020	2019	2019	2019	
Note	£	£	£	£	£	£	
Income from:							
Charitable activities							
Membership subscriptions	757,672	-	757,672	715,797	-	715,797	
Income from projects and grants	-	377,946	377,946	9,823	155,412	165,235	
Income from conferences	18,045	-	18,045	788,036	-	788,036	
Other trading activities							
Income from publications	4,436,967	-	4,436,967	4,434,682	-	4,434,682	
Income from Nanging Operation	527,965	-	527,965	436,560	-	436,560	
Other sales income	34,926	-	34,926	41,714	-	41,714	
Investments	23,450	-	23,450	32,050	-	32,050	
Other sources	2	-	-	70,899	-	70,899	
Total income	5,799,025	377,946	6,176,971	6,529,561	155,412	6,684,973	
Expenditure on:							
Raising funds							
Investment management costs	10,031	-	10,031	8,178	-	8,178	
Publications costs	2,073,353	-	2,073,353	1,946,995	-	1,946,995	
Nanjing operations costs	452,228	-	452,228	269,751	-	269,751	
Charitable activities							
Engaged & collaborative membership	1,829,627	-	1,829,627	1,915,431	-	1,915,431	
Source of leading-edge water knowledge	383,110	-	383,110	433,357	-	433,357	
Platform for water knowledge exchange	345,452	-	345,452	956,755	-	956,755	
Bridging science to practice	356,881	281,721	638,602	308,325	384,055	692,380	
Total expenditure	3	5,450,682	281,721	5,732,403	5,838,792	384,055	6,222,847
Net income / (expenditure) before Taxation	348,343	96,225	444,568	690,769	(228,643)	462,126	
Taxation on Nanjing Operation	(13,023)	-	(13,023)	(4,104)	-	(4,104)	
Net income / (expenditure) after taxation, before investment gain	335,320	96,225	431,545	686,665	(228,643)	458,022	
Net investment gains on listed investments	10	40,826	-	40,826	129,571	-	129,571
Net income / (expenditure) after investment gains	376,146	96,225	472,371	816,236	(228,643)	587,593	
Other recognised gains and losses							
Actuarial gains / (losses) on defined benefit pension scheme	18	(40,341)	-	(40,341)	123,000	-	123,000
Net movement in funds before transfers	335,805	96,225	432,030	939,236	(228,643)	710,593	
Gross transfers between funds	-	-	-	-	-	-	
Net movement in funds	335,805	96,225	432,030	939,236	(228,643)	710,593	
Reconciliation of funds							
Total funds at 1 January	2,188,999	(16,956)	2,172,043	1,249,763	211,687	1,461,450	
Total funds 31 December	2,524,804	79,269	2,604,073	2,188,999	(16,956)	2,172,043	

All activities relate to continuing operations in the above two financial periods. All recognised gains and losses are included in the above consolidated statement of financial activities. The accompanying notes form part of these financial statements.

INTERNATIONAL WATER ASSOCIATION

COMPANY REGISTRATION NUMBER: 03597005 (England and Wales)

**Consolidated and Association Balance Sheets
As at 31 December 2020**

		The Group		Association	
	Note	2020 £	2019 £	2020 £	2019 £
Fixed assets					
Intangible assets	8	174,562	192,994	-	-
Tangible assets	9	560,332	94,672	488,505	2,086
Investments	10	1,221,552	1,167,866	1,371,555	1,317,869
		<u>1,956,446</u>	<u>1,455,532</u>	<u>1,860,060</u>	<u>1,319,955</u>
Current assets					
Stocks	11	44,701	51,946	-	-
Debtors	12	2,293,509	1,492,122	1,698,129	1,504,090
Cash at bank and in hand		1,381,923	1,769,171	728,116	908,479
		<u>3,720,133</u>	<u>3,313,239</u>	<u>2,426,245</u>	<u>2,412,569</u>
Creditors: Amounts falling due within one year	13	<u>(2,952,506)</u>	<u>(2,596,728)</u>	<u>(1,788,681)</u>	<u>(1,560,478)</u>
Net current assets		<u>767,627</u>	<u>716,511</u>	<u>637,564</u>	<u>852,091</u>
Creditors: Amounts falling due more than one year	13a	<u>(120,000)</u>	<u>-</u>	<u>(120,000)</u>	<u>-</u>
Net assets excluding pension liability		<u>2,604,073</u>	<u>2,172,043</u>	<u>2,377,624</u>	<u>2,172,046</u>
Defined benefit pension scheme liability	18	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net assets	15	<u>2,604,073</u>	<u>2,172,043</u>	<u>2,377,624</u>	<u>2,172,046</u>
Funds					
Restricted funds	14	79,269	(16,956)	79,269	(16,956)
Unrestricted funds					
Designated funds - fixed assets		614,894	287,666	368,505	2,086
Designated funds - Nanjing Fund		225,419	162,705	-	-
General funds		1,400,849	1,401,181	1,646,205	1,849,466
Total unrestricted income funds excluding investment revaluation reserve		2,241,162	1,851,552	2,014,710	1,851,552
Investment revaluation reserves	15	283,642	337,447	283,645	337,450
Total unrestricted funds		<u>2,524,804</u>	<u>2,188,999</u>	<u>2,298,355</u>	<u>2,189,002</u>
Total funds		<u>2,604,073</u>	<u>2,172,043</u>	<u>2,377,624</u>	<u>2,172,046</u>

The accompanying notes form part of these financial statements.

The financial statements were approved by the Trustees on 30th June 2021 and signed on their behalf, by:

Marie-Pierre Whaley
Trustee and Treasurer



INTERNATIONAL WATER ASSOCIATION**Consolidated statement of cashflows**

For the year ended 31 December 2020

	Note	2020 £	2019 £
Cash flow form operating activities			
Net cash provided by operating activities	16	<u>113,766</u>	<u>673,284</u>
Cash flow form investing activities:			
Investment income		23,450	32,050
Purchase of tangible and intangible fixed assets		(519,562)	(209,150)
Proceeds from sale of investments		439,008	138,701
Purchase of investments		<u>(456,789)</u>	<u>(137,543)</u>
Net cash used in investing activities		<u>(513,893)</u>	<u>(175,942)</u>
Change in cash and cash equivalents in the year		(400,127)	497,342
Cash and cash equivalents brought forward		1,792,506	1,337,063
Changes in cash and cash equivalents due to exchange rate movements		<u>7,958</u>	<u>(41,899)</u>
Cash and cash equivalents carried forward	17	<u><u>1,400,337</u></u>	<u><u>1,792,506</u></u>

INTERNATIONAL WATER ASSOCIATION

Notes to the Financial Statements

For the Year Ended 31 December 2020

1. Accounting policies

1.1 Company status

The Association is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the Association being wound up, the liability in respect of the guarantee is limited to £1 per member of the Association.

1.2 Basis of preparation and consolidation

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 (FRS 102) - (Charities SORP (FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

These financial statements have been prepared for the year to 31 December 2020, with comparative information presented in respect of the year to 31 December 2019.

International Water Association (the 'Association') 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.

The Statement of Financial Activities (SOFA) and Balance Sheet consolidate the financial statements of the Association and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis. The Association has taken advantage of the exemption contained within 408 of the Companies Act 2006 not to present its own income and expenditure account.

No separate SOFA has been presented for the Association alone as permitted by section 408 of the Companies Act 2006.

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

1.3 Assessment of going concern

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements. In forming their assessment, the Trustees have also given consideration to financial forecasts and business plans, including group entities. They have also given due consideration to the impact of the COVID-19 pandemic on the group's operations, with a focus on its effect on the Association's membership, customers, suppliers, employees and investments. The Trustees acknowledge the disruption caused by the pandemic to the group's day-to-day operations and confirm that they do not consider this to be cause for material uncertainty in respect of the group's ability to continue as a going concern. The group has successfully employed contingency plans, and trustees have considered that the charity has sufficient cash resources to continue for the foreseeable future, despite the current crisis..

The group balance sheet as at 31 December 2020 reports net current assets of £767,627 (2019 net current asset of £716,511), the Trustees also highlight that the investments carried within fixed assets of £1,221,552 (2019: £1,167,866) are available to the Association in order to meet working capital needs if required, and only invested in order to provide a better return on surplus funds which are not immediately needed.

The Trustees have therefore concluded that the group has adequate resources to continue in operational existence for the foreseeable future and to meet liabilities as they fall due for a period of at least 12 months following the Trustees' approval of these financial statements. Further commentary on the Trustees' assessment of going concern may be found within the Trustees' report accompanying the financial statements.

INTERNATIONAL WATER ASSOCIATION

Notes to the Financial Statements

For the Year Ended 31 December 2020

1. Accounting policies (continued)

1.5 Critical accounting estimates and areas of judgement

Preparation of the financial statements requires the trustees and management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include:

- > The estimate of the group's liability in respect of a defined benefit pension scheme previously offered to IWA staff, the valuation of which has been estimated by an independent actuary taking account of various assumptions including the long term rates of return on scheme assets, the long-term anticipated rate of inflation, the life expectancy of scheme participants, and the discount rate applied;
- > The estimates of the useful economic lives of tangible and intangible fixed assets used to determine the annual depreciation charge;
- > The estimated future cost of reinstating short term leasehold property to its original condition in line with the terms of the lease agreement.
- > The assumptions adopted by the trustees and management in determining the value of any designations required from the charity's general unrestricted funds;
- > The basis on which support costs have been allocated across expenditure headings; and
- > Judgments and assumptions made in forecasting future income and expenditure for the purposes of assessing whether the going concern basis of preparing the financial statements is appropriate.

1.6 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Association and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

The investments revaluation reserve is an unrestricted fund and reflects the balance included within fixed asset investments which has arisen as a consequence of the cumulative impact of market value changes to the Association's investment assets

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Association for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

1.7 Income

All income is recognised once the Association or group has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Donated services or facilities are recognised when the Association or group has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the item is probable and the economic benefit can be measured reliably.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the Association or group which is the amount the Association or group would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company, this is normally upon notification of the interest paid or payable by the bank.

INTERNATIONAL WATER ASSOCIATION

Notes to the Financial Statements

For the Year Ended 31 December 2020

1. Accounting policies (continued)

1.8 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated to the applicable expenditure headings. Irrecoverable VAT is charged against the expenditure heading for which it was incurred. The estimated costs of reinstating short term leasehold property is also capitalised at the point of the modification works being undertaken.

1.9 Tangible and Intangible fixed assets

Tangible fixed assets and depreciation

All assets costing more than £500 are capitalised.

Tangible fixed assets are stated at cost less depreciation. The estimated cost of reinstating short term leasehold properties is also capitalised at the point of the modification works being undertaken. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value over their expected useful lives on the following bases:

Leasehold improvements - 10 years straight line

Fixtures and fittings - 5 / 6 years straight line

Office equipment - 6 years straight line

Computer equipment - 3 years straight line

Intangible fixed assets and amortisation

All assets costing more than £500 are capitalised.

Intangible fixed assets are stated at cost less amortisation. Amortisation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Computer software – 5 years straight line

1.10 Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year.

Investments in subsidiary companies which are unlisted are carried on the Association's balance sheet at cost less impairment.

1.11 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.12 Taxation

The Association is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. The group's liability for current tax in this regard is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period within the relevant jurisdiction. The group incurred tax charges in Nanjing, China.

1.13 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount repaid net of any trade discounts due.

1.14 Cash at Bank and in hand

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

INTERNATIONAL WATER ASSOCIATION

Notes to the Financial Statements

For the Year Ended 31 December 2020

1. Accounting policies (continued)

1.15 Creditors and provisions

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

1.16 Financial instruments

The Association only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.17 Foreign currencies

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date. Exchange gains and losses are recognised in the Statement of Financial Activities.

1.18 Pensions

Group employees are able to participate in defined contribution schemes administered in the UK, Netherlands and China. The assets of the schemes are held separately from those of the group. In addition, IWA Publishing Ltd makes contributions into the personal pension plans for some of its employees. The costs of providing pensions are charged to the SOFA as incurred, i.e. in line with the contribution payable by the group in the period.

The Association also previously offered employees access to a defined benefit pension scheme administered in the UK. The defined benefit pension scheme is now closed to future new entrants and there are no remaining active members in the scheme. For the defined benefits scheme, the Statement of Financial Activities (SOFA) is charged with the cost of providing pension benefits earned by former employees in the period. The expected return on pension scheme assets less the interest on the pension scheme liabilities is included as part of this charge. Actuarial gains and losses arising in the period from the difference between actual and expected returns on the pension scheme assets, experience gains and losses on pension scheme liabilities and the effect of changes in demographics and financial assumptions, are included as after recognised gains or losses in the Statement of Financial Activities. The accumulated pension scheme deficit is recognised in full and included in the balance sheet. However, in the event that the scheme is in net surplus position, the asset is not recognised in the balance sheet as it is not expected that the surplus will be realisable by the Association until after buying out pension benefits to the pensioners.

1.19 Conferences

The World Water Congress is held bi-annually. Expenditure incurred in preparing for the Congress is also carried forward and recognised in the year of the Congress itself, except for the cost of staff time which is recognised in the financial year in which the services were rendered by the employees.

1.20 Specialist group funds

Specialist groups run independently from the Association and their income, expenditure, assets and liabilities are not included in the Association's financial statements.

Where specialist groups use the Association's services, these are charged to the group and shown as income for the Association. In many cases, this relates to a share of income from events organised by the specialist group in agreement with the Association. This income is accounted for once confirmation is received of the amount due and it is reasonably certain that it will be received.

The Association hold funds on behalf of the specialist groups. The balances due to the groups are included in creditors.

INTERNATIONAL WATER ASSOCIATION

Notes to the Financial Statements

For the Year Ended 31 December 2020

2. Income from other sources

	Unrestricted funds	
	Total 2020	Total 2019
	£	£
Miscellaneous income	-	70,899
	<u>-</u>	<u>70,899</u>

3. Analysis of expenditure type

	Staff costs	Support costs	Other costs	Total
	2020	2020	2020	2020
	£	£	£	£
Expenditure on charitable activities				
Engaged & collaborative membership	1,237,067	307,944	284,616	1,829,627
Source of leading-edge water knowledge	220,997	59,226	102,887	383,110
Platform for water knowledge exchange	252,791	67,746	24,915	345,452
Bridging science to practice	314,910	84,394	239,298	638,602
	<u>2,025,765</u>	<u>519,310</u>	<u>651,716</u>	<u>3,196,791</u>
Expenditure on raising funds				
Investment management costs			10,031	10,031
Nanjing Operation	361,459	66,498	24,271	452,228
Publications	843,277	383,768	846,308	2,073,353
	<u>1,204,736</u>	<u>450,266</u>	<u>880,610</u>	<u>2,535,612</u>
Total expenditure	<u>3,230,501</u>	<u>969,576</u>	<u>1,532,326</u>	<u>5,732,403</u>

Analysis of expenditure type

	Restated Staff costs 2019	Restated Support costs 2019	Restated Other costs 2019	Restated Total 2019
	£	£	£	£
Expenditure on charitable activities				
Engaged & collaborative membership	1,126,412	244,478	544,541	1,915,431
Source of leading-edge water knowledge	262,154	56,898	114,305	433,357
Platform for water knowledge exchange	322,236	69,939	564,580	956,755
Bridging science to practice	381,190	82,734	228,456	692,380
	<u>2,091,992</u>	<u>454,049</u>	<u>1,451,882</u>	<u>3,997,923</u>
Expenditure on raising funds				
Investment management costs			8,178	8,178
Nanjing Operation	117,016	29,945	122,790	269,751
Publications	805,279	428,236	713,480	1,946,995
	<u>922,295</u>	<u>458,181</u>	<u>844,448</u>	<u>2,224,924</u>
Total expenditure	<u>3,014,287</u>	<u>912,230</u>	<u>2,296,330</u>	<u>6,222,847</u>

INTERNATIONAL WATER ASSOCIATION

Notes to the Financial Statements

For the Year Ended 31 December 2020

4. Analysis of support costs	2020	2019
	£	£
Rent, rates & services	183,173	121,145
Office cleaning & repairs	13,145	20,040
Printing and stationery	4,804	7,256
Postage and couriers	4,346	1,521
Telephone	26,702	33,146
Insurance	30,721	26,038
Legal and professional fees	65,864	67,972
Bank charges	20,758	24,862
Computer support and maintenance	63,438	46,628
Leasing charges	750	3,466
Office Relocation	-	76,049
Depreciation and impairment charges	80,021	12,325
Miscellaneous expenses	13,199	393
Nanjing Operation	66,497	29,945
Publication costs	383,768	428,236
Equipment and software	12,390	13,208
	969,576	912,230

Support costs are apportioned to the various categories of charitable activities based on staff costs.

5. Governance costs

	Unrestricted funds	
	Total	Total
	2020	2019
	£	£
Auditors' remuneration		
Statutory audit	18,750	16,300
Other services	1,650	1,500
AGM and Trustees' international meeting costs	30,918	120,126
Apportionment of support costs	15,579	13,621
Apportionment of staff costs	60,000	60,000
	126,897	211,547

6. Net income / (expenditure) for the year

This is stated after charging:

	2020	2019
	£	£
Depreciation of tangible fixed assets:	124,474	41,355
Amortisation of intangible fixed assets.	67,862	57,976
Auditor's remuneration		
Statutory audit	18,750	16,300
Other services	1,650	1,500

INTERNATIONAL WATER ASSOCIATION

Notes to the Financial Statements

For the Year Ended 31 December 2020

7. Staff and Consultants costs

Staff and Consultants costs were as follows:

	2020	2019
	£	£
Wages and salaries	2,517,597	2,202,888
Social security costs	308,957	287,684
Other pension costs	248,781	237,500
Consultants Charges	155,166	286,215
Termination payments	-	-
	<u>3,230,501</u>	<u>3,014,287</u>

Included in wages and salaries is a provision of nil (2019: £57,321) for redundancies

The average number of employees during the year was as follows (including casual and part-time staff):

	2020	2019
	No.	No.
Charitable activities	28	33
Publishing activities	13	13
Management and administration	4	4
	<u>45</u>	<u>50</u>

The number of higher paid employees (excluding employer pension contribution) were as follows

	2020	2019
	No.	No.
In the band £60,001 - £70,000	3	2
In the band £70,001 - £80,000	1	-
In the band £80,001 - £90,000	2	1
In the band £90,001 - £100,000	-	1
In the band £110,001 - £120,000	1	-
In the band £130,001 - £140,000	1	1
In the band £140,001 - £150,000	1	-
In the band £160,001 - £170,000	-	1
In the band £240,001 - £250,000	-	1
In the band £250,001 - £260,000	1	-
	<u>10</u>	<u>7</u>

The total contribution to the defined contribution pension schemes during the year was £145,528 (2019: £105,759). At the year end £Nil (2019: £nil) was outstanding.

No fees or remuneration are paid to any members or officers of the Association with the exception of the Executive Director who received £255,561 during the year (2019: £230,940). Clause 4 of the Memorandum of the Association provides specific power to make such payment to the Executive Director. The Association incurred a total of £30,918 (2019: £119,112) in respect of international travel, subsistence and venue costs for 14 (2019: 14) Board members.

During the year the Association maintained an Indemnity Insurance cover for its officers for up to £10 million (2018: £10 million) at a cost of £5,000 per annum (2018: £5,000).

As referenced in the Trustees' report, the Trustees consider that they together with IWA Management Team comprise the key management personnel of the Association. During the year the key management personnel received total remuneration of £854,787 (including on-costs) (2019: £712,002).

INTERNATIONAL WATER ASSOCIATION

Notes to the Financial Statements

For the Year Ended 31 December 2020

8. Intangible fixed assets

Group

	Online Platform	Total
	£	£
COST		
At 1 January 2020	289,881	289,881
Additions in year	49,430	49,430
At 31 December 2020	339,311	339,311
AMORTISATION		
At 1 January 2020	96,887	96,887
Charge for the year	67,862	67,862
At 31 December 2020	164,749	164,749
NET BOOK VALUE		
At 31 December 2020	174,562	174,562
At 31 December 2019	192,994	192,994

9. Tangible fixed assets

Group

	Leasehold Improvement	Fixtures and fittings	Office equipment	Computers	Total
	£	£	£	£	£
COST					
At 1 January 2020	-	223,478	47,070	417,510	688,058
Additions in year	120,000	420,618	28,557	20,958	590,133
Disposal in the year	-	(123,096)	(47,069)	(328,738)	(498,903)
At 31 December 2020	120,000	521,000	28,558	109,730	779,288
DEPRECIATION					
At 1 January 2020	-	143,174	47,070	403,142	593,386
Charge for the year	12,000	90,747	4,760	16,967	124,474
Impairment charge	-	-	-	-	-
Released in the year	-	(123,097)	(47,069)	(328,738)	(498,904)
At 31 December 2020	12,000	110,824	4,761	91,371	218,956
NET BOOK VALUE					
At 31 December 2020	108,000	410,176	23,797	18,359	560,332
At 31 December 2019	-	80,304	-	14,368	94,672

INTERNATIONAL WATER ASSOCIATION

Notes to the Financial Statements

For the Year Ended 31 December 2020

9. Tangible fixed assets (continued)

Association	Leasehold Improvements	Fixtures and fittings	Office equipment	Computers	Total
	£	£	£	£	£
COST					
At 1 January 2020	-	115,410.00	47,070	380,632	543,112
Additions in year	120,000	420,618	28,557	9,287	578,462
Disposal in the year	-	(115,409)	(47,069)	(315,251)	(477,729)
At 31 December 2020	120,000	420,619	28,558	74,668	643,845
DEPRECIATION					
At 1 January 2020	-	115,410	47,070	378,546	541,026
Charge for the year	12,000	70,103	4,760	5,180	92,043
Released in the year	-	(115,409)	(47,069)	(315,251)	(477,729)
At 31 December 2020	12,000	70,104	4,761	68,475	155,340
NET BOOK VALUE					
At 31 December 2020	108,000	350,515	23,797	6,193	488,505
At 31 December 2019	-	-	-	2,086	2,086

10. Fixed asset investments
Group

	Listed securities	Unlisted income bonds	2020
	£	£	£
At 1 January 2020	1,094,531	50,000	1,144,531
Additions at cost	456,789	-	456,789
Disposal proceeds	(439,008)	-	(439,008)
Realised investment loss	(4,193)	-	(4,193)
Unrealised investment gain	45,019	-	45,019
At 31 December 2020	1,153,138	50,000	1,203,138
Cash held by investment manager for reinvestment	18,414	-	18,414
	1,171,552	50,000	1,221,552
Historical cost			
At 31 December 2020	887,907	50,000	937,907

INTERNATIONAL WATER ASSOCIATION

Notes to the Financial Statements

For the Year Ended 31 December 2020

10. Fixed asset investments (continued)

Group investments at market value comprise

	UK £	Overseas £	2020 £	2019 £
Listed investments	597,787	573,765	1,171,552	1,117,866
Unlisted income bonds	50,000	-	50,000	50,000
Total carrying value	<u>647,787</u>	<u>573,765</u>	<u>1,221,552</u>	<u>1,167,866</u>

There were five material investments over 5% by value of the portfolio as a whole.

Blackrock Fm ltd European Dynamic D Inc.	7.57%
Vanguard Funds Plc S&P 500 Ucits Etf Inc GBP	6.12%
Brown Advisory Fds US Equity Growth B USD Dis.	7.14%
Artemis Fd Mngrs US Select Instl GBP Inc.	5.97%
Baillie Gifford American W3 Dis.	6.25%

Association

	Investment in subsidiaries £	Listed investments £	Unlisted income bonds £	Total £
At 1 January 2020	150,003	1,094,531	50,000	1,294,534
Additions at cost	-	456,789	-	456,789
Disposal proceeds	-	(439,008)	-	(439,008)
Realised investment loss	-	(4,193)	-	(4,193)
Unrealised investment gain	-	45,019	-	45,019
At 31 December 2020	<u>150,003</u>	<u>1,153,138</u>	<u>50,000</u>	<u>1,353,141</u>
Cash held by investment manager for reinvestment		18,414	-	18,414
Historical cost	<u>150,003</u>	<u>1,171,552</u>	<u>50,000</u>	<u>1,371,555</u>
At 31 December 2020	<u>150,003</u>	<u>887,907</u>	<u>50,000</u>	<u>1,087,910</u>

Association investments comprise:

	UK £	Overseas £	2020 £	2019 £
Listed investments	597,787	573,765	1,171,552	1,117,866
Investment in subsidiaries	150,003	-	150,003	150,003
Unlisted income bonds	50,000	-	50,000	50,000
Total carrying value	<u>797,790</u>	<u>573,765</u>	<u>1,371,555</u>	<u>1,317,869</u>

INTERNATIONAL WATER ASSOCIATION

Notes to the Financial Statements

For the Year Ended 31 December 2020

10. Fixed asset investments (continued)

Association (continued)

Investment in subsidiaries

The Association holds a controlling interest in IWA Publishing Limited, IWA Conferences Limited, IWA Development Solutions Limited, IWA Global Enterprises Limited, Nanjing IWA Science & Technology Co. Ltd (China), IWAT Science and Technology Private Limited (India) and IWAI Water Foundation (India), whose details are given below.

The Association holds 150,000 issued £1 ordinary shares of IWA Publishing Limited, a company incorporated in England and Wales. This represents 100% of the issued share capital.

IWA Publishing Limited's activities during the year were that of a publisher of books, periodicals and video recordings. Its turnover for the year was £4,436,555 (2019: £4,434,100) and it made a taxable profit of £2,363,614 (2019: £2,487,687). All of the profit is donated to the Association under Gift Aid.

Assets, liabilities and funds of IWA Publishing Limited

	2020	2019
	£	£
Fixed assets	183,300	198,222
Current assets	1,853,541	1,624,908
Less: Current liabilities	<u>(1,886,841)</u>	<u>(1,673,130)</u>
Net assets	<u>150,000</u>	<u>150,000</u>
Total funds	<u>150,000</u>	<u>150,000</u>

The Association holds 1 issued £1 ordinary share, representing 100% of the issued share capital of IWA Development Solutions Limited, a company incorporated in England and Wales. There were no trading activities carried out by the company during the year.

The Association holds 1 issued £1 ordinary share, representing 100% of the issued share capital of IWA Conferences Limited, a company incorporated in England and Wales. There were no trading activities carried out by the company during the year.

The Association holds 1 issued £1 ordinary share, representing 100% of the issued share capital of IWA Global Enterprises Limited, a company incorporated in England and Wales. There were no trading activities carried out by the company during the year other than receipt of a loan of £1,098 from the parent for the purpose of investing in IWAT Science and Technology Private Limited.

The Association indirectly indirectly controls IWAT Science and Technology Private Limited, a company incorporated in India, as its entire 9999 issued Rs10 ordinary shares is owned by IWA Global Enterprises Limited (a wholly owned subsidiary of the Association). There were no trading activities carried out by the company during the year.

The Association indirectly controls IWAI Water Foundation, (through Global Enterprises Limited) a company incorporated in India and limited by guarantee without a share capital. There were no trading activities carried out by the foundation during the year.

The Association indirectly controls Nanjing IWA Science & Technology Co Ltd, a company incorporated in China, as its entire registered capital (£120,000) is owned by IWA Global Enterprises Limited (a wholly owned subsidiary of the Association). There were no paid up capital to date and the contribution deadline is 31 December 2048.

Investment in subsidiaries

Nanjing IWA Science & Technology Co. Ltd's activities during the year were that of promoting the art and science of water management globally, by the encouragement of training, study and research in water management and the publication of the useful results of such research; to share advanced technologies and best practices with water professionals and organisations. Its turnover for the year was £527,965 (2019: £436,224) and it made a taxable profit of £86,985 (2019: £166,809). All of the profits are held in the company for future operations.

Assets, liabilities and funds of Nanjing IWA Science & Technology Co. Ltd

	2020	2019
	£	£
Fixed assets	38,818	87,360
Current assets	278,577	356,428
Less: Current liabilities	<u>(91,976)</u>	<u>(281,083)</u>
Net assets	<u>225,419</u>	<u>162,705</u>
Total funds	<u>225,419</u>	<u>162,705</u>

INTERNATIONAL WATER ASSOCIATION

Notes to the Financial Statements

For the Year Ended 31 December 2020

11. Stock

	The Group		Association	
	2020	2019	2020	2019
	£	£	£	£
Goods held for resale	44,701	51,946	-	-
	<u>44,701</u>	<u>51,946</u>	<u>-</u>	<u>-</u>

12. Debtors

	The Group		Association	
	2020	2019	2020	2019
	£	£	£	£
Trade debtors	1,463,851	1,070,681	137,573	109,793
Other debtors	242,779	220,752	223,839	199,341
Prepayments and accrued income	586,879	200,689	498,488	113,192
Amount due from subsidiary undertakings	-	-	838,229	1,081,764
	<u>2,293,509</u>	<u>1,492,122</u>	<u>1,698,129</u>	<u>1,504,090</u>

13. Creditors : amounts falling due within one year

	The Group		Association	
	2020	2019	2020	2019
	£	£	£	£
Trade creditors	333,267	659,436	214,838	447,733
Other creditors	385,687	398,271	225,807	262,912
Social security costs	111,203	73,374	81,734	56,604
Specialist Group funds	140,765	125,428	140,765	125,428
Accruals and deferred income	1,981,584	1,340,219	1,125,537	667,801
	<u>2,952,506</u>	<u>2,596,728</u>	<u>1,788,681</u>	<u>1,560,478</u>

Deferred income represents income collected in advance for future journal, membership subscriptions and events.

13a Creditors : amounts falling due more than one year

	The Group		-	
	2020	2019	2020	2019
	£	£	£	£
Provision for dilapidation	120,000	-	120,000	-
	<u>120,000</u>	<u>-</u>	<u>120,000</u>	<u>-</u>

Provision for dilapidations represents the estimated cost of reinstatement works, repairs and redecoration, as well as specific works that will need to be made in line with the office lease. (Export Building, First Floor, 1 Clove Crescent, London E14 2BA)

INTERNATIONAL WATER ASSOCIATION

Notes to the Financial Statements

For the Year Ended 31 December 2020

14. Statement of funds

Group

	At 1 Jan 2020 £	Income £	Expenditure £	Transfers in/out £	Gain/ (Losses) £	At 31 Dec 2020 £
Designated funds						
Tangible and Intangible assets	287,666	-	(192,334)	519,562	-	614,894
Nanjing Fund	162,705	527,965	(465,251)	-	-	225,419
	450,371	527,965	(657,585)	519,562	-	840,313
General funds						
Unrestricted funds	1,401,181	5,271,060	(4,806,121)	(465,272)	-	1,400,848
Investment revaluation reserves	337,447	-	-	(94,631)	40,826	283,642
Pension reserve	-	-	-	40,341	(40,341)	-
	1,738,628	5,271,060	(4,806,121)	(519,562)	485	1,684,490
Total unrestricted funds	2,188,999	5,799,025	(5,463,706)	-	485	2,524,803
Restricted funds (see below)	(16,956)	377,946	(281,721)	-	-	79,269
Total funds	2,172,043	6,176,971	(5,745,427)	-	485	2,604,072

	At 1 Jan 2019 £	Income £	Expenditure £	Transfers in/out £	Gain/ (Losses) £	At 31 Dec 2019 £
Designated funds						
Tangible assets	177,847	-	(99,331)	209,150	-	287,666
Nanjing Fund	-	436,560	(273,855)	-	-	162,705
	177,847	436,560	(373,186)	209,150	-	450,371
General funds						
Unrestricted funds	1,033,112	6,093,001	(5,516,710)	(208,222)	-	1,401,181
Investment revaluation reserves	208,804	-	-	(928)	129,571	337,447
Pension reserve	(170,000)	-	47,000	-	123,000	-
	1,071,916	6,093,001	(5,469,710)	(209,150)	252,571	1,738,628
Total unrestricted funds	1,249,763	6,529,561	(5,842,896)	-	252,571	2,188,999
Restricted funds	211,687	155,412	(384,055)	-	-	(16,956)
Total funds	1,461,450	6,684,973	(6,226,951)	-	252,571	2,172,043

INTERNATIONAL WATER ASSOCIATION

Notes to the Financial Statements

For the Year Ended 31 December 2020

14. Statement of funds (Continued)

Association

	At 1 Jan 2020 £	Income £	Expenditure £	Transfers in/out £	Gain/ (Losses) £	At 31 Dec 2020 £
Designated funds						
Tangible assets	2,086	-	(92,043)	458,462	-	368,505
	<u>2,086</u>	<u>-</u>	<u>(92,043)</u>	<u>458,462</u>	<u>-</u>	<u>368,505</u>
General funds						
Unrestricted funds	1,849,466	5,271,060	(5,070,149)	(404,172)		1,646,205
Investment revaluation reserves	337,450	-	-	(94,631)	40,826	283,645
Pension reserve	-	-	-	40,341	(40,341)	-
	<u>2,186,916</u>	<u>5,271,060</u>	<u>(5,070,149)</u>	<u>(458,462)</u>	<u>485</u>	<u>1,929,850</u>
Total unrestricted funds	<u>2,189,002</u>	<u>5,271,060</u>	<u>(5,162,192)</u>	<u>-</u>	<u>485</u>	<u>2,298,355</u>
Restricted funds (see below)	<u>(16,956)</u>	<u>377,946</u>	<u>(281,721)</u>	<u>-</u>	<u>-</u>	<u>79,269</u>
Total funds	<u>2,172,046</u>	<u>5,649,006</u>	<u>(5,443,913)</u>	<u>-</u>	<u>485</u>	<u>2,377,624</u>

Association

	At 1 Jan 2019 £	Income £	Expenditure £	Transfers in/out £	Gain/ (Losses) £	At 31 Dec 2019 £
Designated funds						
Tangible assets	14,411	-	(12,325)		-	2,086
	<u>14,411</u>	<u>-</u>	<u>(12,325)</u>	<u>0</u>	<u>-</u>	<u>2,086</u>
General funds						
Unrestricted funds	1,210,759	6,093,001	(5,441,011)	(13,283)		1,849,466
Investment revaluation reserves	194,596	-	-	13,283	129,571	337,450
Pension reserve	(170,000)	-	47,000	-	123,000	-
	<u>1,235,355</u>	<u>6,093,001</u>	<u>(5,394,011)</u>	<u>-</u>	<u>252,571</u>	<u>2,186,916</u>
Total unrestricted funds	<u>1,249,766</u>	<u>6,093,001</u>	<u>(5,406,336)</u>	<u>-</u>	<u>252,571</u>	<u>2,189,002</u>
Restricted funds	<u>211,687</u>	<u>155,412</u>	<u>(384,055)</u>	<u>-</u>	<u>-</u>	<u>(16,956)</u>
Total funds	<u>1,461,453</u>	<u>6,248,413</u>	<u>(5,790,391)</u>	<u>-</u>	<u>252,571</u>	<u>2,172,046</u>

INTERNATIONAL WATER ASSOCIATION

Notes to the Financial Statements

For the Year Ended 31 December 2020

14. Statement of funds (continued)

Tangible and Intangible asset fund

This fund balance represents the carrying value of the Association's tangible and intangible fixed assets net of any associated liabilities. This fund has been established in recognition of the fact that the assets are used in the day to day work of the charity and do not represent reserves available to finance its operations

Investment revaluation reserve

This fund balance represents the balance included within fixed asset investments which has arisen as a consequence of the cumulative impact of market value changes to the Association's investment assets. It has been separated in order to provide an indication of the difference between the value of listed investments at the balance sheet date relative to its historic cost. A calculation is provided at note 19 to the financial statements.

Pension reserve

This fund represents the Association's long-term liability in respect of its defined benefit pension scheme. It is separated in order acknowledgement that the liability is long-term and may be disregarded in considering the availability of free reserves in meeting the day-to-day obligations of the Association and the group.

Nanging Fund

This fund represents the net asset under the control of the Association's subsidiary, Nanjing IWA Science & Technology Co. Ltd in China. Those net assets are essential to the operations in China and therefore separately ring-fenced in these accounts.

Analysis of restricted funds (Association and Group)

	At 1 Jan 2020	Income	Expenditure	Transfers in/out	Gain/ (Losses)	At 31 Dec 2020
	£	£	£	£	£	£
Improving water security for the poor	8,088	-	(23,547)	-	-	(15,459)
Citywide inclusive sanitation	-	75,724	(8,924)	-	-	66,800
GIZ Carbon Neutrality in Water	-	40,950	(26,419)	-	-	14,531
Aquarating - Mongolia	(2,030)	-	(33,906)	-	-	(35,936)
Aquarating - Zambia	1,367	44,719	(32,077)	-	-	14,009
Aquarating - Mali	-	-	-	-	-	-
Climate Resilient WSP's	(64,224)	114,758	(80,674)	-	-	(30,140)
Operation and Maintenance Network	2,124	37,575	(33,748)	-	-	5,951
Diffuse Pollution SG Fund	21,164	-	-	-	-	21,164
Prime Water	(1,843)	58,549	(23,863)	-	-	32,843
PBC Partnership	5,605	4,141	(9,746)	-	-	-
FAO Project	-	1,530	(1,530)	-	-	-
LAC HRWS	12,826	-	(7,320)	-	-	5,506
Regulators NBS	(33)	-	33	-	-	-
Total restricted funds	(16,956)	377,946	(281,721)	-	-	79,269

INTERNATIONAL WATER ASSOCIATION

Notes to the Financial Statements

For the Year Ended 31 December 2020

14. Statement of funds (continued)

Analysis of restricted funds (Association and Group) (continued)

	At 1 Jan 2019 £	Income £	Expenditure £	Transfers in/out £	Gain/ (Losses) £	At 31 Dec 2019 £
Improving water security for the poor	12,578	33,405	(37,895)	-	-	8,088
GIZ Carbon Neutrality in Water	5,639	10,864	(16,503)	-	-	-
Aquarating - Mongolia	1,261	47,882	(51,173)	-	-	(2,030)
Aquarating - Angola	5,853	-	(5,853)	-	-	-
Aquarating - Sierra Leone	680	-	(680)	-	-	-
Aquarating - Lebanon	6,912	35,486	(42,398)	-	-	-
Aquarating - Zambia	14,496	6,323	(19,452)	-	-	1,367
Aquarating - Mali	4,416	15,795	(20,211)	-	-	-
Climate Resilient WSP's	31,535	-	(95,759)	-	-	(64,224)
Reconnect	144,682	(115,200)	(29,482)	-	-	-
WHO DWQ	461	-	(461)	-	-	-
Operation and Maintenance Network	(1,449)	17,245	(13,672)	-	-	2,124
PEARL	(1,202)	1,260	(58)	-	-	-
GEF Floods & Droughts	(59,347)	65,696	(6,349)	-	-	-
Diffuse Pollution Specialist Group	26,447	-	(5,283)	-	-	21,164
Prime Water	-	-	(1,843)	-	-	(1,843)
WSP - Asia-Pacific Network	350	-	(350)	-	-	-
PBC Partnership	14,807	-	(9,202)	-	-	5,605
FAO Project	-	-	-	-	-	-
LAC HRWS	-	28,854	(16,028)	-	-	12,826
Regulators NBS	3,568	7,802	(11,403)	-	-	(33)
Total restricted funds	211,687	155,412	(384,055)	-	-	(16,956)

Improving water security for the poor

The REACH programme is led by Oxford University and brings together a consortium of global leaders in water science, policy and practice. REACH is a new global research programme to improve water security for the poor by delivering world-class science that transforms policy and practice. The fund currently having a deficit balance, pending payment receivable from the donor.

Citywide inclusive sanitation

The IWA is working with our partners, through this project IWA aims at identifying the needs, opportunities, and tools for action to support and inspire regulators in their contribution to achieving citywide inclusive sanitation in the context of the Sustainable Development Goals.

GIZ Carbon Neutrality in Water

The IWA is working on a project with GIZ, funded by the German Federal Ministry of Environment, Nature Conservation, to improve the carbon balance across utilities. The project focuses on parts of the nexus as addressing greenhouse gas reduction and energy efficiency produces benefits for water efficiency and recovers resources.

Aquarating

The funds received from IDB toward the execution of a technical cooperation programme for the implementation of a rating system Aqua Rating for the water and sanitation providers. The Aquarating Mongolia fund currently having a deficit balance, pending payment receivable from the donor.

INTERNATIONAL WATER ASSOCIATION

Notes to the Financial Statements

For the Year Ended 31 December 2020

14. Statement of funds (continued)

Analysis of restricted funds (Association and Group) (continued)

WHO DWQ

Funded by World Health Organisation towards improving drinking water quality.

Operation and Maintenance Network

Funds received from Ministry of Health, Labour and Welfare ("MHLW") Japan to support, raise awareness and develop capacities to effectively address operations and maintenance of water supply and sanitation systems and protect public health.

Preparing for the Extreme and Rare events in Coastal Regions (PEARL)

PEARL brings together world leading expertise in both the domain of hydro-engineering and risk reduction and management services to pool knowledge and practical experience in order to develop more sustainable risk management solutions for coastal communities focusing on present and projected extreme hydro-meteorological events. Funds Received from EC towards IWA supporting communication and dissemination of PEARL outputs, as well as the development of an evaluation process that can guide selection of engineered and environmental resilient strategies for different scenarios, and link to case studies and best practices around the world.

GEF Floods & Droughts

Funds received from UN Enviro Programme to develop adaptive, sociotechnical risk management measures and strategies for coastal communities against extreme hydro-meteorological events minimising social, economic and environmental impacts and increasing the resilience of Coastal Regions in Europe.

Prime Water

Funded through EU Horizon 2020 – the Framework Programme for Research and Innovation for delivering advanced predictive tools from medium to seasonal range for water dependent industries and exploiting the cross-cutting potential of EO and hydro-ecological modelling (in short PrimeWater).

Diffuse Pollution Specialist Group

Conference surplus funds received from the Diffuse Pollution Specialist Group towards the cost of future activities.

WSP - Asia-Pacific Network

Funds received from UNOPS towards hosting the WSP Network Asia, the thematic network for capacity development for water safety plans and to strengthen the Asia Pacific WSP network to support the development of climate resilient, adaptable systems for water supply.

PBC Partnership

The World Bank (WB) and the International Water Association (IWA) have established a global partnership to help countries, especially the poorest, improve management of Non-Revenue Water (NRW). The program aims to capture good practices in the use of Performance-Based Contracts (PBCs) to reduce NRW, raise awareness on the issue of NRW, simplify and streamline the preparation of such contracts, and support their implementation in developing countries in the next few years. Furthermore the partnership will build the market of suppliers at the local level.

INTERNATIONAL WATER ASSOCIATION

Notes to the Financial Statements

For the Year Ended 31 December 2020

14. Statement of funds (continued)

Analysis of restricted funds (Association and Group) (continued)

Climate Resilient WSP's

funding provided by OPEC Fund for International Development (OFID) for implementing climate resilient water safety planning to improve water supply and public health. The fund currently having a deficit balance, pending payment receivable from the donor.

Reconnect

Funds received from European Commission. RECONNECT aims to contribute to European reference framework on Nature Based Solutions (NBS) by demonstrating, referencing and upscaling large scale NBS and by stimulating a new culture for 'land use planning' that links the reduction of risks with local and regional development objectives in a sustainable way. During the year the Association decided to terminate its contribution to the project as of 31 December 2019 and the remaining funds will be returned to the donor.

Regulators - Nature Based Solutions (NBS)

Funds received from The Nature Conservancy (TNC) towards Supporting regulators and regulation to enable consideration and investment in nature based solution to improve water security and safety.

15. Analysis of net assets between funds
Group

	Unrestricted funds				Restricted funds	Total funds
	Designated funds	Investment revaluation reserve	General funds	Nanjing Fund		
	£	£	£	£	£	£
Tangible fixed assets	560,332	-	-	-	-	560,332
Intangible fixed assets	174,562	-	-	-	-	174,562
Investments	-	283,642	937,910	-	-	1,221,552
Current assets	-	-	3,415,445	225,419	79,269	3,720,133
Current liabilities	-	-	(2,952,506)	-	-	(2,952,506)
Non-current liabilities	(120,000)	-	-	-	-	(120,000)
Pension liability	-	-	-	-	-	-
Net assets at 31 December 2020	614,894	283,642	1,400,849	225,419	79,269	2,604,073

INTERNATIONAL WATER ASSOCIATION

Notes to the Financial Statements

For the Year Ended 31 December 2020

15. Analysis of net assets between funds (Continued)
Association

	Unrestricted funds					Total funds £
	Designated funds £	Investment revaluation reserve £	General funds £	Pension liability £	Restricted funds £	
Tangible fixed assets	488,505	-	-	-	-	488,505
Intangible fixed assets	-	-	-	-	-	-
Investments	-	283,645	1,087,910	-	-	1,371,555
Current assets	-	-	2,346,976	-	79,269	2,426,245
Current liabilities	-	-	(1,788,681)	-	-	(1,788,681)
Non-current liabilities	(120,000)	-	-	-	-	(120,000)
Pension liability	-	-	-	-	-	-
Net assets at 31 December 2020	368,505	283,645	1,646,205	-	79,269	2,377,624

Investment revaluation reserve

The balance on the investment revaluation reserve is derived as follows:

	Group		Association	
	2020 £	2019 £	2020 £	2019 £
Carrying value of Investments (note 14)	1,221,552	1,167,866	1,371,555	1,317,872
Less: Historical costs of Investments (note 14)	(937,907)	(830,419)	(1,087,910)	(980,422)
	283,645	337,447	283,645	337,450

16. Reconciliation of net movement in funds to net cash flow from operating activities

	2020 £	2019 £
Net income for the year (as per Statement of Financial Activities)	472,371	587,593
Adjustment for:		
Depreciation charges	124,474	41,355
Amortisation charges	67,862	57,976
Impairment charges	-	-
Net losses / (gains) on investment assets	(40,826)	(129,571)
Investment income	(23,450)	(32,050)
Finance and admin costs in respect of defined benefit scheme	(90,000)	(75,000)
Foreign exchange loss / (gain)	41,699	41,754
Decrease in stock	7,245	15,524
(Increase) / Decrease in debtors	(801,387)	381,481
Increase / (Decrease) in creditors	355,778	(215,778)
	113,766	673,284

INTERNATIONAL WATER ASSOCIATION

Notes to the Financial Statements

For the Year Ended 31 December 2020

17. Analysis of cash and cash equivalents

	2020	2019
	£	£
Cash in hand	1,381,923	1,769,171
Cash held in investments	18,414	23,335
	<u>1,400,337</u>	<u>1,792,506</u>

18. Pension commitments

Group and company

The group operates a Defined Benefit Pension Scheme.

The amounts recognised in the Balance Sheet are as follows:

	2020	2019
	£	£
Present value of funded obligations	(3,084,000)	(3,127,000)
Fair value of scheme assets	3,317,000	3,246,000
Surplus not recognised	(233,000)	(119,000)
Surplus / (Deficit) in scheme at end of the year and available to the Association	-	-

The latest actuarial valuation at 31 December 2020 shows a pension surplus of £119,000 (2019: £119,000). The surplus valuation results in 2020 is not recognised on the balance sheet as an asset because it is not available to the Association by way of reduced future contributions. Actuarial gains and losses arising from new valuations and from updating valuations to the balance sheet date are recognised in the statement of financial activities as other recognised gains and losses.

The amounts recognised in the Statement of Financial Activities are as follows:

	2020	2019
	£	£
Interest on obligation	(61,000)	(90,000)
Expected return on scheme assets	63,000	86,000
	<u>2,000</u>	<u>(4,000)</u>

Movements in the present value of the defined benefit obligation were as follows:

	2020	2019
	£	£
Opening defined benefit obligation	3,127,000	3,302,000
Interest cost	61,000	90,000
Actuarial losses	84,000	(80,000)
Benefits paid	(278,000)	(260,000)
Administration cost	90,000	75,000
Closing defined benefit obligation	<u>3,084,000</u>	<u>3,127,000</u>

INTERNATIONAL WATER ASSOCIATION

Notes to the Financial Statements

For the Year Ended 31 December 2020

18. Pension commitments (continued)
Group and company

Changes in the fair value of scheme assets were as follows:	2020	2019
	£	£
Opening fair value of scheme assets	3,246,000	3,132,000
Expected return on assets	63,000	86,000
Actuarial gains	157,000	162,000
Contribution by employer	128,000	126,000
Benefits paid	(278,000)	(260,000)
Closing fair value of scheme assets	3,316,000	3,246,000

Group and company

The group expects to contribute £126,000 to its Defined Benefit Pension Scheme in 2021.

Principal actuarial assumptions at the Balance Sheet date (expressed as weighted averages):

	2020	2019
Discount rate at 31 December	1.40%	2.00%
Future pension increases	2.95%	3.05%
Retail price inflation	3.00%	3.10%

Longevity assumptions as at 31 December 2020

Males (M) or Females (F)	31 December 2020	31 December 2019
Base table	Club Vita base tables reflecting profile of individual Scheme members, in line with the 2019 formal actuarial valuation	Club Vita base tables reflecting profile of individual Scheme members, in line with the 2019 formal actuarial valuation
Future improvements	CMI 2018 model with a long term rate of improvement of 1.5% p.a. for males and 1.0% p.a. for females, calibrated to Club Vita experience with a smoothing parameter of $S_k = 7.5$	CMI 2018 model with a long term rate of improvement of 1.5% p.a. for males and 1.0% p.a. for females, calibrated to Club Vita experience with a smoothing parameter of $S_k = 7.5$

INTERNATIONAL WATER ASSOCIATION

Notes to the Financial Statements

For the Year Ended 31 December 2020

Life expectancies as at 31 December 2020

Males (M) or Females (F)	M	F
Average future life expectancy (in years) for a pensioner aged 65 at 31 December 2020.	23.1	24.0

19. Operating lease commitments

At 31 December 2020 the group had total commitments under non-cancellable operating leases as follows:

Group

	2020	2019
	£	£
<i>Expiry date:</i>		
Under 1 year	75,495	69,654
Between 2 and 5 years	1,132,425	-
Between 5 and 10 years	1,132,425	-
	<u>2,340,345</u>	<u>69,654</u>

20. Related party transactions

During the year Trustees received reimbursement of expenses as set out in note 7.

The following transactions took place during the year with the Trustee Dr Enrique Cabrera. Book royalties of £51 (2019: £51) was payable to Dr Enrique Cabrera and the total amount of £51 (2019: £51) was outstanding as at 31 December 2019.

The payment of royalties are made at standard rate with no preferential treatment due to their involvement with the Association.

Trustees are required to be members of the Association, for which they pay the Association a membership fee. Furthermore, they may from time to time purchase goods or services from the Association (e.g. books, journals, conference attendances.). The payment of fees or purchase of good or services are on normal commercial terms with no preferential treatment by virtue of being a trustee.

Other than the above, there were no related party transactions to report in the period of report (2019: none)