



**WaterHarvest**

MAKING EVERY DROP COUNT

# ANNUAL REPORT AND FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2021

WaterHarvest is a company limited by guarantee registered in England and Wales

Charity number 1127564

Company number 06484901

# CONTENTS

Chair's and CEO's Welcome .....	3
Annual Report of the Trustees (incorporating the Director's Report) .....	4
Mission .....	4
What We Do .....	5
Where We Work .....	9
Achievements and Performance .....	11
Financial Review .....	15
Plans for the Future .....	18
Structure, Governance and Management .....	19
Legal and Administrative Details .....	21
Independent Auditor's Report .....	26
Statement of Financial Activities .....	30
Balance Sheet .....	31
Notes to the Financial Statements .....	32

## CHAIR'S AND CEO'S WELCOME

This year has seen huge challenges as a result of COVID 19 but as always, challenges present opportunities and we feel that we have come out stronger. The severity of the pandemic in India underlined, once more, the importance of our work and the need for clean water amongst these communities. Our ability to continue to support our field workers even when the programme work had to stop has further strengthened our relationships with our field partners. We also used the 'lock down' opportunity to change several of our internal systems, moving to an integrated cloud-based system which will set us up for the future. Most of all though, we came through stronger as a team – facing challenges together, listening to and helping each other.

Every year we are hugely grateful for the very loyal community who continue to support WaterHarvest but this year their support was felt even more keenly. We received many calls and emails enquiring after our team and partners in India and had very good attendance at our online events. This support is also reflected in our total income for the year, which was only very slightly down on the previous year. We continue to be indebted to the community around WaterHarvest and would like to say a huge thank you to everyone for helping us to be able to help so many people have access to clean water, despite the pandemic.

Over the last 34 years, WaterHarvest has directly supported over two million people, worked in 2,021 villages, and built structures to harvest 1.3 billion litres of rainwater annually. However, our work is far from done. Roughly 2.5 billion people – live in the drylands of the world, of which 400 million people are estimated to be living on less than \$1.25 a day, most of whom have no access to clean water. As we know, clean water changes lives: girls go to school, women are freed from the anxiety of finding drinking water for their families, the health of the family improves and more money is available for daily living when families are not paying for water.

As we know, COVID 19 is not going away and the challenges will remain. However, we have an ambitious programme for the next few years, including many more programmes in India and potential programmes in Africa.

We look forward to the year ahead and thank you for your continued support.

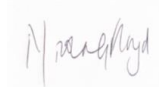
Yours,

**Neil Mehta**



Chair of Trustees

**Nicola Floyd**



CEO





# ANNUAL REPORT OF THE TRUSTEES INCORPORATING THE DIRECTORS' REPORT

## OUR MISSION

We believe that clean drinking water is key to alleviating poverty and that harvesting rainwater is the most sustainable way to provide clean drinking water in the rural, dryland communities where we work.

A source of clean water close to the home improves health, increases incomes, enables girls to go to school and leads to a greater sense of wellbeing including a reduction in anxiety and an increase in dignity.

We also believe that using water efficiently can improve the livelihoods of the rural, dryland communities that we work with.



# WHAT WE DO

## HOW WE WORK

We work with local partners to promote rainwater harvesting in order to provide rural, dryland communities with clean drinking water and reduce poverty.

This work focuses on the United Nations SDG 6.1.

“BY 2030, TO ACHIEVE UNIVERSAL AND EQUITABLE ACCESS TO SAFE AND AFFORDABLE DRINKING WATER FOR ALL.”



We believe that national actors are vital for change in a country. We work with local partners to share our technical expertise and our experience so that they can build up their own knowledge of rainwater harvesting.

We encourage our partners to develop the best rainwater harvesting model for their community. We do not seek to impose solutions on the communities, rather to offer our help and guidance.

All our partners have strong community links. They work with the communities to select the families most in need of water harvesting structures. Whilst the whole community will benefit from sanitation and hygiene training, only the most vulnerable families are selected for a rainwater harvesting structure.





## THE PROGRAMMES

Our clean drinking water programmes build structures which catch the rain, either on the roof of a house or on a ground level artificial catchment and then channel the water into a covered, partially submerged storage tank. The water is then stored for use as drinking water throughout the year.



Most of the structures we build are for one family. However, some are for schools and healthcare clinics. The family structures typically hold about 20,000 litres of water, which is just over nine litres of water per day per person for a family of six. The school and healthcare clinic tanks can be up to 50,000 litres.

To improve the quality of the water, families receive water filters and training on how to use them. They also receive training on basic hygiene and sanitation.

In addition to the clean drinking water programmes, we have Water and Environment programmes and Water and Livelihood programmes. The Water and Environment programmes rejuvenate land by building bunds and trenches which hold the rainwater, allowing it to percolate down. The Water and Livelihood programmes equip farmers with irrigation systems. Using available water more efficiently enables farmers to grow more crops and, therefore, increase their incomes.

## SUSTAINABILITY

We believe that rainwater harvesting is the most sustainable solution for providing clean drinking water to the communities we work with.

The rainwater harvesting structures require little maintenance and are always built using locally available materials, skills, and labour. As a result, any maintenance or repairs can be done relatively easily and by local people.



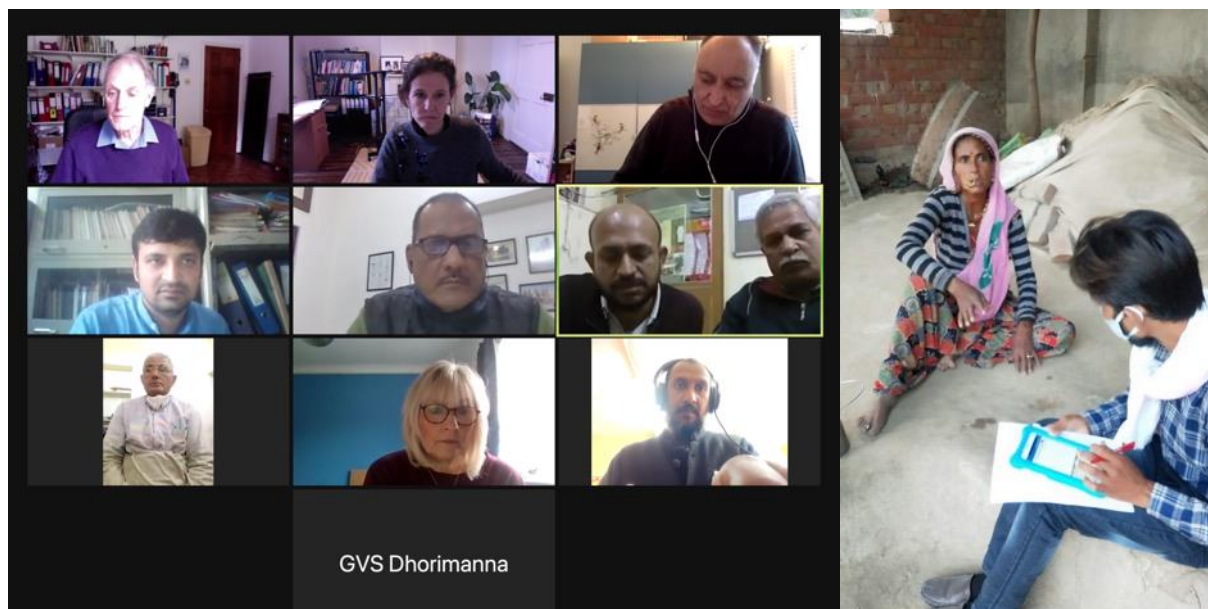
The structures are also environmentally sustainable as they do not rely on aquifers or ground water. The dryland regions we work in typically have low levels of ground water and, as a result, boreholes or wells regularly run dry and must be deepened in order to access water. In addition, boreholes sometimes need replacement parts and specialised labour which is not always available. All the communities we work in are very rural and there is lacking piped water supply.





## MONITORING OUR PROGRAMMES

Programmes are monitored through a combination of written reports, photos, our mobile app, zoom calls and in person meetings. The COVID pandemic has accelerated our use of technology in monitoring programmes and analysing our impact.



## EVALUATING OUR PROGRAMMES

All our programmes are evaluated internally and externally. Programmes are evaluated by the Programme Committee, and they are also evaluated by an external evaluator. The external valuation reports are reviewed by the Programme Committee and any recommendations are taken into account when designing new programmes.



## WHERE WE WORK

We work in rural, dryland communities. Drylands are largely defined as regions where rainfall is lower than 800 mm and, as a result, water is very scarce. Drylands are expanding, as a result of climate change, and now cover over 40% of total land surface with a population of over two billion people. Ensuring that communities living in these drylands can thrive without endangering the vital ecosystems they house is vital in the fight against climate change and poverty



Groundwater, the water stored under the earth's surface, is the largest store of freshwater on the planet. It is crucial to survival in drylands. Depleting these groundwater sources jeopardises future generations. We should only take out the amount of ground water which is being replenished. This replenishment happens naturally when rainfall infiltrates into the ground more quickly than it is removed back to the atmosphere by evaporation or transpiration in a process known as groundwater recharge.

By catching and storing the rainwater, families are not using the existing groundwater. This enables it to replenish naturally and ensuring the ecosystem can either remain in balance or can slowly return to balance over time.

## PROGRAMMES

During the year, we had 10 programmes in India. Nine of these were in Rajasthan and one in Gujarat. Seven programmes were focused on harvesting rainwater for clean drinking water, two were providing irrigation systems for farmers and one was rainwater harvesting for land rejuvenation. In addition, towards the end of the year, we started a small pilot programme which helped build three rainwater harvesting structures at health clinics in Kenya.

# ACHIEVEMENTS AND PERFORMANCE

## HIGHLIGHTS

This year we built 121 rainwater harvesting structures. Five of which were for schools and 116 were for households.

Each household structure typically lasts for about 25 years and holds 20,000 litres of water. In total, one structure will harvest 500,000 litres of water over its lifetime. Looking at it another way, each structure will provide water for six people for 25 years.

In rural India, girls, as young as eight, spend a third of their lives fetching water, meaning they miss out on an education. They often have to walk for miles every day, carrying loaded water pots weighing 12kg or more on their head. Assuming there are two girls in each family, 116 household tanks will enable an additional 232 girls to go to school each year.

One of the greatest impacts we see from our programmes is the reduction in anxiety and increase in dignity that is created as a result of having a source of clean drinking water in the home. As part of our work to improve measurement of impact, we have begun using a validated survey called the 'Household Water Insecurity Experience' (HWISE) to evaluate anxiety and worry, amongst other issues. Once programmes are completed, we will survey participants and analyse the change in 'water insecurity' experienced by them.

We also rejuvenated 36 hectares of land, worked with 295 farmers equipping them irrigation systems and built three community farm ponds. As a result, in total, this year we have helped 11,225 people and worked in 92 villages.





We started four new programmes during the year. Three were in the Thar desert and focused on building water harvesting structures to provide families with clean drinking water.

The fourth also built water harvesting structures for clean drinking water but focused on disabled people. This project also included providing specially adapted toilets and improving access to water for disabled people.



Last year's annual report highlighted 'Water Quality' as an area of focus for us this year. Whilst we have not been able to carry out a research project due to COVID 19, we have made significant progress in researching the suitability of water filters for our programmes. After much research, we selected two water filters for a trial and monitored two groups with these filters to see which filter worked most efficiently and which one the family used. One filter performed significantly better and we plan to widen testing of this filter.

Although COVID 19 presented huge challenges throughout the year, it also strengthened our relationships with our partners. We continued to support them throughout the lock down which enabled us to start work quickly when government restrictions were lifted.



## LEVERAGE

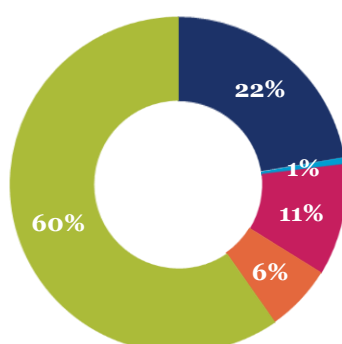
All our programmes require a contribution from the local community. This is typically done in the form of labour – most families help with the excavation stage of the rainwater harvesting structure. It not only reduces the cost of the programme, meaning more families can be included, but also fosters a sense of ownership of the structure among the community. This is key to ensuring the structure is well maintained and the programme is sustainable. In some exceptional circumstances, where the family is not able to contribute, this does not exclude them from the programme.

In addition to community contributions, we also leverage funds from partners, corporates and governments. The level of leverage varies between programmes. Our programme in Gujarat has a high level of leveraging due to a partnership with a corporate donor.

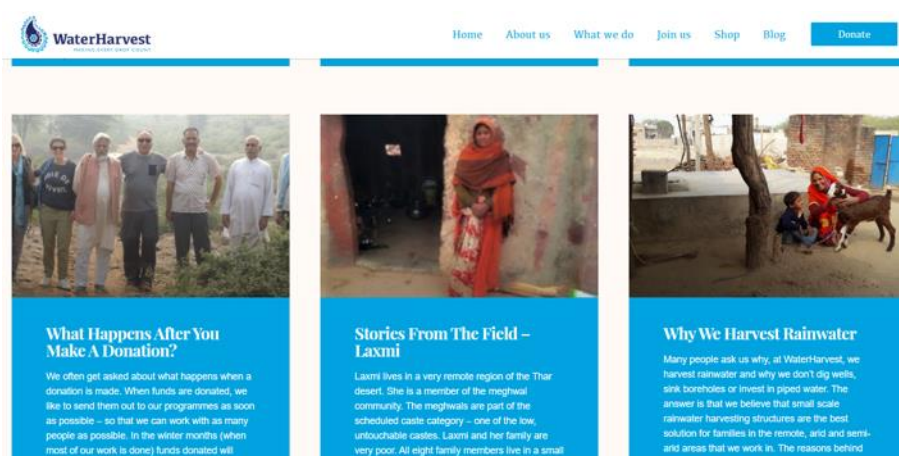
This year the overall leverage figure for the total programme budget was 40%. This meant that for every £1 donated, £1.40 of work was done. This was slightly below last year's average of 65%, taking our three-year average to 73%.

### Community Contribution

■ Community ■ Partner ■ Corporate ■ Government ■ WaterHarvest



## COMMUNICATIONS



We communicate our work on a regular basis. We publish updates to the blog page of our website and send out a newsletter 'WaterHarvest News'. We also produce an 'Annual Review' which summarises highlights from our Annual Report and hold online events in the evenings.

We continue to be hugely grateful to the Matthew Good Foundation for their ongoing support in producing videos.



## OPERATIONS

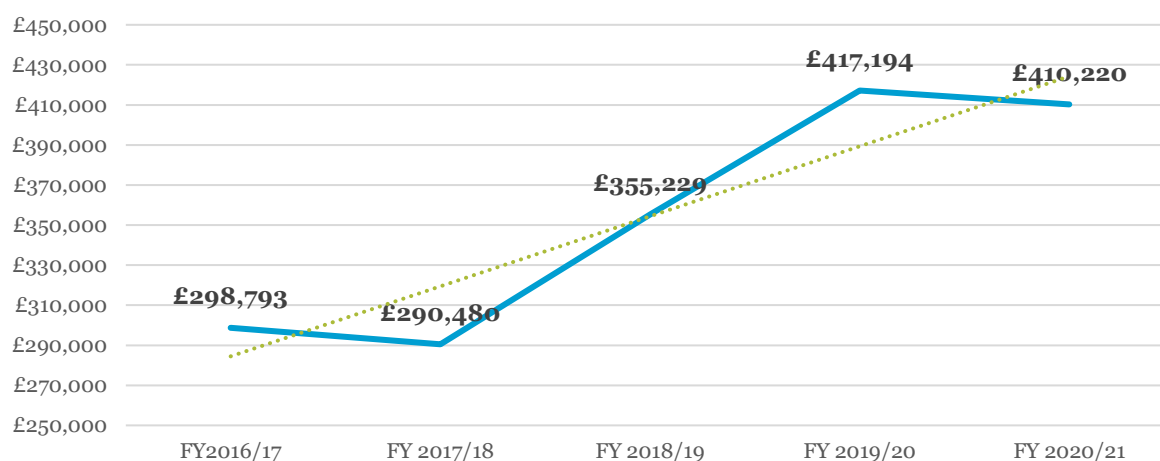
During the year, we implemented new cloud based internal systems to enable further digital integration.



## FINANCIAL REVIEW

Total income for 2020/21 was £410,220 (2020: £417,194). This represents a small decrease on last year, partly reflecting the tough fundraising environment but also a large legacy was received last year.

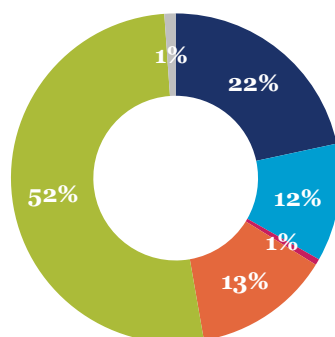
### Income for last five years



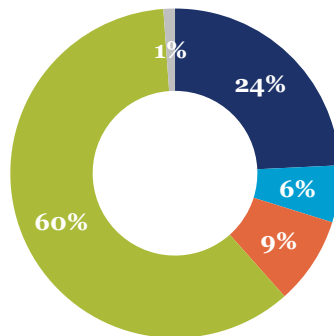
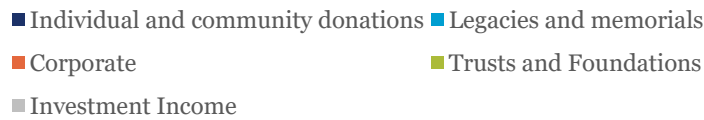
Restricted income was 8% of our funding. This represents a decrease from last year's level of 34%. Income from Trusts and Foundations continues to be our largest source of funding, assisted by a £31,891 donation from the Monsoon Accessorize Trust and a £5,270 donation from the Peter Stebbings Memorial Trust. Individual and community donations are our second largest source of funding. Corporate donations also remain an important sector for us. As the pie charts below reflect, income from legacies fell this year – due to a large legacy received in FY19/20.

### Principal Sources of Income 2019/20

- Individual and community donations ■ Legacies and memorials
- Sales and events ■ Corporate
- Trusts and Foundations ■ Investment Income



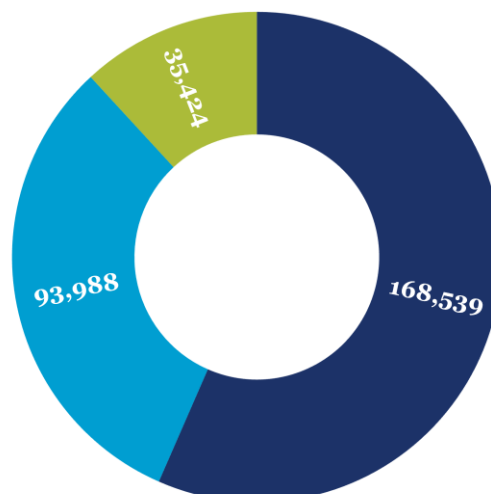
### Principal Sources of Income 2020/21



The total expenditure on charitable activities was £298,417 (2020: £334,550) including support costs and governance costs. This represents an 11% decrease on last year, due to the impact of COVID 19 on our programme delivery. In April 2020, with the coronavirus pandemic just unfolding in India, our programme budget was set at a relatively conservative level. Whilst we managed to achieve the whole budget, it has meant that some of the work we had originally planned to do in 20/21 is now scheduled for the financial year 21/22.

Rainwater harvesting for clean drinking water continues to be our biggest programme area representing 57% of total charitable spend. We expect this to continue going forward.

### Charitable Expenditure



The cost of raising funds was £61,533 (2020: £64,881). This includes the cost of employing our fundraising staff and the production of communication materials. This is a 5% decrease on last year. During the year, we hired a new part-time fundraiser to increase our fundraising effort. This means that for every pound raised just over 15p was spent on fundraising. This is a similar level to last year. We continue to ensure we are efficient and keep our costs low.

Governance costs were £5,562 (2020: £7,994). This comprises the audit in this financial year and the audit and other accountancy costs last year.

## EXCHANGE RATE

Our forecast for last year for the GBP and Rupee rate was Rp85. The average figure for our transfers was just over Rp92.

## RESERVES

At the year end, our overall reserves are £327,235, which translates to seven months of the annual budget. Whilst this is clearly above the trustees policy of 4–6 months of annual budget, the trustees felt that it was acceptable given the uncertainty caused by the pandemic.

Our free reserves are £132,025. This represents funds which have not already been committed to projects. With many programmes taking longer as a result of the COVID 19 pandemic, these funds have been designated but were not yet sent out to the partners at the financial year end.



## PLANS FOR FUTURE PERIODS

The trustees continue to believe that providing clean drinking water through harvesting rainwater has a significant impact on lives for families living in rural, dryland communities. We also believe that the focus should be on working with partners, giving them the technical knowledge and the financial means to help communities to catch and store rain.

Whilst we have already helped many communities in Rajasthan and Gujarat, there are still many without access to clean drinking water. The coronavirus pandemic has hit the rural communities we work in extremely hard. Our work continues to be vital as they strive to recover.

We have an ambitious programme for next year which will reduce the reserves back to normal levels. We currently have five programmes in India and plans to start another five this year. Four of these are harvesting rainwater to provide clean drinking water. One of these is to regenerate land for herders. As always, we will continue to look for new partners in India and also invite proposals for new programmes from existing partners. We will also be looking for new partners to work with in rural, dryland communities in Africa.

In light of the coronavirus pandemic, we reviewed whether we should be involved in emergency aid. However, the trustees continue to believe that our focus should be on harvesting rainwater to provide clean drinking water and, to a lesser extent, to regenerate land. We feel that that this is where our strength and experience lies.

We also reviewed whether we should work outside of dryland regions. Whilst we believe that water harvesting should be encouraged in regions with higher annual rainfall, our focus should remain on drylands as the impact from clean water can be far greater in these regions where water is so scarce.

Since the end of the financial year, three new trustees have joined our board. One of these will lead a review of our digital fundraising and communications. We are also working with volunteers from the Information Lab to help connect the data coming from our app into dashboards in Tableau.

## STRUCTURE, GOVERNANCE AND MANAGEMENT

WaterHarvest is a company limited by guarantee and is governed by its Memorandum and Articles of Association updated on 11<sup>th</sup> October 2017.

### **Reference and Administration details**

WaterHarvest Limited is a company limited by guarantee (registered in England and Wales no 06484901) and a charity (registered in England and Wales, no. 1127564). Our India office is registered as a Liaison Office under Indian regulations.

The trustees keep the organisation of the charity under review and seek to ensure that it is adequately structured and resourced to meet the needs of its operations. They hold quarterly meetings to review the work of the charity. In addition, each trustee sits on either the Programme, Business Development/ Digital or Finance committee. They also all take an active role in fundraising.

### **Trustees' appointment and induction**

Trustees serve for an initial three-year term, after which they may be appointed to stand for another three-year term. New trustees are appointed by the existing trustees, taking account of the skills, knowledge and experience. Under normal times, trustees are encouraged to visit India (usually at their own expense) to see first-hand the work supported by the charity but this has not been possible this year.

### **Finance Committee**

The Finance Committee meets each quarter to monitor the financial performance of the charity. Each trustee receives a copy of the management accounts on a monthly basis. For the first six months of the year, the Finance Committee met on a monthly basis due to the uncertainty caused by COVID 19.

### **Programme Committee**

The Programme Committee meets every quarter to discuss any challenges to current programmes, to consider new programmes proposals, to review evaluations on completed programmes and R & D proposals.

### **Business Development Committee**

The Business Development Committee meets on an ad hoc basis to discuss fundraising and new ideas.

### **Senior Management**

Within the UK office, there were four paid staff (3.5 full-time equivalent). Nicola Floyd as CEO, Julia Seal and Batul Dungarwalla as Fundraising Managers and Dawn Flach as Operations and Finance Manager. Trustees, interns and other volunteers make a range of valuable contributions to the organisation's work. Om Prakash Sharma is the India Country Director. He is joined by Dinesh Sharma, Finance Manager, and Somendra Sharma, Programme Manager. Divya Kalia and Sunita Singh, both Assistant Programme Managers.

### **Public benefit statement**

In exercising their powers and duties, the trustees have due regard for the guidance on public benefit published by the Charity Commission. WaterHarvest's activities give rise to identifiable public benefits, primarily in India but also, to a lesser extent, in the UK through the talks given in schools and community groups.

### **Risk management**

We review risks on a quarterly basis and maintain a register of risks ranked according to probability and impact.

### **Restricted funds**

The restricted funds referred to in Note (20) of the Financial Statements are held for the purposes agreed with the donors and are expended as the relevant programmes progress.

### **Reserves policy**

The trustees confirmed the reserve policy of reserves between 4 to 6 months of total budget (including programmes). However, the trustees acknowledged that during the COVID 19 pandemic, it is acceptable for reserves to be above the upper limit of the reserves policy.

### **Safeguarding**

The trustees reviewed the Safeguarding Policy document and no changes were made.

### **Appointment of auditors**

The board decided to re-appoint Fiander Tovell.



## LEGAL AND ADMINISTRATIVE DETAILS

<b>Name</b>	WaterHarvest Limited
<b>Charity Number</b>	1127564
<b>Company Number</b>	06484901
<b>Registered Office</b>	Basepoint, 1 Winnall Valley Road, Winchester SO23 0LD, UK
<b>Website Address</b>	<a href="http://www.water-harvest.org">www.water-harvest.org</a>
<b>India Liaison Office</b>	1139, Hiran Magri, Sector No 4 Udaipur 313002 Rajasthan, India
<b>Bankers</b>	HSBC Bank plc 58 High Street, Winchester, SO23 9BZ
<b>Auditors</b>	Fiander Tovell Stag Gates House 63/64 The Avenue Southampton SO17 1XS

## DIRECTORS AND TRUSTEES

The directors of the charitable company (the charity) are its trustees for the purpose of charity law.

The following trustees held office from 1<sup>st</sup> April 2020:

### **Neil Mehta (Chair)**

Neil has over 20 years of board level experience. He is an entrepreneur and digital technologies innovator. He has been involved in Tech4Good businesses, government funded bodies and charities. Neil is Chair of WaterHarvest Board and is a trustee of another UK charity. Neil provides overall long-term strategic direction and guidance to the trustees' board and support for the CEO in achieving the objectives of WaterHarvest and is a member of the Finance Committee.

### **Dr Kevin L Cook**

Kevin is a retired lecturer in Geography. He has a special interest in development issues. He has been a supporter of the charity since it was founded. Kevin chairs the Programme Committee.

### **Dr Maureen Gupta**

Maureen was born in Shillong, North-East India and after graduating as a doctor, was posted to Karnataka, before moving to the UK where she worked in the NHS for over 30 years. Maureen is a member of Programme Committee.

### **Peter McManus**

After more than 40 years in the computer industry, Peter is now a trustee of several charities, including WaterHarvest and Churches Together in Winchester. He was IBM Europe Development Director (Entry Systems), and also one of the founders of the software company, Active Navigation, a leader in Information Governance. Peter is a member of both the Finance Committee and the Business Development committee.

### **Dr Max M Wilson**

Max has a doctorate in Metallurgy. He has held senior management positions in large companies in UK and overseas. Latterly, he specialised in helping small high-tech companies to grow. As a result of many visits to Water Harvest projects in India, he has a comprehensive knowledge of the local situation. Max chairs the Finance Committee and is a member of the Programme Committee.

### **Fiona Beukes**

Fiona has an extensive background in financial services marketing and communications, particularly supporting the growth of investment and wealth management propositions. Recent projects have included a brand redevelopment and relaunch, enterprise marketing for a go-to-market long-term savings platform as a service and developing digital user experience and engagement strategies. She is a Fellow of the Chartered Management Institute and holds an OUBS MBA. Fiona has a special interest in ESG issues, sustainable development and social impact enterprises. Fiona is a member of the Finance Committee and Business Development Committee. Fiona became a trustee in June 2019.

### **Ellie Shepherd**

Ellie has a background in financial services with her key area of interest being customer experience. Ellie brings her knowledge of marketing and communications alongside a focus on foresight so we can develop a future focussed strategy for fundraising as well as project delivery. Ellie became a trustee in December 2019 and is a member of the Business Development Committee.

### **Steve Welch**

Steve comes from a Software Engineering, Agile development and Coaching background. He was a Cisco Engineering Director for Unified Communications, as well as a member of the Cisco UK & Ireland Leadership board. He is the chair and Non-Executive Director of a FinTech start-up company and board advisor to an IT Consultancy firm, working in the public sector (Highways England). Steve became a trustee in June 2019 and is a member of the Programme Committee.

### **Patrons**

Sir Mark Tully

Lord Bhikhu Parekh



## TRUSTEES' RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

The trustees (who are also directors of WaterHarvest Limited for the purposes of company law) are responsible for preparing the Annual Report of the Trustees 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company 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 the Charities SORP 2015 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company'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 report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

**Approval**

I declare, in my capacity as a trustee, that the trustees have approved this report and have authorised me to sign it on their behalf.

**Neil Mehta**



**Trustee – Chair**

**Date: 17<sup>th</sup> September 2021**

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WATERHARVEST LIMITED

### Opinion

We have audited the financial statements of WaterHarvest Limited (the 'charitable company') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, Balance Sheet and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees 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 trustees as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for opinion

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



### Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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.

### Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- the charitable company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

## **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on page 22, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

## **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 144<sup>1</sup> of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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.

## **Extent to which the audit was 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 charity through discussions with trustees and other management, and from our commercial knowledge and experience. We focused on specific laws and regulations which we considered may have a direct material effect on the financial

statements or the operations of the company, including the SORP, Charities Act 2011, data protection, employment, environmental and health and safety legislation.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- Making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud.
- 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.
- Tested journal entries to identify unusual transactions.
- 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 financial statement disclosures to underlying supporting documentation.
- Reading the minutes of meetings of those charged with governance.
- Enquiring of management as to actual and potential litigation and claims.

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 for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.



**Paul Meacher FCA Senior Statutory Auditor**  
**For and on behalf of Fiander Tovell Limited**

Chartered Accountants  
Fiander Tovell Limited  
Stag Gates House  
63/64 The Avenue  
Southampton SO17 1XS

**Date: 17<sup>th</sup> September 2021**



## STATEMENT OF FINANCIAL ACTIVITIES

Statement of Financial Activities including income and expenditure account for the year ended 31<sup>st</sup> March 2021

		Unrestricted	Restricted	2021	2020
	Notes	funds	Funds	Total	Total
		£	£	£	£
<b>Income</b>					
Donations and legacies	3	372,748	31,891	404,639	410,081
Other trading activities	4	933	-	933	2,510
Investment income	5	4,648	-	4,648	4,603
Total income		378,329	31,891	410,220	417,194
<b>Expenditure</b>					
Raising funds:					
Donations & legacies	6	52,813	-	52,813	62,530
Sales	6	-	-	-	994
Communications	6	8,720	-	8,720	1,357
Charitable activities:	7/8				
Sustainable water projects		213,201	85,216	298,417	334,550
Total expenditure		274,734	85,216	359,950	399,431
Net gains/(losses) on investments		25,321	-	25,321	(3,902)
Net income/(expenditure)		128,916	(52,325)	75,591	13,861
Transfers between funds		-	-	-	-
Net movement in funds		128,916	(52,325)	75,591	13,861
<b>Reconciliation of funds</b>					
Total funds brought forward		162,571	89,162	251,734	237,872
Total funds carried forward		291,487	35,837	327,324	251,734

The Company's incoming resources and resources expended all relate to continuing operations.

The Company does not have any endowment funds.

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 33 to 53 form part of these financial statements.

## BALANCE SHEET

Balance sheet as at 31<sup>st</sup> March 2021

	Notes	2021 £	2020 £
Fixed assets			
Tangible assets	14	1,389	3,456
Investments	15	151,271	125,950
		152,661	129,406
Current assets			
Debtors	16	41,171	52,733
Cash at bank and in hand	17	149,314	78,288
		190,485	131,021
Creditors: amounts due in one year	18	15,820	8,693
Net current assets		174,665	122,328
Total assets less current liabilities		327,325	251,734
Net assets		327,325	251,734
The funds of the charity:			
Unrestricted funds:	19		
General fund		80,754	123,858
Investment valuation reserve		51,271	25,950
		132,025	149,808
Restricted funds	20	35,837	89,162
Designated fund TBS Sarsa 2		8,656	-
Designated fund Samerth Kutch 2		43,454	-
Designated fund PKS Charasada 3		37,836	-
Designated fund Gravis Jaisalmer 3		41,959	-
Designated fund Apna Sansthan		22,558	-
Designated fund Mando Maasai		5,000	-
Total funds		327,325	251,734

The notes at pages 28 to 48 form part of these accounts.

The Financial Statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small entities.

Approved by the Board for issue on 17<sup>th</sup> September 2021



Neil Mehta, Trustee - Chair

## NOTES TO FINANCIAL STATEMENTS

### Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2021

**1 Statutory information**

WaterHarvest is a company limited by guarantee, registered in England and Wales, without share capital. There were 8 trustees at the balance sheet date (2020: 8 trustees) The company's registered number and registered office address can be found in the Annual Report of the Trustees.

**2 Accounting policies**

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

**(a) Basis of preparation**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

The financial statements are presented in Sterling, which is also the functional currency of the company.

**(b) Statement of Cash Flows - reduced disclosure exemptions**

The company has taken advantage of the disclosure exemption, not to prepare a Statement of Cash Flows, as permitted by section 7 of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) (as amended by Update Bulletin 1 published on 2 February 2016)'.

**(c) Preparation of consolidated financial statements**

The company does not consolidate the accounts of the India Liaison office into the financial statements of WaterHarvest as the control of the India Liaison office resides in India. Information on the India Liaison office is given in note 25.

**(d) Going concern**

The financial statements have been prepared on a going concern basis and the trustees have considered the impact of the global Covid-19 pandemic on the ability of the charity to continue  
Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2021 (continued)

trading for the foreseeable future. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

**(e) Periods covered**

The financial statements cover the year to 31<sup>st</sup> March 2021, with comparatives for the year to 31<sup>st</sup> March 2020.

**(f) Fund accounting**

Unrestricted funds are general funds that are available for use at the trustees' discretion in the furtherance of the objectives of the charity. Designated funds are unrestricted funds set aside at the discretion of the trustees for specific purposes.

Restricted funds are those donated for use in a particular area for specific purposes, the use of which is restricted to that area or purpose.

**(g) Incoming resources**

All incoming resources are included in the Statement of Financial Activities when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

Income from general donations is recognised in the financial statements when it is received or when the charity has been notified of the amounts and the settlement date in writing.

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified to the charity however it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed if material.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

Investment income is earned through holding assets for investment purposes. Investment income is accrued and included in the period for which it is receivable.

**(h) Resources expended**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. Costs of raising funds are those costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.



### Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2021 (continued)

Grants payable to third parties are within the charitable objectives. Where unconditional grants are offered, this is accrued as soon as the recipient is notified of the grant, as this gives rise to a reasonable expectation that the recipient will receive the grants. Where grants are conditional relating to performance then the grant is only accrued when any unfulfilled conditions are outside of the control of the charity. Where sufficient evidence exists to demonstrate the requirement of Charities SORP (FRS 102) (effective 1 January 2015) that the discretion retained by the trustees to not provide future funding under annual reviews does have substance then the forward grant commitments on projects are not recognised as a provision.

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include central functions and governance costs and have been allocated to activity cost centres on the basis of the value of grants granted. It is felt that the small size of the charity and the low level of expenditure do not warrant incurring costs in collecting and analysing the information necessary for any other basis of allocation. This policy is kept under review.

Staff costs are allocated between costs of raising funds and support costs, based on the primary roles undertaken by each staff member.

- (i) Donated goods and volunteer and other donated services  
Donated goods are recognised in different ways dependent on how they are used by the charity. The charity has not received any goods for use by the charity.

The value of services provided by volunteers is not incorporated into these financial statements. Where services are provided to the charity either as a donation or at less than commercial cost they are included in the financial statements at actual cost incurred.

- (j) Foreign currencies  
Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result

- (k) Taxation  
Irrecoverable VAT is not separately analysed and is charged to the statement of financial activities when the expenditure to which it relates is incurred.

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

The company's income from charitable activities is exempt from taxation.

### Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2021 (continued)

- (l) Operating leases  
Rental payments under operating leases are charged as expenditure as incurred over the term of the lease.
- (m) Tangible fixed assets and depreciation  
Tangible fixed assets are capitalised at cost and are depreciated on a straight line basis at an annual rate of 10% over their estimated useful lives.
- (n) Investments  
Investments held as fixed assets are stated at market value at the balance sheet date and the gain or loss taken to the Statement of Financial Activities.
- (o) Cash at bank and in hand  
Cash at bank and cash in hand includes cash and highly liquid bank accounts. Cash held as part of an investment portfolio is included with the investment to which it relates.

### Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2021 (continued)

- (p) Debtors and creditors receivable / payable within one year  
Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.
- (q) Pension costs and other post-retirement benefits  
WaterHarvest makes contributions to a money purchase scheme. The cost is charged to the Statement of Financial Activities as incurred.
- (r) Judgements and key sources of estimation uncertainty  
In the application of the charitable company's accounting policies, management is required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and the underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2021 (continued)

## 3 Donations and Legacies

	Unrestricted funds £	Restricted funds £	2021 £	2020 £
Donations and legacies				
Individual & Community Donations	99,183	-	99,183	90,273
Legacies and memorials	22,859	-	22,859	48,281
Corporate	3,329	31,891	35,220	56,073
Trusts and foundations	247,376	-	247,376	215,454
	372,748	31,891	404,639	410,081

Comparatives for donations and legacies

	Unrestricted funds £	Restricted funds £	2020 £
Individual & Community Donations	74,870	15,403	90,273
Legacies and memorials	5,790	42,491	48,281
Corporate	25,415	30,658	56,073
Trusts and foundations	162,611	52,843	215,454
	268,686	141,395	410,081

## 4 Other trading activities

	Unrestricted funds £	Restricted funds £	2020 £	2020 £
Sales and events	933	-	933	2,510
	933	-	933	2,510

Comparatives for other trading activities

	Unrestricted funds	Restricted funds	2020
Sales and events	2,510	-	2,510
	2,510	-	2,510



Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2021 (continued)

5	Investment income	Unrestricted funds	Restricted funds	2021	2020
		£	£	£	£
	Bank deposit interest	76	-	76	79
	Income from investment assets	4,572	-	4,572	4,524
		4,648	-	4,648	4,603
<b>Comparatives for investment income</b>					
		Unrestricted funds	Restricted funds	2020	
		£	£	£	
	Bank deposit interest	79	-	79	
	Income from investment assets	4,524	-	4,524	
		4,603	-	4,603	
<b>6 Costs of raising funds</b>					
		Unrestricted funds	Restricted funds	2021	2020
		£	£	£	£
	Fundraising costs	52,813	-	52,813	62,530
	Costs of purchased goods	-	-	-	994
	Communications	8,720	-	8,720	1,357
		61,533	-	61,533	64,881
<b>Comparatives for costs of raising funds</b>					
		Unrestricted funds	Restricted funds	2020	
		£	£	£	
	Fundraising costs	62,530	-	62,530	
	Costs of purchased goods	994	-	994	
	Communications	1,357	-	1,357	
		64,881	-	64,881	

Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2021 (continued)

## 7 Details of charitable activities

The total expenditure on grants to partners and support costs was as follows:

Grant funding £	Support costs £	Governance costs £	Total 2021 £	Total 2020 £
190,730	102,125	5,562	298,417	334,550

The total expenditure on grants to partners, support costs and governance costs can be broken down by project type, or by geographical area, as follows:

	Grant funding £	Support costs £	Governance costs £	Total 2021 £	Total 2020 £
<b>Project type</b>					
Clean Drinking Water	107,720	57,678	3,141	168,539	208,740
Water & Livelihood	60,071	32,165	1,752	93,988	78,433
Water & Environment	22,641	12,123	660	35,254	44,114
Publications	-	-	-	-	2,767
Monitoring & Evaluation	298	159	9	466	496
	190,730	102,125	5,562	298,417	334,550
<b>Geographical area</b>					
Aravalli Hills	67,826	36,317	1,978	106,120	78,433
Thar Desert	58,189	31,157	1,697	91,043	177,048
Sambhar Lakes	61,904	33,146	1,805	95,856	75,806
Africa	2,513	1,346	73	3,392	
Publications – all areas	-	-	-	-	2,767
Monitoring & Evaluation	298	159	9	466	496
	190,730	102,125	5,562	298,417	334,550

Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2021 (continued)

## 7 Details of charitable activities (continued)

### Comparatives for details of charitable activities

For the year ended 31<sup>st</sup> March 2020 the total expenditure on grants to partners, support costs and governance costs can be broken down by project type, or by geographical area, as follows:

	Grant funding £	Support costs £	Governance costs £	Total 2020 £
Project type				
Clean Drinking Water	128,436	75,316	4,988	208,740
Water & Livelihood	48,259	28,300	1,874	78,433
Water & Environment	27,143	15,917	1,054	44,114
Publications	1,703	998	66	2,767
Water Quality	-	-	-	-
Monitoring & Evaluation	305	179	12	496
	205,846	120,710	7,994	334,550
Geographical area				
Aravalli Hills	48,259	28,300	1,874	78,433
Thar Desert	108,936	63,881	4,231	177,048
Sambhar Lakes	46,643	27,352	1,811	75,806
Publications – all areas	1,703	998	66	2,767
Monitoring & Evaluation	305	179	12	496
	205,846	120,710	7,994	334,550

Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2021 (continued)

## 8 Grants payable

Grant funding is paid to local voluntary partner organisations. The grants provided to these organisations were as follows:

Area	Partner organisation	2021 £	2020 £
Aravalli Hills	Mahan Seva Sansthan	22,894	8,404
	Taran Bharat Singh	37,177	39,855
	Apna Sansthan	7,755	-
		<u>67,826</u>	<u>48,259</u>
Desert Regions	Gramin Vikas Vigyan Samiti	21,952	30,873
	Jal Bhagirathi Foundation	1,814	45,669
	Samerth Charitable Trust	5,843	32,394
	Urmul Seemant Samiti	9,527	-
	Gramin Vikas Santhan	9,526	-
	ARAVALI	9,527	-
		<u>58,189</u>	<u>108,936</u>
Sambhar Lakes	Gram Vikas Navyuvak Mandal	22,641	27,143
	Prayas Kendra Sanstha Harsoli	39,263	19,500
		<u>61,904</u>	<u>46,643</u>
Africa	Mando Maasai	2,513	-
Publications -all areas	Wise Water Solutions	-	1,703
Monitoring & Evaluation – all areas		298	305
Total grants payable		<u>190,730</u>	<u>205,846</u>

Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2021 (continued)

## 9 Support and governance costs

These costs have been apportioned across the work of the charity on the basis disclosed in note 1(h) and allocated to each of the charity's activities as set out in the table below:

Monitoring and support costs

	India Office £	UK Office £	Total 2021 £	Total 2020 £
Clean Drinking Water	24,584	33,094	57,678	75,316
Water & Livelihood	13,709	18,455	32,165	28,300
Water & Environment	5,167	6,956	12,123	15,917
Publications	-	-	-	998
Monitoring & Evaluation	68	92	159	179
Total costs allocated	43,528	58,597	102,125	120,710
			Total 2021	Total 2020
<b>Governance Costs</b>			£	£
Clean Drinking Water			3,141	4,988
Water & Livelihood			1,752	1,874
Water & Environment			660	1,054
Publications			-	66
Water Quality			-	-
Monitoring & Evaluation			9	12
Total costs allocated			5,562	7,994

Governance costs are associated with the governance arrangements of the charity which relate to the general running of the charity as opposed to those costs associated with generating funds or charitable activity. This includes costs associated with constitutional and statutory requirements of the charity, such as cost of preparing period end statutory accounts and external audit costs.



## Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2021 (continued)

### 10 Net income/(expenditure)

Net income/(expenditure) for the year is stated after charging:

	2021	2020
	£	£
Depreciation charge for year	421	384
Auditor's remuneration - audit work	5,562	7,442
Auditor's remuneration – other services	-	552

### 11 Staff Costs

UK Staff Costs	2021	2020
	£	£
Salaries, wages and benefits in kind	81,658	79,802
National Insurance costs	2,824	3,612
Pensions	1,049	-
Total	85,531	83,414

The average monthly number of employees during the year was 3.5 (2020: 3.5). The average number of employees in the UK, full time equivalent, was 2.5 (2020: 2.5).

There were the equivalent of 4 employees in the India office.

No employees received emoluments in excess of £60,000.

The key management personnel of the charity comprises the trustees and the CEO Nicola Floyd. See note 12 for details on trustees' remuneration.

### 12 Trustees' Remuneration

There were no trustees' remuneration or other benefits for the year ended 31 March 2021 nor for the year ended 31 March 2020. There was no reimbursement to trustees (2020: £2,544 was reimbursed to 2 trustees) for directly incurred expenses.

Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2021 (continued)

## 13 Comparatives for the Statement of Financial Activities

		Unrestricted funds	Restricted funds	2020 Total
		£	£	£
Income				
Donations and legacies	3	268,686	141,395	410,081
Other trading activities	4	2,510	-	2,510
Investment income	5	4,603	-	4,603
Total income		275,799	141,395	417,194
Expenditure				
Raising funds:				
Donations & legacies	6	62,530	-	62,530
Sales	6	994	-	994
Communications	6	1,357	-	1,357
Charitable activities:	7/8			
Sustainable water projects		259,326	75,224	334,550
Total expenditure		324,207	75,224	399,431
Net gains/(losses) on investments		(3,902)	-	(3,902)
Net income/(expenditure)		(52,310)	66,171	13,861
Transfers between funds		-	-	-
Net movement in funds		(52,310)	66,171	13,861
Total funds brought forward		214,882	22,990	237,872
Total funds carried forward		162,571	89,162	251,734

Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2021 (continued)

## 14 Tangible Fixed Assets

	<b>Fixtures &amp; fittings</b>
	<b>£</b>
Cost	
Cost at 1 <sup>st</sup> April 2020	6,516
Additions	754
As at 31 <sup>st</sup> March 2021	7,270
Depreciation	
As at 1 <sup>st</sup> April 2020	3,059
Charge for year	422
Asset disposals	2,400
As at 31 <sup>st</sup> March 2021	5,881
Net Book Value	
At 31 <sup>st</sup> March 2021	1,389
At 31 <sup>st</sup> March 2020	3,457

## 15 Fixed Asset Investment

	<b>Unlisted</b>
	<b>investments</b>
	<b>£</b>
Cost or valuation	
As at 1 <sup>st</sup> April 2020	125,950
Revaluation	25,321
As at 31 <sup>st</sup> March 2021	151,271
Net Book Value	
At 31 <sup>st</sup> March 2021	151,271
At 31 <sup>st</sup> March 2020	125,950

There were no investment assets outside the UK. Investments comprise of COIF Charities Ethical Investment Fund.

## 16 Debtors

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Income tax recoverable	2,621	7,208
Prepayments and accrued income	35,324	42,903
Other debtors	3,227	2,622
	41,171	52,733

Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2021 (continued)

## 17 Cash at bank and in hand

	2021	2020
	£	£
BMM & Current bank account	50,919	74,507
COIF Account	98,395	3,781
	149,314	78,288

## 18 Creditors

	2021	2020
	£	£
Accruals and deferred income	15,820	8,693
	15,820	8,693

## 19 Movement on unrestricted funds

	Unrestricted Investment Valuation Reserve	Unrestricted General Funds	Unrestricted Total funds
		£	£
Balance at 1 <sup>st</sup> April 2020	25,950	123,858	149,808
Net movement in funds	25,321	116,359	141,680
	51,271	240,217	291,488

Comparatives for movement on unrestricted funds

	Unrestricted Investment Valuation Reserve	Unrestricted General Funds	Unrestricted Total funds
		£	£
Balance at 1 <sup>st</sup> April 2019	29,852	185,030	214,882
Net movement in funds	(3,902)	(61,172)	(65,074)
	25,950	123,858	149,808

Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2021 (continued)

## 20 Movement on restricted funds

	B/fwd 1/4/2020	Income	Charitable expense	C/fwd 31/3/2021
	£	£	£	£
Charasada	28,671	31,891	39,264	21,298
Jaisalmer 2	36,491	-	21,952	14,539
Barmer 2	24,000	-	24,000	-
<b>Total</b>	<b>89,162</b>	<b>31,891</b>	<b>85,216</b>	<b>35,837</b>

## Comparatives for movement on restricted funds

	B/fwd 1/4/2019	Income	Charitable expense	C/fwd 31/3/2020
	£	£	£	£
Jaisalmer 2	-	45,894	9,403	36,491
Charasada	1,513	46,658	19,500	28,671
Barmer 2	-	24,000	-	24,000
Kutch 1	21,477	-	21,477	-
<b>Total</b>	<b>22,990</b>	<b>116,552</b>	<b>50,380</b>	<b>89,162</b>

The projects on which restricted funding was spent are as follows:-

Project code	Project partner	Project title
Charasada	Prayas Kendra Sanstha	Sustainable water management and support to reduce the vulnerability of women by enabling safer drinking water along with improved sanitation and hygiene practice to deprived section of communities
Jaisalmer 2	Gramin Vikas Vigyan Samiti	Access to Safe Drinking Water for the water stressed communities of Thar
Kutch 1	Samerth Charitable Trust	Reviving Traditional Water bodies in 3 villages of Rapar and promoting conservation of Rainwater Harvesting in Dholavira village.
Barmer 2	Jal Bhagirathi Foundation	Vulnerability reduction by creating sustainable sources of drinking water through community action

Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2021 (continued)



## 21 Analysis of assets between funds

	Unrestricted	Restricted	Total
	£	£	£
Fixed assets	152,661	-	152,661
Current assets	154,747	35,837	190,584
Current liabilities	(15,820)	-	(15,820)
Total	291,588	35,837	327,425

### Comparatives for analysis of assets between funds

	Unrestricted	Restricted	Total
	£	£	£
Fixed assets	129,406	-	129,406
Current assets	41,859	89,162	115,667
Current liabilities	(8,693)	-	(8,693)
Total	162,572	89,162	251,734

## 22 Ultimate controlling party

The company is controlled by its trustees.

## 23 Related party transactions

During the year, the charity received donations from trustees and related parties of the trustees to the sum of £8,172 (2020: £8,166). These donations were received without conditions attached.

Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2021 (continued)

## 24 Contingent assets, contingent liabilities and commitments

The charity has made commitments to fund projects subsequent to the Balance Sheet date to the sum of £427,764 (2020: £513,830). In accordance with the accounting policy note, these are subject to annual reviews that have substance, therefore as a result these are not included as a provision in the accounts.

## 25 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2021	2020
	£	£
Within one year	4,111	13,770
Between one to five years	<u>1,512</u>	<u>3,204</u>
	5,623	16,974

During the year, the Charity recognised £13,770 (2020: £16,632) of lease costs in the Statement of Financial Activities in respect of leases detailed in this note.

## 26 Covid-19 pandemic considerations

The trustees have considered the impact of the global Covid-19 pandemic on the ability of the charity to continue trading for the foreseeable future. This review has included consideration of the impact of the pandemic to the date of signing the financial statements and updating financial projections. Fundraising to the end of June 2021 has been in line with our approved budget for this financial year. Expenditure to the end of June 2021 has been in line with our approved budget and we are able to continue to support our partners and projects. Our reserves policy allows us to operate as planned. Based on this review the trustees believe that the financial statements have been prepared appropriately on the going concern basis.

Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2021 (continued)

**27 India Liaison Office audited accounts**

The India Liaison office was established 1<sup>st</sup> April 2007. The following abbreviated accounts have been audited by Kumar Mittal & Co., Chartered Accountants of Delhi. The accounts are not consolidated into WaterHarvest financial statements as the control of the India Liaison office resides in India.

**Income & Expenditure**

12 Months to 31 <sup>st</sup> March 2021	Rs.	Rs.	£	£
Current assets B/fwd	625,514		6,664	
Received from WaterHarvest	4,322,778		43,528	
Less Expenditure				
Operating expenses	(4,618,610)		(45,788)	
Exchange adjustment			(1,136)	
		329,682		3,268
Fixed Asset Fund Contra		146,760		1,455
<b>Surplus</b>		<b>476,442</b>		<b>4,723</b>

**Balance Sheet as at 31<sup>st</sup> March 2020**
**Fixed Assets**

Cost	1,008,661		10,793	
Depreciation	(941,901)		(9,338)	
		146,760		1,455

**Current Assets**

Cash	687		7	
Bank	402,306		3,988	
Deposit/Prepayment	32,839		326	
Less – Other creditors	(106,150)		(1,052)	
<b>Current Assets c/fwd</b>		<b>329,682</b>		<b>3,268</b>
		<b>476,442</b>		<b>4,723</b>

**Notes:**
**1 Exchange Rates:**

The transfers from the UK have been translated at the actual rate obtained. All other balances have been translated at the year-end rate of 100.87 rupees = £1

**2 Transfers:** The funds transferred to India have all been treated as expenditure in the following periods in the WaterHarvest Accounts.

Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2021 (continued)

## 27 India Liaison Office audited accounts (continued)

### Comparatives for India Liaison Office audited accounts

#### Income & Expenditure

12 Months to 31 <sup>st</sup> March 2020	Rs.	Rs.	£	£
Current assets B/fwd	512,037		5,667	
Received from WaterHarvest	5,418,486		63,118	
Less Expenditure				
Operating expenses	(5,305,009)		(56,514)	
Exchange adjustment			(5,606)	
		625,514		6,664
Fixed Asset Fund Contra		143,915		1,533
<b>Surplus</b>		<b>769,429</b>		<b>8,197</b>

#### Balance Sheet as at 31<sup>st</sup> March 2020

##### Fixed Assets

Cost	1,008,421		10,743	
Depreciation	(864,506)		(9,210)	
		143,915		1,533

##### Current Assets

Cash	9,211		98	
Bank	1,063,501		11,330	
Deposit/Prepayment	24,736		264	
Less – Other creditors	(471,934)		(5,028)	
<b>Current Assets c/fwd</b>		<b>625,514</b>		<b>6,664</b>
		<b>769,429</b>		<b>8,197</b>

#### Notes:

##### 1 Exchange Rates:

The transfers from the UK have been translated at the actual rate obtained. All other balances have been translated at the year-end rate of 93.87 rupees = £1

##### 2 Transfers: The funds transferred to India have all been treated as expenditure in the following periods in the WaterHarvest Accounts.