

WaterAid international

Annual Report and Financial Statements

31 March 2025

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Trustees' report

For the Year Ended 31 March 2025

The Trustees present their Trustees' report and audited financial statements for the year ended 31 March 2025.

Legal structure and governance

WaterAid international ("the Charity" or "WAI") is a charitable company limited by guarantee. It was incorporated on 29 April 2010 and registered as a charity on 8 September 2010. Its charitable objects are to relieve poverty and suffering in any part of the world through the improvement of water supplies, sanitation and advice on related health matters, and to educate the public concerning the nature, cause and effects of such poverty and suffering. Our governing document is our Articles of Association, published on our website.

During FY24-25, there were six full members of the Charity, namely WaterAid America, WaterAid Australia, WaterAid Canada, WaterAid Japan, WaterAid Sweden and WaterAid UK. Each of these member organisations is an independently constituted organisation with its own board, governing document and management body.

Principal objectives and activities

The Charity brings together the international group of WaterAid organisations to develop a global response to the world's WASH (water, sanitation and hygiene) crisis. The Charity works to consolidate relationships between WaterAid organisations and ensure that these organisations share a common vision, mission and values, and work effectively together in matters of strategy, policy and delivery. The Charity:

- monitors progress of existing members, approves criteria and choices for engagement with new countries;
- agrees membership criteria and standards and decides on membership status. It agrees changes to brand identity and licensing;
- agrees core global principles and monitors outcomes of core global processes; and
- shapes and agrees core WAI governance roles and processes, manages global risks and ensures appropriate global accountability to external and internal stakeholders.

Four principles underpin the relationship between the Charity and the national member organisations:

1. achieving WaterAid's mission as effectively as possible is fundamental to all we do, and global interest is paramount;
2. the Charity will only undertake activities that it can and will deliver more effectively than WaterAid members;
3. WaterAid will only have one organisation delivering our work in each of the countries where we operate; and
4. the members of WaterAid will be organisations that are, or are expected to become within a reasonable time frame, self-sustaining and able to contribute significant resources to the delivery of WaterAid's strategy.

Public benefit

The Trustees have taken into account the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning our future activities.

Governance and management

The Trustees

Trustees are appointed by the members of WaterAid; in most cases the Trustees are the chairs of WaterAid national member organisations, who may be appointed from amongst the trustees or may be appointed through open recruitment.

In FY24-25, the Board appointed two independent trustees as permitted in the Articles of Association, to strengthen diversity and representation on the Board. Open recruitment was led by an external agency, Macaulay Search, and a Selection Committee recommended two candidates for appointment. The Board appointed both candidates in June 2024. Due to an unresolved external conflict of interest one appointee resigned in July 2024. A second round of recruitment was carried out, also through Macaulay Search, in the final quarter of FY24-25 and two further appointments were recommended and made in June 2025.

WAI's independent Chair Maureen O'Neil's appointment was renewed for a second term of three years from August 2024.

The Trustees met four times during FY24-25. Meetings were held virtually in September and December 2024 and March 2025. In June 2024 the Board met in person at the Charity's London office. Seminars and other informal events alongside the face-to-face meetings in London provided opportunities for relationship building and for deeper exploration of relevant topics, including localisation and programmatic work.

Trustees were provided with opportunities during FY24-25 for one-to-one conversations with the Chair to review the Board's performance and effectiveness.

Trustees were offered opportunities during the year to visit WaterAid's programme work and to meet with country programme leaders virtually. Further opportunities for virtual visits will be explored in FY25-26, in addition to two planned in-person visits.

Global Director

The Global Director, Andrew McCracken, leads a small secretariat team who deliver the Charity's work and who support the WAI Board, Global Executive, and the member organisations. The Global Director chairs the Global Executive, supporting them to make good decisions on behalf of the global organisation.

Trustees' report

For the Year Ended 31 March 2025

Global Executive

Operational decision making and management on federation issues is delegated by the Trustees to formally constituted executive groups, chiefly to the Global Executive. The Global Executive is formed of Chief Executives of member organisations, global leads for primary business functions, and two coopted members who lead our programme work in two countries in the global south. The Global Executive met monthly during FY24-25, for the most part virtually, with meetings chaired by the Global Director.

Membership and Accreditation Committee

The Membership and Accreditation Committee (MAC) provides scrutiny of the member accreditation processes and makes recommendations to the Board of Trustees. It also reviews and makes recommendations on the membership criteria against which accreditation reviews are conducted.

The MAC comprises two WAI trustees and two independent members. A new Chair was appointed in January 2025. The MAC met in May and November 2024 and February 2025.

Charity governance code

The Charity works to apply the principles and recommended practices set out in the Charity Governance Code 2017 and as amended in 2020. The Charity will make time in FY25-26 to consider any revisions to the Code resulting from the review in FY24-25.

Review of the financial year

Global strategy

The Charity and wider WaterAid federation is continuing to implement and operationalise its 2032 strategy, approved in February 2022. Through this strategy WaterAid aims to:

1. achieve universal, sustainable and safe services in focused geographic areas to influence wider change;
2. prioritise WASH across the health sector to improve public health;
3. strengthen the resilience of WASH to climate change; and
4. increase the quantity and quality of financing – with recognition that finance is a first order barrier to WASH access.

Activities and achievements during FY24-25 include:

- the Charity continued work to embed the Global Performance Measurement Framework (GPMF), approved by the Board in FY23-24. The GPMF presents consolidated results and data from across the WaterAid federation, enables the Trustees to scrutinise performance, and to support and challenge organisational members on progress towards the global strategy. It provides for the reporting on, amongst other topics, how WaterAid is integrating WASH into the climate agenda and climate resilience, and the impact of our projects on women and girls. Data is being used to tell powerful stories of change and challenge across 12 key change domains identified in WaterAid's global strategy.
- the Charity carried out a consultation with leaders in each of WaterAid's country programmes to understand differing views on localisation, and how WaterAid's work is, or could become more, locally led. The results of the survey and the data gathered will enable the federation to make decisions about its structure, governance and operational practices, ensuring that its work is responsive to and effective in meeting local needs.
- a review of the WaterAid brand was carried out. No substantive changes were made, and the Board endorsed the adoption of a refreshed brand, both in terms of the visual identity, but also WaterAid's voice and positioning. The refresh seeks to position WaterAid as the preeminent INGO in the water, sanitation and hygiene sector worldwide, with a bolder proposition to attract funding and drive growth towards the successful achievement of our mission and strategy.
- the Charity carefully monitored the changes in the international development funding environment, and the impact this had on some member's project delivery. The diverse streams of income to members across the federation provides stability in this changing context.
- the Charity has approved the addition of a new global audit and assurance function within the WAI secretariat. It will coordinate and support members in ensuring partnerships meet our ethical standards, and will provide assurance to the Board on global risk management.
- a biennial Global Employee Survey was carried out during FY24-25 with a 90% response rate across the WaterAid federation. The Charity were informed of the survey results which indicated high engagement amongst global employees (90% 'would recommend WaterAid as a good place to work') and high scores in relation to diversity (90% positive) and WaterAid's approach to safety and security (90% positive).

Supporting federation development

The Charity has continued to work with its members to build their capacity and effectiveness in delivering the mission:

- the approach and new criteria for accreditation, agreed by the Board in FY23-24, were tested and reported to the Board through scheduled accreditation reviews. This includes new environmental sustainability accreditation measures, as agreed in FY23-24 and based on the policy and framework agreed in October 2024. The new approach provides greater flexibility to indicate that a member is 'working towards' full compliance, whilst retaining their full membership status. This is of particular relevance with new criteria and indicators.

Trustees' report

For the Year Ended 31 March 2025

- the Charity carried out accreditation reviews as planned during FY24-25 in Australia, Canada and the UK. The Board accepted the recommendation of the Membership & Accreditation Committee and re-approved WaterAid Australia and WaterAid UK as full company law members. Consideration of the report on WaterAid Canada's membership will be scheduled in FY25-26.
- the global people function review, carried out largely in FY23-24, was completed in FY24-25. The federation has begun to implement the recommendation to create a new global people team to provide agreed services globally. Members and country offices retain their own local people teams, which are supported, guided and aligned under the new global team.
- following a review in FY23-24 of global markets, the Board endorsed bilateral funding within the federation to support the development and growth of three members – America, Canada and Sweden. Funds are being made available by WaterAid UK and the investment impact is being monitored by the Board.
- the Charity has continued to work directly with its members to build their capacity and effectiveness in delivering our mission. All members of the Charity continued to contribute to its ongoing costs and administration, including secretariat staffing. As planned, the Charity has not itself invested financially in new or developing member organisations in FY24-25.
- the Charity has provided such support as is within its powers to those members who have been most directly affected by the changing aid context. WaterAid's federated structure and portfolio approach to funding have built a resilient and sustainable organisation, within which the members are enabled to support each other; the Charity has provided oversight and guidance as impact has been considered, and mitigation measures have been put in place.

Equity, power and inclusion

WaterAid remains committed to understanding and tackling the power imbalances that act as obstacles to the achievement of our mission, both within our organisation and in our relationships with partners and communities.

In FY24-25 WaterAid published its high-level global framework articulating four broad commitments in the areas of diversity, equity, and empowerment. The commitments focus on individual and collective understanding, allyship, and action, inclusive practices, mission-centric organisational design, and inclusive and respectful communications.

As reported, the Charity launched a project on localisation, exploring the reality of and attitudes to locally led development, across WaterAid, and how local needs are reflected in our programme design, resourcing and decision making.

The WAI Board maintains a continued focus on holding members to account for ensuring boards, leadership teams and global functions are diverse and representative of the contexts that we work in. The Board is realising its own ambition in that regard and has made three Trustee appointments to bring experience and voice from the global south to the Board.

Climate crisis

WaterAid is clear that climate change is having a devastating effect on ecosystems, habitats and peoples' lives. The WaterAid federation understands and is committed through its strategy to building climate resilient WASH (water, sanitation and hygiene) access as one of the most effective climate adaptation actions to reduce the vulnerability of societies. It is equally committed to taking the lead in understanding and mitigating our own adverse impact.

In October 2024, the Global Executive approved a new Environmental Sustainability Policy and Emissions Standard. The policy clarifies WaterAid's commitments and guides the federation towards reducing our impact on the environment and across our operations. It includes an ambition to reduce our emissions by 50% towards the end of the current strategy, in line with the Paris Agreement. A new global greenhouse gases (GHG) emissions report has also been developed and externally audited, setting WaterAid among leaders in the market in terms of sustainability reporting. Environmental sustainability principles are now embedded in the membership criteria, and in global policies and standards, including the Ethical Standards and Policy, Global Travel Policy, and Quality Programme Standards.

Safeguarding

The Charity and the WaterAid federation are committed to the safeguarding and wellbeing of all individuals, from the people in the communities where we work, to our staff, volunteers, contractors, and partners. We have zero tolerance for the abuse of power, privilege or trust, or any form of inappropriate behaviour, discrimination, abuse, harassment or exploitation of any kind.

All representatives of WaterAid – staff, volunteers, contractors and partners – commit to the Global Code of Conduct. The Global Code of Conduct was reviewed and updated in FY24-25 to ensure it remains relevant and adheres to sector best practice standards.

In FY24-25, WaterAid's Global Safeguarding Team received 61 reports from across the WaterAid federation, a 30% increase in reporting on FY23-24. All reports of misconduct are fully investigated by trained staff, following WaterAid's survivor-centred approach, and appropriate actions are taken to protect and safeguard everyone involved. WaterAid remains dedicated to strengthening and improving reporting with partners and the communities we work with.

No incidents relating to the Charity's own operations or staff were reported during FY24-25.

Trustees' report

For the Year Ended 31 March 2025

Plans for future periods

The Charity will continue to support members to deliver the strategic aims and objectives as identified and will:

- hold members to account for delivery of their plans and objectives in their respective contexts and maintain oversight of the agreed enabling priorities, including WASH awareness, programme quality, income growth and adapting to become more locally led.
- in the changing global geopolitical context, facilitate the conversation on whether and how we should adapt our global strategy, testing our aims and approaches to ensure that WaterAid remains able to achieve its mission.
- support and induct a new full company law member of WaterAid, ensuring they are effectively integrated into the federation; explore other external options for the federation.
- continue to develop and implement plans to address power imbalances that are obstacles to our mission. Oversee follow-up to the consultation on localisation, including providing guidance to country programmes where there is a need to adapt their local governance.
- sponsor the continuing development of WaterAid's global leadership programme, supporting cross-member work and collaboration.
- continue to develop and implement a new matrix for mitigating federation-wide risk with appropriate accountability to business leaders and executive bodies to manage and control.
- carry out scheduled accreditations of WaterAid India, WaterAid Japan and WaterAid Sweden, and present recommendations to the Board following the accreditation review of WaterAid Canada in FY24-25.
- continue work on the development and enactment of global standards in critical areas of the business to ensure that WaterAid speaks and acts with one voice anywhere in the world.
- ensure that the refreshed global brand is well protected through a managed portfolio of trade mark registrations.

In June 2025, following due diligence investigations on both sides, the Board approved the admittance of Simavi, a Netherlands-registered INGO with similar mission and values, as a full company law member of the WaterAid federation.

Financial review

To carry out its work in FY24-25, the Charity raised £910k in contribution from its members, including £694k gifts in kind (primarily staff costs) which were expended as operational costs.

Reserves policy

In 2020, the Trustees approved a reserves policy which requires the Charity to maintain reserves to meet minimum working capital requirements for 2 – 3 months operating costs. The policy remains appropriate in FY24-25. Reserves would be required if the Charity is wound up. Funds remaining in the reserve after the Charity is wound up would be redistributed between the members.

The amount of reserves the Charity will hold is between £150k and £230k, being 2-3 months operating costs. As at 31 March 2025, the Charity held unrestricted funds of £225k.

Going concern

The Trustees are of the opinion the Charity's financial position is strong and has adequate resources to continue in operational existence for the foreseeable future, a minimum of 12 months from the date of signing these financial statements. The Charity continues to monitor the global economic situation and to support its members in delivering the global strategy.

The Charity will have sufficient cash throughout FY25-26 to meet its liabilities as the cashflow profile involves receiving funds, based on total annual expenditure, on a quarterly basis from the Charity's national member organisations. The Charity will not go below a manageable working capital cash base at any time of the year. The Charity modelled severe but plausible downside financial scenarios regarding level of income received from WaterAid members. In all scenarios, the Charity remained a going concern.

In conclusion, the Trustees are confident the right processes are in place to monitor the financial position of the Charity to ensure it remains a going concern.

Principal risks

The Trustees reviewed the Charity's risk register in December 2024. The Board considered an emerging risk concerning the federation structure and cohesion in the context of structural changes in one or more members. Risks and planned actions were noted, and no further controls were requested.

They noted the responsibility of the Charity in relation to intellectual property management and the risks associated with global brand licencing, in particular in relation to the ongoing brand review and refresh. The Charity continued to have regard to the challenges arising from ongoing financial market fluctuations, changing donor and funding priorities, in particular the withdrawal of official development assistance aid in a number of countries, and the changing regulatory environment in many contexts.

The Charity has internal controls which allow it to monitor its risks and take steps to mitigate these as necessary. For example, the Charity has delegated financial management to WaterAid UK's finance department; on behalf of the Charity, they implement their own procedures to manage interest rate risk, credit risk and circumstances where it would be appropriate to use financial instruments to manage these.

The Charity approved a revised policy and framework for managing and mitigating global or federation risk, that is those risks that transcend member boundaries. They reviewed a global risk register in June 2024 and in December 2024 and noted that this work is in progress with the major global risks adequately controlled and reported on.

Trustees' report

For the Year Ended 31 March 2025

Administrative details for the charity, trustees and advisors

Directors

The Trustees and Directors of the Charity who were in office during the year, and up to the date of signing the financial statements, were:

Maureen O'Neil (Chair)	Independent
Andrew Towle (Vice Chair)	WaterAid America
Karlene Maywald	WaterAid Australia
Martin Munro	WaterAid Canada
Hiroaki Furumai	WaterAid Japan
Michael Arthursson	WaterAid Sweden
Mala Rao	WaterAid UK
Andrew Green	WaterAid UK
Snowy Khoza (appointed 1 June 2024) (resigned 5 July 2024)	Independent
Mohamed Beavogui (appointed 1 June 2024)	Independent
Sheila Tlou (appointed 1 September 2025)	Independent
Claudia Sadoff (appointed 1 September 2025)	Independent

No Director held any interests in the company during the year or at the year-end (FY23-24: none).

Registered office: 6th Floor
20 Canada Square
London
E14 5NN

Company registration number: 07238796
Registered charity number: 1137900

Independent auditors

PricewaterhouseCoopers LLP were reappointed external auditors of the Charity by the Board for FY24-25.

Advisors

Principal bankers

Barclays Bank plc
50 Pall Mall
London SW1A 1QB

Independent auditors

PricewaterhouseCoopers LLP
1 Embankment Place
London
WC2N 6RH

Principal solicitor

Bates, Wells and Braithwaite
10 Queen Street Place
London EC4R 1BE

Trustees' report

For the Year Ended 31 March 2025

Statement of Trustees' Responsibilities

The Trustees (who are also directors of WaterAid International for the purposes of company law) are responsible for preparing the Trustees' annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have prepared the financial statements in accordance with United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (United Kingdom Generally Accepted Accounting Practice). Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of the affairs of the charitable company and of the incoming resources and application of resources, including 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 Statement of Recommended Practice: Accounting and Reporting by Charities (2019);
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charity 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 charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

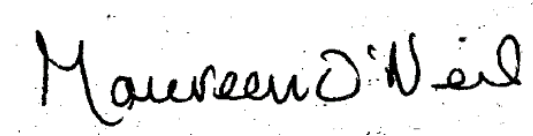
In accordance with Section 418, Trustees' report shall include a statement, in the case of each Trustee in office at the date the Trustees' report is approved, that:

- (a) so far as the Trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware; and
- (b) he/she have taken all the steps that he/she ought to have taken as a Trustee in order to make himself/herself aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

Small company provision

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 & 16 of the Companies Act 2006 and WaterAid international is therefore exempt from the requirement to prepare a Strategic Report.

Approved by the Trustees on 18 September 2025 and signed on their behalf by:



Maureen O'Neil, Chair

Report on the audit of the financial statements

Opinion

In our opinion, WaterAid international's financial statements (the "financial statements"):

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2025 and of its incoming resources and application of resources, including its income and expenditure, and cash flows, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the Balance sheet as at 31 March 2025; the Statement of financial activities (incorporating an income and expenditure account) and the Statement of cash flows for the year then ended; and the notes to the financial statements, which include a description of significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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

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.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the charitable company's ability to continue as a going concern.

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

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

With respect to the Trustees' Annual Report, we also considered whether the disclosures required by the UK Companies Act 2006 and Charities Act 2011 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Trustees' Annual Report

In our opinion, based on the work undertaken in the course of the audit the information given in the Trustees' Annual Report for the period ended 31 March 2025 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Trustees' Annual Report.

Responsibilities for the financial statements and the audit

Responsibilities of the trustees for the financial statements

As explained more fully in the Statement of Trustees' Responsibilities, 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 in accordance with the applicable framework and for being satisfied that they give a true and fair view. The trustees are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Independent auditors' report to the members of WaterAid international (continued)

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.

Auditors' 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 auditors' 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.

Based on our understanding of the charitable company and its industry/environment, we identified that the principal risks of non-compliance with laws and regulations related to the Charities Act 2011, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the posting of inappropriate journal entries and the manipulation of key accounting judgements and estimates. Audit procedures performed by the engagement team included:

- enquiring of management and the Board of Trustees, including consideration of known or suspected instances of fraud, and non-compliance with laws and regulations;
- reading minutes of meetings of the Board of Trustees;
- understanding and evaluating the control environment;
- identifying and testing journal entries, including journal entries posted with unusual account combinations to income or expenditure accounts;
- assessing the reasonableness of key accounting judgements and estimates; and
- assessing financial statements disclosures, and testing to supporting documentation, for compliance with applicable laws and regulations.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the charitable company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting


Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the trustees were not entitled to: prepare financial statements in accordance with the small companies' regime; and take advantage of the small companies exemption from preparing a Strategic Report. We have no exceptions to report arising from this responsibility.



Katie Turnbull (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
18 September 2025

Statement of financial activities

(incorporating an income and expenditure account)

For the Year Ended 31 March 2025

				2025	2024
	Note	Unrestricted funds £000	Restricted funds £000	Total £000	Total £000
Income:					
<i>Donations</i>					
Grants of a general nature	3	910	-	910	935
<i>Investment income</i>		<u>5</u>	<u>-</u>	<u>5</u>	<u>7</u>
Total income		<u>915</u>	<u>-</u>	<u>915</u>	<u>942</u>
Expenditure:					
<i>Expenditure on charitable activities</i>					
Development of the WaterAid international network of members	4	<u>903</u>	<u>-</u>	<u>903</u>	<u>935</u>
Total expenditure		<u>903</u>	<u>-</u>	<u>903</u>	<u>935</u>
Net movement in funds		12	-	12	7
Fund balances brought forward at beginning of the financial year	8	<u>213</u>	<u>-</u>	<u>213</u>	<u>206</u>
Fund balances carried forward at end of the financial year	8	<u><u>225</u></u>	<u><u>-</u></u>	<u><u>225</u></u>	<u><u>213</u></u>

The statement of financial activities includes all gains and losses recognised during the year. All income and expenditure derive from continuing activities. The notes supporting the financial statements are on pages 13 to 18.

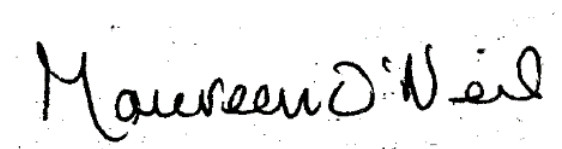
Balance sheet

As at 31 March 2025

		2025	2024
	Note	Total £000	Total £000
Current assets			
Debtors: amounts falling due within one year	5	135	114
Cash at bank and in hand	6	166	268
Total current assets		<u>301</u>	<u>382</u>
Creditors: amounts falling due within one year	7	(76)	(169)
		<u>(76)</u>	<u>(169)</u>
Net current assets		<u>225</u>	<u>213</u>
Net assets		<u>225</u>	<u>213</u>
The funds of the charity			
Unrestricted income funds			
General funds	14	<u>225</u>	<u>213</u>
Total charity funds	14	<u>225</u>	<u>213</u>

The notes supporting the financial statements are on pages 13 to 18.

The financial statements on pages 10 - 18 were approved by the Board of Trustees on 18 September 2025 and signed on its behalf by:



Maureen O'Neil, Chair



Mala Rao, Director

Statement of cash flows

For the Year Ended 31 March 2025

	2025	2024
	Total £000	Total £000
Cash flows from operating activities		
Net surplus for the year	12	7
Increase in debtors	(21)	(60)
Decrease in creditors	(93)	(31)
Net cash used in operating activities	<u>(102)</u>	<u>(84)</u>
Decrease in cash and cash equivalents in the year	<u>(102)</u>	<u>(84)</u>
Cash and cash equivalents at the beginning of the year	268	352
Total cash and cash equivalents at the end of the year	<u>166</u>	<u>268</u>

The notes supporting the financial statements are on pages 13 to 18.

1. Accounting policies

The principal accounting policies have been applied consistently in dealing with items which are considered material in relation to WaterAid international's financial statements.

a) Basis of preparation

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

The financial statements are drawn up on the going concern basis which assumes WaterAid international will continue in operational existence for the foreseeable future. The Charity modelled severe but plausible downside financial scenarios regarding level of income received from WaterAid members. In all scenarios, the Charity remained a going concern. The Board have given due consideration to the working capital and cash flow requirements of WaterAid international. The Board consider WaterAid international's current and forecast cash resources, which includes the impact of inflation, to be sufficient to cover the working capital requirements of WaterAid international for at least 12 months from the date of approval of the financial statements.

b) Foreign exchange

Transactions denominated in foreign currencies are translated at the rate of exchange at the beginning of the month as an approximation to actual transaction dates. Foreign currency balances are translated at the rate of exchange prevailing at the balance sheet date. Realised and unrealised foreign exchange gains & losses are included in the statement of financial activities (SOFA) within charitable activity expenditure for the period in which they are incurred.

c) Income

All income is included in the SOFA when the Charity is legally entitled to it, receipt is probable and the amount can be measured with sufficient reliability.

d) Grants of a general nature

Grants of a general nature are credited to unrestricted income within the SOFA when the Charity has entitlement to the funds. Grants of a general nature are receivable from WaterAid members to support the core activities of the Charity and, with no specific restrictions placed upon their use, are included within donations.

e) Donations

Donations are recognised in the period in which they are received.

f) Gifts in kind

Facilities and services donated for WaterAid international's use, where the benefit is quantifiable and the services would otherwise have had to be purchased, are recognised in the financial statements, as both income and expenditure, at a reasonable estimate of their value in the period in which they are donated.

g) Expenditure

Expenditure is recognised in the period in which it is incurred on an accrual basis. Expenditure includes attributable VAT which cannot be recovered.

Costs of charitable activities includes direct expenditure incurred through grants to full members or associate members. Grants are recognised in the period in which they are payable. Grants payable in furtherance of the charity's objects are attributed to the related classification heading in the SOFA.

Governance costs are those associated with the governance arrangements relating to the strategic operations of the Charity as opposed to those costs associated with general running of the Charity, fundraising or charitable activity. These governance costs include internal and external audit costs, legal and tax advice, trustee costs and directors' time in governance of the Charity. Governance costs and other support costs incurred in the development of the WaterAid international network of members and potential new members have been allocated to expenditure on charitable activities.

h) Fund accounting

Unrestricted funds are the funds that are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Notes to the financial statements

For the Year Ended 31 March 2025

2. Prior year statement of financial activities

	2024		
	Unrestricted funds £000	Restricted funds £000	Total £000
Income:			
<i>Donations</i>			
Grants of a general nature	935	-	935
<i>Investment income</i>	7	-	7
Total income	942	-	942
Expenditure:			
<i>Expenditure on charitable activities</i>			
Development of the WaterAid international network of Members	935	-	935
Total expenditure	935	-	935
Net movement in funds for the year	7	-	7
Fund balances brought forward at the beginning of the financial year	206	-	206
Fund balances carried forward at the end of the financial year	213	-	213

3. Donations

Grants of a general nature	2025		2024	
	Unrestricted £000	Restricted £000	Total £000	Total £000
Grants from Members				
WaterAid America	101	-	101	116
WaterAid Australia	40	-	40	56
WaterAid Canada	9	-	9	15
WaterAid India	4	-	4	10
WaterAid Japan	10	-	10	11
WaterAid Sweden	52	-	52	60
WaterAid UK	694	-	694	667
	910	-	910	935

All income is borne solely through charitable activities.

Gift in Kind donations of £694k (2024: £667k), comprising £56k (2024: £62k) in office costs and £638k (2024: £605k) in staff costs are included in the grants of a general nature from WaterAid UK.

Donations in the prior year (£935k) were all unrestricted.

Prior year donations

Grants of a general nature	2024		2023	
	Unrestricted £000	Restricted £000	Total £000	Total £000
Grants from Members				
WaterAid America	116	-	116	75
WaterAid Australia	56	-	56	57
WaterAid Canada	15	-	15	15
WaterAid India	10	-	10	15
WaterAid Japan	11	-	11	7
WaterAid Sweden	60	-	60	60
WaterAid UK	667	-	667	664
	935	-	935	893

Notes to the financial statements

For the Year Ended 31 March 2025

4. Expenditure

	Staff costs £000	Other direct costs £000	Allocation of support and governance costs £000	2025 Total £000	2024 Total £000
Expenditure on charitable activities					
Development of the WaterAid international network of members					
Donation to WaterAid UK	-	-	-	-	80
International network support and development costs	450	-	453	903	855
	450	-	453	903	935
Governance costs	97	190	(287)	-	-
Support costs	110	56	(166)	-	-
	657	246	-	903	935

In the prior year, both the donation to WaterAid UK (£80,000) and international network support and development costs (£855,000) were unrestricted.

The key management personnel of the Charity comprise the Trustees and Global Director. The total benefits of the key management personnel (inclusive of employer's national insurance and pension contributions) was £126,794 (2024: £123,064).

WaterAid international staff costs relate to 6.5 full time equivalent staff (2024: 6.4 FTE). Pension contributions were made during the year of £43,787 (2024: £43,201). No termination payments were made during the year (2024: £nil).

The number of employees whose total benefits excluding employer pension costs amounted to over £60,000 in the year was as follows:

	2025 No.	2024 No.
Employee benefits		
£60,000 - £69,999	1	1
£70,000 - £79,999	1	1
£80,000 - £89,999	1	-
£90,000 - £99,999	-	1
£100,000 - £109,999	1	1

Prior year expenditure

	Staff costs £000	Other direct costs £000	Allocation of support and governance costs £000	2024 Total £000	2023 Total £000
Expenditure on charitable activities					
Development of the WaterAid international network of members					
Donation to WaterAid UK	-	80	-	80	115
International network support and development costs	430	-	425	855	778
	430	80	425	935	893
Governance costs	92	168	(260)	-	-
Support costs	103	62	(165)	-	-
	625	310	-	935	893

5. Debtors: amounts falling due within one year

	2025 £000	2024 £000
Trade debtors	122	101
Prepayments and accrued income	13	13
	135	114

6. Cash at bank and in hand

	2025 £000	2024 £000
Cash and bank balances in UK	166	268

7. Creditors: amounts falling due within one year

	2025 £000	2024 £000
Trade creditors	1	80
Accruals and deferred income	75	89
	76	169

Notes to the financial statements

For the Year Ended 31 March 2025

8. Movements in funds

	At 1 April 2024 £000	Income £000	Expenditure £000	Transfers £000	At 31 March 2025 £000
Unrestricted funds:					
General funds	213	915	(903)	-	225
Total	<u>213</u>	<u>915</u>	<u>(903)</u>	<u>-</u>	<u>225</u>
Total restricted funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total funds	<u>213</u>	<u>915</u>	<u>(903)</u>	<u>-</u>	<u>225</u>
	At 1 April 2023 £000	Income £000	Expenditure £000	Transfers £000	At 31 March 2024 £000
Unrestricted funds:					
General funds	206	942	(935)	-	213
Total	<u>206</u>	<u>942</u>	<u>(935)</u>	<u>-</u>	<u>213</u>
Total restricted funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total funds	<u>206</u>	<u>942</u>	<u>(935)</u>	<u>-</u>	<u>213</u>

The Trustees' report explains the main reasons why WaterAid international holds unrestricted funds and the adequacy of these funds at the year end. The Trustees approved a reserves policy in April 2020 and the reserves balance as at 31 March 2025 are in line with the policy.

Restricted funds

Restricted funds are used for specified purposes as laid down by the members. Expenditure which meets these criteria is identified to the fund, together with a fair allocation of support costs.

9. Taxation and charitable status

WaterAid international is exempt from corporation tax as all of its income is charitable and is applied for charitable purposes.

10. Company limited by guarantee and not having share capital

The liability of the 6 full members of WaterAid international, who are also company members, is limited by guarantee to £1 each (2024: £1).

11. Net income for the year

This is stated after charging:

	2025 £000	2024 £000
Auditors' remuneration:		
▪ External audit	<u>3</u>	<u>3</u>

The subsidy for external audit services was £2,600 (2024: £2,000).

12. Trustee remuneration and expenses

WaterAid international's trustees were not paid or received any other benefits of employment with WaterAid international in the year (2024: £nil). Three trustees (2024: one trustee) were reimbursed for expenses or had their expenses paid directly to third parties. The total amount was £16,964 (2024: £9,770) and the nature of the expenses was travel and accommodation (2024: travel and accommodation).

Notes to the financial statements

For the Year Ended 31 March 2025

13. Related party transactions

WaterAid America, WaterAid Australia, WaterAid Canada, WaterAid Japan, WaterAid Sweden and WaterAid UK are all full members of WaterAid international operating under license to use the name WaterAid. WaterAid India is not a full member but also operates under license from WaterAid international to use the name WaterAid. It is expected that WaterAid India will become a full member in the future. WaterAid international receives funding for its charitable objectives from WaterAid America, WaterAid Australia, WaterAid Canada, WaterAid India, WaterAid Japan, WaterAid Sweden and WaterAid UK. Currently the chairs of all the full members sit on the Board of WaterAid international.

Transactions between WaterAid international and members of WaterAid international were as follows:

	2025 £000	2024 £000
Received from:		
WaterAid America	101	116
WaterAid Australia	40	56
WaterAid Canada	9	15
WaterAid India	4	10
WaterAid Japan	10	11
WaterAid Sweden	52	60
WaterAid UK	694	667
	910	935

Contributions of services valued at £694k (2024: £667k) were received from WaterAid UK during the year to fund core operational costs within WaterAid international.

The following balances are due from related parties at year end:

	2025 £000	2024 £000
WaterAid America	78	33
WaterAid Australia	9	16
WaterAid Canada	5	8
WaterAid India	1	16
WaterAid Japan	3	11
WaterAid Sweden	26	17
	122	101

The following balances are due to related parties at year end:

	2025 £000	2024 £000
WaterAid UK	75	167
	75	167

14. Analysis of net assets between funds

	Net current assets £000	Total funds 2025 £000	Total funds 2024 £000
General funds	225	225	213
	225	225	213

Prior year analysis of net assets between funds

	Net current assets £000	Total funds 2024 £000	Total funds 2023 £000
General funds	213	213	206
	213	213	206

15. Analysis of changes in net debt

	At start of year £000	Cash-flows £000	Other changes £000	At end of year £000
Cash	<u>268</u>	<u>(102)</u>	<u>-</u>	<u>166</u>

No guarantees or commitments were given or received during the financial year (2024: none).

Prior year analysis of changes in net debt

	At start of year £000	Cash-flows £000	Other changes £000	At end of year £000
Cash	<u>352</u>	<u>(84)</u>	<u>-</u>	<u>268</u>