



CHARITY NO. 1170651

COMPANY NO. 09832183

THE WSUP CHARITY

REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

THE WSUP CHARITY

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THE WSUP CHARITY

Trustees' Annual Report

Legal and Administrative Information

| | |
|--------------------|---|
| Principal Address | 1 Giltspur Street, London EC1A 9DD |
| Registered Address | 124 City Road, London EC1V 2NX |
| Bankers | CAF Bank 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ |
| Legal Advisors | Bates Wells LLP 10 Queen Street Place London EC4R 1BE |
| Trustees | Richard Aylard David Birch Katherine Nightingale Peter Lochery Ulrike Sapiro |
| Manager | Tiffany Borzi (appointed 29 March 2021, resigned 4 November 2021) Jeremy Horner (appointed 4 November 2021) |
| Auditors | Crowe U.K. LLP St James' Square, Cheltenham, GL50 3PR |

THE WSUP CHARITY

Trustees' Annual Report

The Trustees present their report together with financial statements for the accounting year from 1 April 2021 to 31 March 2022.

The financial statements comply with the current statutory requirements; the Charities Act 2011, and the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities (effective January 2019).

The WSUP Charity was established in November 2016, is a charity registered with the Charity Commission of England and Wales, charity number 1170651, and is a registered private company limited by guarantee, company number 09832183. Water & Sanitation for the Urban Poor (Registered Company no. 05419428) is the sole member of The WSUP Charity.

Objects of the Charity

The WSUP Charity was founded with the following objects:

- relieve poverty and suffering in any part of the world including without limitation through the improvement of water supplies and sanitation;
- advance education including without limitation in relation to health and hygiene matters; and
- further any purpose which is exclusively charitable under the law of England and Wales (provided that the Charity may not further any purposes which are not charitable in accordance with the laws of Scotland and Northern Ireland).

Trustees

The Trustees of the Charity, appointed in accordance with the Memorandum of Association, are as follows:

Richard Aylard (Chair) – appointed November 2016

David Birch – appointed November 2016

Peter Lochery – appointed November 2016

Katherine Nightingale – appointed May 2018

Ulrike Sapiro – appointed May 2018

Trustees are selected to give the Charity a good mix of appropriate professional skills. New trustees are provided with an induction pack consisting of the governing documents, previous 2 years' annual reports and accounts, policies and procedures of the Charity, and the Charity Commission's guidance: the essential trustee: what you need to know, what you need to do (CC3). The Charity's auditors provide useful material and run courses for trustees on their roles and responsibilities.

Activities for Public Benefit

The Trustees of the Charity seek to guide the Charity to contribute to the alleviation of poverty through providing safe water and sanitation in any part of the world. It has been decided upon to focus our work to respond to the unprecedented explosion in urbanisation and the ensuing crisis in water and sanitation provision in low-income urban cities. The Trustees acknowledge that many individuals, both young and old, travel to cities in search of better employment opportunities and often become trapped in poverty and low-quality sanitation and water services often compound this. The Trustees believe that providing safe and dependable water and sanitation access in these communities is one of most critical components for improving the lives of the vulnerable and altering the course of their life away from poverty.

THE WSUP CHARITY

Trustees' Annual Report

The Objects of the Trust are given above. The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on Public Benefit, and the Charity Governance Code, when reviewing the Trust's aims and objectives and in planning future activities and setting the grant making policy for the year

Grants awarded

The Trustees have made grants within the objects of the Charity as stated above.

During the year, the Charity awarded a grant of £2,040,390 to Water & Sanitation for the Urban Poor (WSUP). The grant supports WSUP's programme in Mozambique and strengthens WSUP's organisational development.

The Mozambique programme support enables WSUP to achieve its business plan outcomes in Mozambique covering a range of WASH components in implementation, capacity development of partner organisations, and influencing policy, regulation, and WASH investments. The support is directed towards Maputo and Beira cities which includes assisting with the rehabilitation work due to cyclone Idai impacts in Beira experienced in March-April 2019.

The support to organisational development covers research and learning, business analytics, thought leadership, people management, financial and stakeholder management.

Outreach

During the year, the Charity continued to develop relationships across several sectors in order to raise funds to further the objects of the Charity, notably:

- Trusts and Foundations based throughout the UK that have an interest in poverty relief, water and sanitation development, health and hygiene promotion and humanitarian aid. This activity has connected the Charity to various grant making organisations who have the potential to support our work. The Charity secured grants from trusts totalling £5,000 during the year.
- High Net Worth Individuals (HNWIs): The Charity is receiving increasingly more interest from HNWIs and expanded its outreach to work more closely with this audience. The Charity secured a HNWI donation for the year to 31 March 2022 of £1,373,986 (year ended 31 March 2021: £1,304,486). In May 2022, the Charity secured a grant for the period 1 June 2022 to 31 July 2023 totalling £1,859,500.
- Volunteer-led Fundraising in the UK.
- Public Fundraising: Promoting the public donate button on the WSUP website on World Toilet day (19th November each year) and during the Christmas period (first two weeks of December). World Toilet Day is about inspiring action to tackle the global sanitation crisis and help achieve Sustainable Development Goal 6 (SDG 6), which promises sanitation for all by 2030. World Toilet Day draws attention to those people being left behind without sanitation. We promote on social media channels including LinkedIn, Twitter, and Facebook.

During the coming year, the Charity will seek to secure new grants from both UK based and international Trusts and Foundations and focus on developing relationships with HNWIs. Some public fundraising efforts may be considered on an ad hoc basis.

The Trustees would like to express their gratitude to the hard work of all the volunteers who work to administer the work of the Charity and give their time to further the objects outlined above.

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Trustees' Annual Report

Fundraising

The Charity's fundraising model has been focussed on existing relationships with institutions, corporations, and a small number of individuals. No complaints were received in relation to the Charity's fundraising activities. The Charity is not registered with the Fundraising Regulator.

Grant making policy

In accordance with the current Charity Commission guidelines, the Charity has devised a Grant Making Policy in order to:

- a) Assist applicants to determine whether or not an application to the Charity would be appropriate
- b) Ensure a consistent approach is adopted to the consideration of applications for financial support
- c) Provide a comprehensive framework for conducting pre-grant due diligence and for recording funding decisions & rewards
- d) Ensure that partner organisations have risk management and monitoring procedures in place

The Grant Making Policy of the Charity states that grants provided by the Charity will support charities and other organisations which carry out projects that are charitable under the law of England and Wales, working to improve the lives of low-income people in urban environments in developing countries by funding the establishment and management of projects that provide water, sanitation and hygiene services in advancement of the objects of the Charity.

Trustees will approve applications subject to the successful completion of the necessary due diligence checks, to be performed by the Manager, as outlined in the policy and grants will be conditional upon the recipients agreeing to the Charity's grant terms and conditions and no funds will be advanced before the grantee has signed up to the terms and conditions.

The Trustees 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 confirm that to the best of their knowledge there is no information which would give rise to concern.

The Trustees have no beneficial interest in the Charity, they only possess voting rights. The Trustees are responsible for making grants from the Charity's funds in conformity with the objects given above.

Meetings of the Trustees are held quarterly to discuss and agree matters affecting the governance of the Charity, financial statements and to review applications for grant funding and award grants in line with the objects outlined above.

In 2023, the trustees intend to review the Charity Governance Code's principles and recommended practice, and decide how these should be applied to WSUP Charity.

Review of Financial Provision

The financial statements for the accounting period ending 31 March 2022 show an excess of income over expenditure of £10,744 (year ended 31 March 2021: excess of expenditure over income of £4,133).

THE WSUP CHARITY

Trustees' Annual Report

Reserves Policy

The trustees aim to maintain free reserves in unrestricted funds at a level which equates to approximately three months of unrestricted charitable expenditure, which equates to £2,140. Having considered the impact of the Covid-19 pandemic, economic instability, and rising inflation, the trustees consider the reserves policy to remain appropriate.

At 31 March 2022, The WSUP Charity held total funds of £19,533 of which £11,505 was restricted and £8,028 was unrestricted (31 March 2021: total funds of £8,789 of which £4,338 was restricted and £4,351 was unrestricted).

The level of free reserves at the year-end was £8,028, giving an excess of £5,888 above the policy level. The trustees will be considering ways to use these excess funds to further the objects of the charity.

Future plans

The trustees intend to review the key activities of the Charity, and how it supports the work of the parent company, and whether there is a business-case for investing more resources into fundraising or other activity.

Risk Management

The Trustees have reviewed the major risks to which the Charity is exposed and are satisfied that systems are in place to mitigate the exposure to these risks. There are three main risks: Covid-19 impacts, funding pipeline and delivery partner risk.

The Covid-19 pandemic in the UK and worldwide, has had limited impact on operations, and operations continue to proceed well. Covid-19 impacts have been mitigated by adapting and rescheduling programme activities and through positive support from key partner organisations. These steps have enabled essential activities to continue.

The funding pipeline for the Charity remains relatively weak. At present the Charity has only one major donor. Action has been taken to ensure that the relationship with the major donor is managed well. Additional steps will be taken to build the quality and scale of the funding pipeline.

The Charity's principal delivery partner is WSUP. WSUP's financial position has been affected by the loss of DFID income following the merger with the Foreign and Commonwealth Office, and challenges raising funds from alternative sources of unrestricted funding. WSUP has taken mitigation action to manage the risks that it faces, and the WSUP Board consider that WSUP will remain a going concern for the foreseeable future.

Going Concern

The Trustees have reviewed the:

- budget for the current year and latest financial projections for the following year;
- funding pipeline;
- cash flow projections for the next 18 months (to ascertain liquidity and solvency);
- sensitivity analyses based on various scenarios; and
- management's proposed responses to these scenarios including the financial consequences of curtailing operations and trigger points for decisions.

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Trustees' Annual Report

The Trustees note that the Charity has secured a grant for the fourteen-month period from June 2022 to July 2023 totalling £1,859,500.

After considering the forecasts and projections, including funding pipeline, cost controls and the reduced impact of the Covid-19 pandemic, the Trustees have concluded that the Charity has a reasonable expectation that there are adequate resources to continue in operational existence for the foreseeable future and have continued to prepare the financial statements on a going concern basis.

Audit information

The Trustees confirm that:

- a) so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and
- b) they have taken all the steps that they ought to have taken as trustees and directors in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

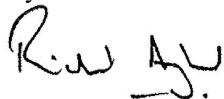
Responsibilities of the Trustees

Trustees are required to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the Charity and the incoming resources and application of resources, including the net income or expenditure, of the Charity for the year. In preparing those financial statements the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the applicable Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards and Statements of Recommended Practice 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 Charity will continue in operation.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and which enable them to ensure that the financial statements comply with the Charities SORP.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2005 relating to small companies, and was approved by the Trustees on 20 October 2022 and signed on their behalf by:



Richard Aylard, Chair

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF THE WSUP CHARITY

Opinion

We have audited the financial statements of The WSUP Charity ('the charitable company') for the year ended 31 March 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement, and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2022 and of 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

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

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

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

Other information

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF THE WSUP CHARITY

- consistent with the financial statements; and
- the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

- adequate and proper accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the trustees' directors' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 7, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF THE WSUP CHARITY

were the Companies Act 2006, the Charities Act 2011 together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The laws and regulations we considered in this context for the UK operations were General Data Protection Regulation (GDPR) and anti-fraud, bribery, and corruption legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Trustees about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

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



Tara Westcott
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor

Cheltenham, UK

Date: 21 December 2022

THE WSUP CHARITY

Statement of Financial Activities for the year ended 31 March 2022

| | | | 31 March 2022 | 31 March 2021 |
|--|-------------|-------------------|--------------------------|------------------|
| | | Restricted | Unrestricted | Total |
| | | £ | £ | £ |
| INCOME AND ENDOWMENTS FROM: | Note | | | |
| Donations and legacies | 3 | 2,060,979 | 5,382 | 2,066,361 |
| TOTAL INCOME | | 2,060,979 | 5,382 | 2,066,361 |
| EXPENDITURE ON: | | | | |
| Charitable Activities | 4 | | | |
| Grant making | | 2,052,390 | - | 2,052,390 |
| Fundraising costs | | - | 1,805 | 1,805 |
| Support costs | | 1,422 | - | 1,422 |
| TOTAL EXPENDITURE | | 2,053,812 | 1,805 | 2,055,617 |
| Net income/(expenditure) before tax for reporting period | | 7,167 | 3,577 | 10,744 |
| Net income/(expenditure) after tax before investment gains/(losses) | | 7,167 | 3,577 | 10,744 |
| Net movement in funds | | 7,167 | 3,577 | 10,744 |
| Total Funds Brought Forward | | 4,338 | 4,451 | 8,789 |
| TOTAL FUNDS CARRIED FORWARD | | 11,505 | 8,028 | 19,533 |

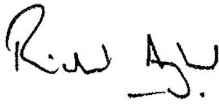
THE WSUP CHARITY

Balance Sheet as at 31 March 2022

| | | Restricted £ | Unrestricted £ | 31 March 2022 Total £ | 31 March 2021 Total £ |
|--|-------------|-----------------|-------------------|--------------------------------|--------------------------------|
| | Note | | | | |
| CURRENT ASSETS | | | | | |
| Cash at bank and in hand | | 14,563 | 9,512 | 24,075 | 696,500 |
| LIABILITIES | | | | | |
| Creditors: Amounts due within one year | 6 | (3,058) | (1,484) | (4,542) | (687,711) |
| NET CURRENT ASSETS | | 11,505 | 8,028 | 19,533 | 8,789 |
| NET ASSETS | | 11,505 | 8,028 | 19,533 | 8,789 |
| FUNDS | | | | | |
| | 9 | 11,505 | 8,028 | 19,533 | 8,789 |
| TOTAL FUNDS | | 11,505 | 8,028 | 19,533 | 8,789 |

The Trustees acknowledge their responsibilities for complying with the requirements of the Companies Act with respect to accounting records and the preparation of accounts.

Approved by the Trustees and authorised for issue on 20 October 2022 and signed on their behalf by



Richard Aylard, Chair

THE WSUP CHARITY

Cash flow statement for the year ended 31 March 2022

| | Notes | 31 March 2022 £ | 31 March 2021 £ |
|--|-------|-------------------------------|-----------------------|
| Cash flows from operating activities: | | | |
| Net cash provided by operating activities | 11 | <u>(672,425)</u> | 682,859 |
| Change in cash and cash equivalents in the year | | (672,425) | 682,859 |
| Cash and cash equivalents brought forward | | <u>696,500</u> | 13,641 |
| Cash and cash equivalents carried forward | 12 | <u>24,075</u> | 696,500 |

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Notes to the Financial Statements for the year ended 31 March 2022

1. Basis of Preparation

a) Basis of accounting

These accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts.

The financial statements are prepared in accordance with the Charities SORP (FRS 102) issued October 2019, the Companies Act 2006, the Charities Act 2011 and applicable Accounting Standards.

The Charity constitutes a public benefit entity as defined by FRS 102.

b) Going concern

After considering the forecasts and projections, including funding pipeline, cost controls and the impact of the Covid-19 pandemic, the Trustees have concluded that the Charity has a reasonable expectation that there are adequate resources to continue in operational existence for the foreseeable future and have continued to prepare the financial statements on a going concern basis.

2. Accounting Policies

The accounts present a true and fair view and no changes have been made to the accounting policies.

a) Income

Recognition of income is included in the Statement of Financial Activities when; the Charity becomes entitled to the resources; it is more likely than not that the Trustees will receive the resources; the monetary value can be measured with sufficient reliability.

There has been no offsetting of assets and liabilities, or income and expenses, unless required or permitted by the FRS 102 SORP or FRS 102.

Grants and donations are only included in the SOFA when the general income recognition criteria are met (5.10 to 5.12 FRS102 SORP).

Gift Aid receivable is included in income when there is a valid declaration from the donor. Any Gift Aid amount recovered on a donation is considered to be part of that gift and is treated as an addition to the same fund as the initial donation unless the donor or the terms of the appeal have specified otherwise.

The value of any voluntary help received is not included in the accounts but is described in the Trustees' annual report.

b) Expenditure

Liabilities are recognised where it is more likely than not that there is a legal or constructive obligation committing the Charity to pay out resources and the amount of the obligation can be measured with reasonable certainty.

c) Assets

Debtors (including trade debtors and loans receivable) are measured on initial recognition at settlement amount after any trade discounts or amount advanced by the Charity. Subsequently, they are measured at the cash or other consideration expected to be received.

d) Critical estimates and judgements

In the application of the charity's accounting policies, which are described in note 2, Trustees are required to make judgements, estimates, assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical

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Notes to the Financial Statements for the year ended 31 March 2022 (continued)

experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

In the view of the Trustees, no assumptions concerning the future or estimation uncertainty affecting assets and liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

3. Income

| | Year ended 31 March 2022 | | Year ended 31 March 2022 |
|---------------------|-------------------------------------|---------------------|---|
| | Restricted | Unrestricted | Total |
| | £ | £ | £ |
| Donations and gifts | 2,060,979 | 5,382 | 2,066,361 |
| | | | 1,304,847 |

4. Expenditure

| | Year ended 31 March 2022 | | Year ended 31 March 2021 |
|---|-------------------------------------|---------------------|---|
| | Restricted | Unrestricted | Total |
| | £ | £ | £ |
| Expenditure on charitable activities | 2,052,390 | - | 2,052,390 |
| Fundraising Costs | - | 1,805 | 1,805 |
| Support Costs Bank charges | 132 | - | 132 |
| Support Costs Insurance | - | - | - |
| Support Costs Registered Office | 525 | - | 525 |
| Support Costs IT | - | - | - |
| Support Costs Meeting expenses | 135 | - | 135 |
| Support Costs Audit | 630 | - | 630 |
| | 2,053,812 | 1,805 | 2,055,617 |
| | | | 1,308,980 |

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Notes to the Financial Statements for the year ended 31 March 2022 (continued)

Analysis of expenditure on charitable activities

| Activity | Activities undertaken directly | Grant funding of activities £ | Year ended 31 March 2022 £ | Year ended 31 March 2021 £ |
|--------------|--|----------------------------------|-------------------------------------|-------------------------------------|
| Activity 1 | WASH sector in Mozambique and Organisation Development | 2,040,390 | 2,040,390 | 1,291,455 |
| Activity 2 | Project administration | 12,000 | 12,000 | 15,474 |
| Total | | <u>2,052,390</u> | <u>2,052,390</u> | <u>1,306,929</u> |

5. Net Income

Net income is stated after Auditor's remuneration of £525 plus VAT (31 March 2021: £500 plus VAT). There were no employees during the year (£! March 2021: Nil).

6. Creditors due within one year

| | 2022 | 2021 |
|---------------------------|---------------------|----------------|
| | Total | Total |
| | £ | £ |
| Accruals | 1,230 | 600 |
| Inter-company creditor | 3,312 | 119 |
| Grant received in advance | - | 686,992 |
| | <u>4,542</u> | <u>687,711</u> |

7. Transactions with Trustees and related parties

None of the Trustees received any remuneration or other benefits from the Charity or a related entity. £135 of trustee travel expenses were incurred by one trustee (2021: £nil).

Grants of £2,052,390 (2020: £1,306,929) were made to Water & Sanitation for the Urban Poor, the charity's sole member. At the balance sheet date, £nil (2021: £nil) was owed by Water & Sanitation for the Urban Poor to the WSUP Charity in respect of grant paid in advance.

8. Additional disclosures

The WSUP Charity is a charity registered with the Charity Commission of England and Wales, charity number 1170651, and is a registered private company limited by guarantee, company number 09832183. Its registered address is 124 City Road, London EC1V 2NX.

Water & Sanitation for the Urban Poor (registered company no. 05419428) is the sole member of the WSUP Charity, and is the ultimate parent undertaking. Its registered address is 124 City Road, London EC1V 2NX.

THE WSUP CHARITY

Notes to the Financial Statements for the year ended 31 March 2022 (continued)

9. Statement of funds

Year ended 31 March 2022

| | Brought forward £ | Income £ | Expenditure £ | Transfers in/(out) £ | Carried forward £ |
|--|----------------------|------------------|--------------------|-------------------------|----------------------|
| Unrestricted funds | | | | | |
| General funds | 4,451 | 5,382 | (1,805) | - | 8,028 |
| Restricted funds | | | | | |
| WASH transformation and organisational development | 4,338 | 2,060,979 | (2,053,812) | - | 11,505 |
| TOTAL FUNDS | 8,789 | 2,066,361 | (2,055,617) | - | 19,533 |

Year ended 31 March 2021

| | Brought forward £ | Income £ | Expenditure £ | Transfers in/(out) £ | Carried forward £ |
|---------------------------|----------------------|------------------|--------------------|-------------------------|----------------------|
| Unrestricted funds | | | | | |
| General funds | 908 | 361 | (81) | 3,263 | 4,451 |
| Restricted funds | | | | | |
| WASH transformation | 12,014 | 1,304,486 | (1,308,899) | (3,263) | 4,338 |
| TOTAL FUNDS | 12,922 | 1,304,847 | (1,308,980) | - | 8,789 |

WASH transformation expenditure supports WSUP's programme in Mozambique, and strengthens WSUP's organisational development.

10. Analysis of net assets by fund

| | Restricted funds 2022 £ | Unrestricted funds 2022 £ | Total Funds 2022 £ | Total funds 2021 £ |
|---------------|-------------------------------|---------------------------------|-----------------------------------|--------------------------|
| Cash and bank | 14,563 | 9,512 | 24,075 | 696,500 |
| Creditors | (3,058) | (1,484) | (4,542) | (687,711) |
| | 11,505 | 8,028 | 19,533 | 8,789 |

THE WSUP CHARITY

Notes to the Financial Statements for the year ended 31 March 2022 (continued)

11. Net cash provided by operating activities

| | 2022 £ | 2021 £ |
|--|------------------|----------------|
| Net income for the year (as per Statement of financial activities) | 10,744 | (4,133) |
| Adjustment for: | | |
| Increase in debtors | - | - |
| (Decrease)/Increase in creditors | (683,169) | 686,992 |
| Net cash provided by operating activities | (672,425) | 682,859 |

12. Analysis of cash and cash equivalents

| | 2022 £ | 2021 £ |
|--------------|---------------|----------------|
| Cash at bank | 24,075 | 696,500 |
| Total | 24,075 | 696,500 |

13. Analysis of changes in net cash

| | At 1 April 2021 £ | Cashflows £ | At 31 March 2022 £ |
|--------------|----------------------------|------------------|--------------------------|
| Cash at bank | 696,500 | (672,425) | 24,075 |
| Total | 696,500 | (672,425) | 24,075 |