

WATERWAYS CHAPLAINCY

TRUSTEE'S REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

Waterways Chaplaincy
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Year ended 31 March 2025

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Waterways Chaplaincy
Reference and Administrative Details
Year ended 31 March 2025

Trustee	The Church Army
Charity registered number	1200492
Principal office	C/O Church Army Wilson Carlile Centre 50 Cavendish Street Sheffield S3 7RZ
Independent auditor	Hawsons Chartered Accountants Statutory Auditor Pegasus House 463a Glossop Road Sheffield S10 2QD

Waterways Chaplaincy

Trustee's Report

Year ended 31 March 2025

The trustee presents its annual report together with the audited financial statements of the charity for the year ended 31 March 2025.

Objects

The objects of the charity are:

To advance the Christian faith with the aim of bringing people to a personal faith in Jesus Christ by:

1. Providing trained evangelists and lay agents (including, but not limited to, Chaplains) to assist the advancement of the Christian religion, and
2. Relieving poverty and distress, including by (but not limited to) providing pastoral care and support, particularly among people living or travelling on or around canals and waterways across the UK

Main activities undertaken to further the charity's purposes for the public benefit

Our Waterways Chaplains proactively reach out to people in need on our rivers and canals.

We support the increasing number of boaters who are 'signposted to us' by a variety of sources. These include the Canal and River Trust Welfare Officers, Licensing Officers, Community Roots workers, the Environment Agency's Navigation Officers, marina owners, health care professionals, police, and many others.

Our main source of contacts, though, still comes from the 'accidental' conversations that occur as the Waterways Chaplains go about their work. All of this work relieves poverty and distress, demonstrates our Christian faith, and highlights how simple acts of kindness can go a long way to advance the Christian religion.

Rather like Street Pastors, Waterways Chaplains are there to serve those they come across. We build and maintain relationships and often help to sort out more involved issues with the boater, such as poverty or health & benefits problems. On occasion this leads to a clear transformation in people's lives, but very often we do not know exactly how we have helped. Faith conversations are often brought up by those we help (see below) and we are ready to respond to their questions; our evangelism is oblique, rarely the purpose of our conversations but regularly the outcome.

Waterways Chaplains walk the waterways within a certain geographical patch near them, or they 'lurk' in marinas or waterside cafes. As trained volunteers, they come from different ecumenical and work backgrounds but are all very connected into their local communities. This local knowledge helps them 'come alongside' people in need with practical help.

The Chaplains offer:

- **Listening:** listening & confidential ear.
- **Signposting:** signpost those in difficulty to local support services e.g. foodbanks.
- **Advocates:** act as advocates when a boater needs someone to unravel issues e.g. difficulties with paying licences, support with bereavement.
- **Emergencies:** take boaters to access emergency medical support e.g. Doctor or hospital, housing.
- **Practical:** help e.g. washing and drying laundry for boaters, helping out after a (rare) boat sinking.
- **Spiritual support:** When asked, Chaplains are willing to pray for and with people and talk about faith.

All the support provided is free of charge.

Waterways Chaplaincy

Trustee's Report

Year ended 31 March 2025

Review of activities

It has been another great year for the chaplaincy, with a more stable staff structure and a solidifying of background administration. The second half of the year was impacted by the news that the Church Army (our trustee) was about to undergo significant restructuring. The good news is that this restructuring has had little impact on the work of the frontline chaplains.

On 31st March 2025 we had:

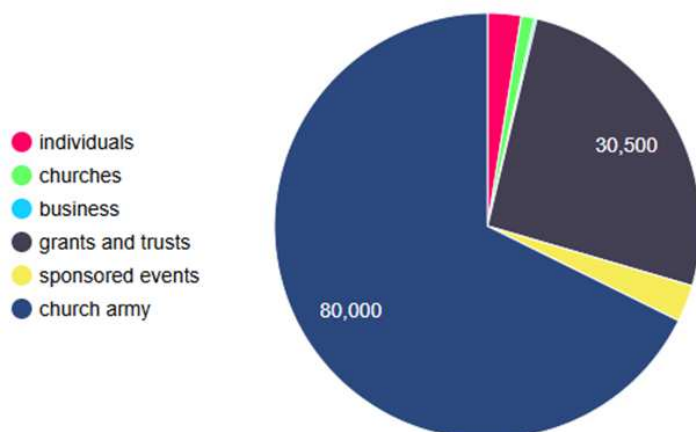
- 101 active waterways chaplains
- 12 supporter churches
- 1 supporter business
- 16 active waterways supporters - this group includes a number of retired chaplains who are keen to continue a relationship with the chaplaincy but can no longer fulfill the needed obligations.

We expect all four of these groups to grow in the coming year.

All of this has allowed us to have around 3,500 meaningful conversations with approximately 3,500 boaters and towpath users. The Waterways chaplaincy has given over 5,000 hours of volunteer time and collectively walked over 5,000 miles of canal side towpath!

The chaplains are arranged into 12 Hubs: Central, East Anglia, Kennet & Avon, London, North Midlands, Northwest, Severn & Avon, West Midlands, Southeast, Staffordshire, Surrey & Hants and Peaks & Derbyshire. We currently have three paid staff: a National Lead Chaplain and a Senior Chaplain for the North and a Senior Chaplain for the South. They work part time.

Funding the work of the chaplaincy continues to need careful consideration, and we are deeply indebted to the Church Army for their support. While we continued to receive some major grant funding, our chaplains and supporters have increasingly risen to own the funding challenge themselves.



Knowing that people often value what they give to, we recognise that the financial pressure on the chaplaincy is having a very positive effect in that every chaplain now owns the future of the chaplaincy and recognises the part they are playing.

The WWC was part of the Church Army's work that Premier Christian Radio featured throughout the year. We have also been featured on Poppyland Radio, in a variety of Diocesan newsletters and denominational articles, and podcasts.

Kim and Paul Hutchinson, Lorriane Newman and Charlie Bushel will also feature on the Ch. 4, Narrow Escapes program that will be aired in the coming months.

Waterways Chaplaincy

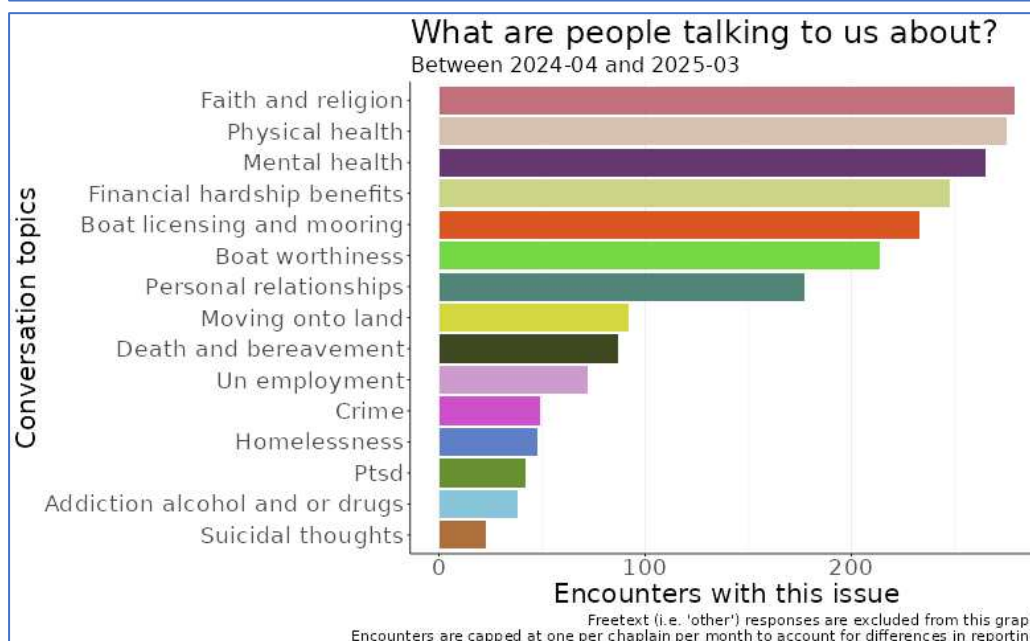
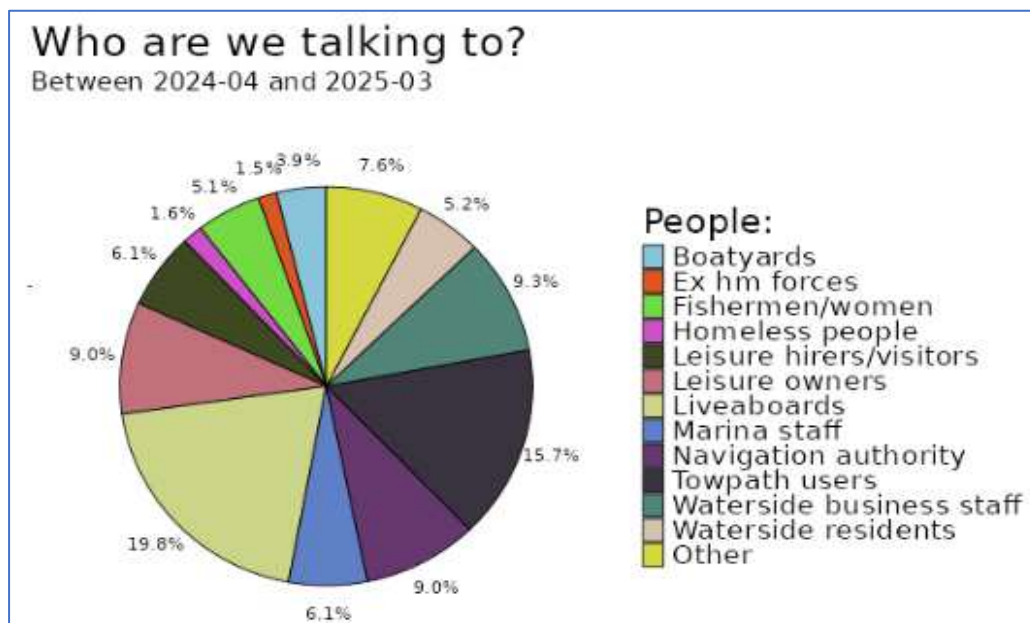
Trustee's Report

Year ended 31 March 2025

Who Waterways Chaplains work with and the issues they face

Poverty and mental health have been among the key issues reported with other things ranging from boating matters to relationships, employment, and homelessness. Matters of faith and spirituality often come up in conversations as people are often struggling with what seemed to them hopeless situations. We have been involved in funerals for boaters and their families as part of that support, which has been important for the boating community and raises our profile around the waterways. The underpinning principle of this unique chaplaincy is to provide independent and confidential holistic support, which is encouraging and ensures that people feel listened to. Among our volunteers are a mix of retired teachers, GPs, clergy, professionals, and others who are still working but find volunteering a wonderful way to 'give back.'

It is very clear that while many people on and around the waterways are having a great time... a great number of people are not. The Waterways Chaplaincy works with both groups and is beginning to act as a bridge between the two.



Waterways Chaplaincy

Trustee's Report

Year ended 31 March 2025

The above graphs give some quantitative details about the work that the chaplaincy is doing. The split is similar to previous years, but we have noted a slight increase in 'boat worthiness.' We have just started collecting the data in this way, but over the years to come we expect the analysis of trends to become an important part of our work.

Along with the quantitative data, we collect much qualitative data too. This is published monthly in our e-newsletters that go out to over 300 subscribers. Here are some short snippets.

A sad story from the Norfolk Broads hub by hub lead Mike:

'Very soon a request came from the Broads Authority to assist a boater (BX) whose ropes had been cut due to his 'history' having been discovered. He had been towed, he had no power, to a remote mooring for his own safety. Over the next two and a half years support was provided for BX until Mike very sadly found him dead in the bottom of his boat about a year ago. Shopping, hospital appointments, visits, doctors' appointments, electricity cards, outboard motor delivery for repairs. So much support given and it seems the way this was handled endeared WWC to the Broads Authority and an excellent relationship has developed and Mike gets invited to the Broads Beat Partnership online forum. At that meeting those needing help are identified to the WWC, if the information has not already been passed on. The whole area is covered. Even when BX was found we were able to assist the authorities with his personal information, support and visit his mum and set funeral arrangements in process. She allowed us to have the ashes and with BX's friends scatter them near where he died. Photos were sent to BX's mum, and Mike painted a watercolour of the Broad where the ashes were scattered.'

Some reflections on Matthew 6 and The Beatitudes from Lorriane at the South East hub

For I was hungry and you gave me something to eat

'In the last year our region alone has **delivered over 135 food parcels** to hungry boaters and homeless people. On one occasion chaplains supported a boater who couldn't get to the shops anymore due to ill health and they regularly shopped for small items for him, petrol for generator, TV magazine, and bread and milk mostly, as he got the bigger things delivered by the shop and the fuel boat. They also fetched his medicines and one day, as they gave date of birth to pharmacist, they realised that it was his birthday. They got a birthday card, some special foods & snacks and some chocolates. He was very shy and surprised they knew it was his birthday.'

Pip writes a great story from the Kennet & Avon hub:

'Not everyone wished to join the crowd singing carols on the Kennet and Avon towpath at Hungerford last Christmas. One boater said he was content to lie in his bunk and just listen. A crowd of about thirty people, including a live-aboard couple from France, gathered to sing the old words to the well-loved melodies. They were led by boater Steve on his guitar and fortified by delicious mince pies made by another waterways neighbour.

The towpath runs alongside the spacious grounds of the parish church of St. Lawrence, and the curate said it was a happy opportunity to take the church's ministry out to the local boaters instead of expecting them to come into church.

The boater who was moored in front of us didn't come out of his boat, but the following morning told us how much he had enjoyed the singing. Another boater made some of the best mince pies we have ever tasted. Marcia, our curate, said it was one of the best evenings of the year, **because we took church out to the people!!** Great night!'

These three snippets point to the depth and quality of the work that the Waterways Chaplains do everyday.

Waterways Chaplaincy
Trustee's Report
Year ended 31 March 2025

Plans for 2025-26

As we moved into April 2025 the key objectives for the coming year were:

1. Continuing to grow the quality and number of chaplains and the geographical spread of the chaplaincy. This will be done through ongoing training and by increasing the expectations in the recruitment process.
2. Working with the Church Army in their training of evangelists by offering contextual placements alongside our chaplains.
3. Increasing the resilience of the financial and prayer support for the chaplaincy, by targeting waterside churches and growing the supporter network.
4. Build relationships with the waterways core industry of boatbuilders, financiers and marinas. This will help us offer care to those areas and will also be a source of funding.

However, in September 2025 the Church Army Board announced that after more than 3 years as part of the Church Army family, the Waterways Chaplaincy will be taking steps towards a new future outside of Church Army's governance. This change comes as part of the refocusing of Church Army's work on training and equipping evangelists, and the strategic decision to simplify and re-size its work.

This has added several overarching priority objectives for the second half of the year:

- to develop a plan for the future governance of Waterways Chaplaincy
- agree a financial support package with Church Army
- agree a timeline and implementation plan for the governance change.

To ensure this transition is as smooth as possible and to secure a strong future, Waterways Chaplaincy has established an interim transition group (ITG) to determine the next steps. This group is being led by the National Lead Chaplain and will be considering the best approach for the future, either within another charity or with a new board to replace Church Army as the sole trustee. The ITG will present its recommendations to the Church Army Board in November 2025.

Chris Upton, National Lead Chaplain

Waterways Chaplaincy

Trustee's Report

Year ended 31 March 2025

Governance

Church Army provides Waterways the organisational support of HR, payroll, volunteering, policy, financial processing, line management and leadership, with oversight of the work undertaken through a Project Board. Church Army is the sole trustee of Waterways Chaplaincy. It carries all legal and financial responsibilities in respect of Waterways Chaplaincy. The Waterways Project Board has delegated authority from Church Army to oversee the activities of the Waterways Chaplaincy.

In the past 12 months we have increased the chaplaincy's representation on the project board by inviting two senior chaplains to join. Babs Davis is an experienced boater and former Northern regional lead, and David Green is new to the WWC but come with a wealth of experience in mental health and wellbeing.

The project board met quarterly throughout this year, and its membership comprised:

- Director of Mission Operations, (Chair)
- Company Secretary of Church Army
- National Lead Chaplain for Waterways
- Tony Charles – former trustee of EPI Ltd t/a Workplace Matters
- Mission Development Officer, (South and East)
- Two senior Waterways Chaplains

The Waterways Chaplaincy Project Board oversees the strategic direction, legal and financial responsibility and the support for the National Lead Chaplain and the team.

As a project board we are hugely indebted for the hours that our network of chaplains provides for Waterways and our communities. For the many hours walking, listening, supporting, and caring they are valued and appreciated.

The work of Waterways Chaplaincy is needed more than ever within this country. We recognise the immense need that our licensed chaplains are addressing along our waterways of England and Wales. The stories of impact included in this report illustrate the complexity of needs that the Waterways Licensed Chaplains are picking up.

**Emma Sivyler, Mission Development Officer for Church Army
with special oversight for Waterways Chaplaincy**

Financial review

a) Review of period

Income from donations and grants increased to £132k (2024: £103k) as we recognised the full value of 2 new multi-year grants and recognised the remaining 9 months of an existing multi-year grant, changing the approach taken in previous years on the instruction of our new auditor. Part of each of these grants is intended to provide funding for our work in future years and if this element of the income was removed then the amount attributable to activities in 2024-25 would have been £72k and this would have resulted in a deficit of £38k for the year, rather than the £22k surplus shown. The difference of 49k is shown as a debtor in the accounts.

Expenditure of £110k led to a surplus of £22k for the year (2024: £1k deficit)

Total funds carried forward of £44k represents just under 5 months of operating costs which implies we are close to our reserves target of 6 months expenses, but as highlighted above £49k of these funds will be spent in 2025-26 as intended by the grant funders, so the charity effectively has negative free reserves. The intention is to build reserves of 6 months of operating expenses over the coming years.

Waterways Chaplaincy

Trustee's Report

Year ended 31 March 2025

Waterways Chaplaincy therefore continues to rely on the ongoing support of the parent charity Church Army as detailed in the Going Concern statement below. The Project Board is immensely thankful for this ongoing support while work continues to source ongoing grant funders and increase donation and fundraised income to move Waterways to financial sustainability and build back its reserves position over the coming years.

b) Budget for 2025-26

The Project Board has agreed a balanced budget that includes a target for increased donations from individuals, churches, and other supporters in addition to the target for grants from trust funders. At the time of signing these accounts progress has already been made in attracting grants from new funders; several of these are multi-year grants, providing a helpful foundation for the journey to financial sustainability over the coming years.

c) Going concern

The Board recognises there remains a journey ahead to move to financial sustainability and continues its work to grow multi-year grant income while also developing income streams from the boating industry and marinas alongside growing financial support from waterside churches and individuals.

The support of Church Army over the last 3 years has been invaluable and the decision by the Board of Church Army in September 2025 that Waterways Chaplaincy should find a new home outside of the Church Army family has been coupled with an offer of financial support to enable this transition. While the details of this financial support have not yet been finalised, the Project Board has sought and received a letter of comfort from the Board of Church Army – an extract from this reads:

'The Board of Church Army remains committed to the work of the Waterways Chaplaincy of which Church Army is the sole Trustee. Having made the decision that the future of the Waterways Chaplaincy should be outside of the Church Army family we are committed to supporting this transition and providing funding at a level to be agreed to support the journey to financial sustainability over a 2-year period.'

For audit purposes to confirm that Waterways Chaplaincy is a Going Concern we explicitly confirm that Church Army will provide sufficient funds to enable the Waterways Chaplaincy to continue for at least the next 12 months from the date of approval of these accounts.'

The Project Board takes comfort from this express commitment of ongoing support from Church Army in making its Going Concern statement.

d) Reserves policy

Following the move of Waterways Chaplaincy activities into a new charity on 1 January 2023, with Church Army as the sole Trustee, the aim is to work towards holding free reserves equivalent to 6 months operating expenses over the next 4 years.

Key Risks

The Project Board maintains a Risk Register and highlights key risks to the Trustee – the current key risks and mitigations are as follows:

Key risk	Mitigations
Failure to attract new grant funding and donation income results in operating losses	<ul style="list-style-type: none">• Targeted programme of Grant applications being implemented• Wider fundraising strategy being developed to obtain support from different stakeholders in the canals and waterways• Commitment from Church Army the sole Trustee to provide financial support to sustain Waterways Chaplaincy while sustainable ongoing funding is put in place

Waterways Chaplaincy
Trustee's Report
Year ended 31 March 2025

Loss of key staff due to insecurity of funding	<ul style="list-style-type: none"> • Church Army has agreed to support the ongoing work of Waterways while it identifies and secures sustainable funding • We will work with the Chaplains to help strengthen their stakeholder relationships.
Level of voluntary income including trust income continues to decline in real terms impacting risk appetite to grow the work	<ul style="list-style-type: none"> • We continue to evaluate the work which enables us to offer more evidenced based applications strengthening the opportunities • We will seek to build longer term relationship with the trusts we currently work with • We are developing a strategy to engage churches local to waterways to try and secure new funding from that source • We are seeking to increase the number of individual donors
Reputational risk through failure to protect the vulnerable and marginalised	<ul style="list-style-type: none"> • Disclosure and Barring Service (DBS), Safeguarding training screening to reduce risk. • Policies and procedures exist in the chaplaincy to establish good practice. • All staff and volunteers working with vulnerable adults or children have regular safeguarding training updated at least every three years • Continued vigilance and addressing of issues as they arise. • Any allegations handled in line with our policy • We are supported by 31:8 for advice and help when things go wrong

Structure, governance and management

a) Constitution

Waterways Chaplaincy is a registered charity, number 1200492, and is constituted under a Trust deed.

Church Army is the sole trustee of Waterways Chaplaincy. It carries all legal and financial responsibilities in respect of Waterways Chaplaincy. The Church Army Board acts on Church Army's behalf as trustee and sets the framework.

As well, as being sole trustee, Church Army provides certain services to Waterways Chaplaincy, including executive leadership, accounting, payroll and other HR & Volunteering support services, policies, and other support services.

b) Project Board

The Church Army Board has created the Waterways Chaplaincy Project Board ('Project Board') as a sub-committee of the Church Army Board and has delegated to it non-executive responsibility for overseeing the management, operation and development of the Waterways Chaplaincy within agreed parameters.

A report from the Project Board together, with the minutes of each of its meetings, are considered at each quarterly meeting of the Church Army Board of Trustees

During the year the Church Army Director of Operations had executive responsibility for all aspects of the management and operation of the Waterways Chaplaincy and reported Waterways Chaplaincy activities through his executive reporting line into the Church Army Management Group. Towards the end of the year this responsibility passed to Emma Sivyier, a Regional Development Officer with special responsibility for Waterways after Emma's departure from Church Army in the summer of 2025 this passed to Robin Webb, Director of Finance & Support Services and Company Secretary, who also took over as Chair of the Project Board.

Waterways Chaplaincy

Trustee's Report

Year ended 31 March 2025

The Project Board and the Waterways Chaplaincy Lead are keen to work with churches from different denominations, the local community, staff, service users and other key stakeholders, and to benefit from their insights.

The Project Board has freedom to act as it sees fit in implementing the decisions of the Church Army Board and in overseeing the management, operation and development of the Waterways Chaplaincy within the following parameters:

- The Project Board is to lead and set strategy, vision and direction of the Project whilst managing the finances of the Project in line with the agreed budget.
- The Project Board is responsible for the appointment of the Waterways Chaplaincy Lead and will select appropriate member(s) to be involved in any recruitment process - through that person holds the Project Management Team accountable for the Project.
- The Project Board is to report annually to the Church Army Board in September, reviewing both developments over the past year and its plans for the following year, including proposals on strategic direction for the Waterways Chaplaincy for approval or amendment by the Church Army Board. The Project Board may refer urgent matters to the Church Army Board or Finance Committee at other times of year.
- The Project Board is to work within the policies and procedures of Church Army with regard to personnel, health and safety, finance, property, insurance and legal compliance except as agreed with the relevant Church Army managers.
- The Project Board is a non-executive Board and does not therefore get involved in the day-to-day running of the project.

The role of the Church Army Board

The Church Army Board reserves to itself the following powers and responsibilities:

- To approve and amend as appropriate the overall strategic direction for Waterways Chaplaincy
- To appoint and remove members of the Project Board
- To approve the annual financial statements of Waterways Chaplaincy
- To approve the annual budget of Waterways Chaplaincy, including capital expenditure
- To set and amend as appropriate the governance framework for Waterways Chaplaincy
- To receive the minutes of meetings of the Project Board
- To advise the Project Board and to respond to questions raised by the Project Board

c) Methods of appointment or election of Trustee

The management of the charity is the responsibility of the Trustee who are elected and co-opted under the terms of the Trust deed.

Waterways Chaplaincy
Trustee's Report
Year ended 31 March 2025

Statement of Trustee's responsibilities

The Trustee is responsible for preparing the Trustee's report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the Trustee to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the charity and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustee is required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustee is 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 Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust deed. 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.

Disclosure of information to auditor

The Trustee at the time when this Trustee's report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditor is unaware, and
- the Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

Auditor

Following a tender process Church Army appointed Hawsons Chartered Accountants as its new auditors for all the charities in the Church Army group for the March 2025 audit.

Approved by order of the Trustee and signed on their behalf by:



John Whitfield

For and on behalf of the Trustee

Date: 24/11/2025

Waterways Chaplaincy
Independent Auditor's Report
Year ended 31 March 2025

Opinion

We have audited the financial statements of Waterways Chaplaincy (the 'charity') for the year ended 31 March 2025, which comprise the statement of financial activities, the balance sheet and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2025, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor responsibilities for the audit of the financial statements section of our report. We are independent of the charity 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 trustee's 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 charity'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 trustee with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the trustee's report, other than the financial statements and our auditor's report thereon. The trustee is responsible for the other information. 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 course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the 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.

Waterways Chaplaincy

Independent Auditor's Report

Year ended 31 March 2025

Matters on which we are required to report by exception

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

- the information given in the trustee's report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the charity's financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of the trustee

As explained more fully in the trustee's responsibilities statement on page 11, the trustee is 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 trustee determines 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 trustee is responsible for assessing the charity'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 trustee either intends to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

The charity is subject to laws and regulations that directly and indirectly affect the financial statements. Based on our understanding of the charity and the environment it operates in, we determined the laws and regulations which were most significant included FRS 102 and the Charities Act 2011. We considered the extent to which non-compliance with these laws and regulations might have a material effect on the financial statements, including how fraud might occur. 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 to improve the charity's result for the period and management bias in key accounting estimates.

Waterways Chaplaincy
Independent Auditor's Report
Year ended 31 March 2025

Audit procedures performed by the engagement team included:

- Discussions with management and those responsible for legal compliance procedures within the charity to obtain an understanding of the legal and regulatory framework applicable to the charity and how the charity complies with that framework, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud
- Reviewing minutes of trustee meetings
- Identifying and assessing the design effectiveness of controls that management has in place to prevent and detect fraud and non-compliance with laws and regulations
- Challenging assumptions and judgements made by management in their significant accounting estimates
- Identifying and testing journal entries, in particular journal entries posted with unusual account combinations or posted by senior management

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/library/standards-codes-policy/audit-assurance-and-ethics/auditors-responsibilities-for-the-audit> This description forms part of the auditor's report.

Use of our report

This report is made solely to the charity's trustee, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our work has been undertaken so that we might state to the trustees those matters which we are required to state to trustees 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 charity and its trustees as a body for our audit work, for this report, or for the opinions we have formed.

Hawsons

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Hawsons Chartered Accountants

Statutory Auditor
Pegasus House
463A Glossop Road
Sheffield
S10 2QD

Date: 08/12/2025

Hawsons is eligible to act as an auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

Waterways Chaplaincy
Statement of Financial Activities
Year ended 31 March 2025

			As restated
	Note	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Income from:			
Donations and legacies	2	131,285	103,213
Total income		131,285	103,213
Expenditure on:			
Charitable activities		(109,763)	(104,426)
Total expenditure		(109,763)	(104,426)
Net movement in funds		21,522	(1,213)
Reconciliation of funds:			
Total funds brought forward		22,669	23,882
Net movement in funds		21,522	(1,213)
Total funds carried forward		44,191	22,669

The Statement of Financial Activities includes all gains and losses recognised in the period. All income and expenditure derive from continuing activities.

Waterways Chaplaincy
Balance Sheet
As at 31 March 2025

		2025 £	2024 £
	Note		
Current assets			
Debtors	6	48,966	51,730
Creditors: amounts falling due within one year	7	(4,775)	(29,061)
Net current assets		44,191	22,669
Total net assets		44,191	22,669
Charity funds			
Unrestricted funds	9	44,191	22,669
Total funds		44,191	22,669

The financial statements were approved and authorised for issue by the trustee and signed on their behalf by:



Matt Barlow

For and on behalf of the trustee

Date: 24/11/2025



John Whitfield

For and on behalf of the trustee

The notes on pages 17 to 21 form part of these financial statements

Waterways Chaplaincy
Notes to the Accounts
Year ended 31 March 2025

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

Waterways Chaplaincy meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy. The financial statements are prepared in sterling, which is the functional currency of the charity and rounded to the nearest £1.

1.2 Going concern

Due to support pledged from the trustee, the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

1.3 Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the charity's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

1.5 Debtors

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

Waterways Chaplaincy
Notes to the Accounts
Year ended 31 March 2025

1. Accounting policies (continued)

1.6 Liabilities and provisions

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

1.7 Financial instruments

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

1.8 Fund accounting

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

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

2. Income from donations and legacies

	Unrestricted funds 2025 £	As restated Unrestricted funds 2024 £
Grant and trust income	118,095	51,416
Donations	13,090	51,797
Legacies	100	-
	131,285	103,213

Waterways Chaplaincy
Notes to the Accounts
Year ended 31 March 2025

3. Auditor's remuneration

	2025	2024
	£	£
Fees payable to the charity's auditor for the audit of the charity's annual accounts	4,775	5,730

4. Staff costs

	2025	2024
	£	£
Staff costs recharged comprised:		
Wages and salaries	77,445	70,060
Social security costs	6,922	5,013
Contribution to defined contribution pension schemes	2,936	2,680
	87,303	77,753

Staff costs are recharged from the parent charitable company, The Church Army, for the staff of Waterways Chaplaincy.

No staff member received remuneration amounting to more than £60,000 in the period.

5. Trustee's remuneration and expenses

During the year, the trustee did not receive any remuneration, expenses or other benefits (2024: nil).

6. Debtors

	2025	2024
	£	£
Amounts owed by group undertakings	10,564	48,328
Prepayments and accrued income	38,402	3,402
	48,966	51,730

7. Creditors: amounts falling due within one year

	2025	2024
	£	£
Accruals and deferred income	4,775	29,061

Waterways Chaplaincy
Notes to the Accounts
Year ended 31 March 2025

8. Deferred income

	2025	2024
	£	£
Opening deferred income	24,286	43,666
Resources deferred during the year	-	24,286
Amounts released from previous years	(24,286)	(43,666)
Closing deferred income	<u>-</u>	<u>24,286</u>

Deferred income relates to grant income received in advance.

9. Statement of funds

Statement of funds - current year

	Balance at 1 April 2024 £	Income £	Expenditure £	Balance at 31 March 2025 £
<i>Unrestricted funds</i>				
General funds	22,669	131,285	(109,763)	44,191

Statement of funds – prior period

	Balance at 1 April 2023 £	As restated Income £	As restated Expenditure £	Balance at 31 March 2024 £
<i>Unrestricted funds</i>				
General funds	23,882	103,213	(104,426)	22,669

The 2024 income and expenditure figures have been restated following the reclassification of certain items of income and expenditure from restricted to unrestricted funds.

Waterways Chaplaincy
Notes to the Accounts
Year ended 31 March 2025

10. Related party transactions

The sole trustee and parent charitable company is Church Army. A balance of £10,564 (2024: £48,328) is held within debtors owed by Church Army as at the year end.

As well as being sole trustee, Church Army provides certain services to Waterways Chaplaincy, including executive leadership, accounting, payroll and other HR services, policies, and other support services. No charges are made for these services.

There were no other related party transactions.

11. Controlling party

The ultimate controlling party is the sole trustee, Church Army, a charitable company limited by guarantee under company number 00037169 and registered charity number 226226.